

AGENDA

Call to Order

Roll Call

Review of Agenda

Public Input

Individuals wishing to participate in Public Invited to be Heard (non-agenda item) are requested to indicate a desire to participate in the Zoom chatbox. When you are recognized: unmute, state your name and address, and then speak to the Board of Trustees. Individuals wishing to speak during the Public Invited to be Heard or during Public Hearing proceedings are encouraged to be prepared, and individuals will be limited to three (3) minutes.

Director's Report - Ann Kling, Director

- Communication
- Monthly Statistics

Personnel Report - Rochelle Brotsky

Treasurer's Report - Ron Dunworth

Friends & Foundation Report - Rochelle Brotsky

Reports of the Liaisons

Reports of the Board Members

Old Business

- Approve Minutes of the January 27, 2022 meeting (Action)

New Business

- Resolution 22-04 Authorizing A Lease-Purchase Financing For The Purpose Of Financing Costs Related To The Acquisition Of Land And Construction Of A New District Library Facility In Severance, Colorado; Approving A Site Lease, A Lease Purchase Agreement, All Related Real Estate Documentation And Any Additional Transaction Documents Needed To Complete The Financing And Providing Parameters In Connection With The Financing.

- Approval of Application for a State of Colorado Department of Local Affairs Energy/Mineral Impact Assistance Fund Grant (EIAF) - Ann Kling, Library Director (Action)
- Director's Draft Goals - 2022 - Ann Kling, Library Director (Potential Action)

Executive Session

An Executive Session Pursuant to C.R.S §24-6-402(4)(f), for the purpose of Personnel Matters, the Annual Performance Review of the Library Director, and the Director's Contract.

Upcoming Agenda

Adjourn

Upcoming Meetings

- Board of Trustees Regular Meeting, March 31, 2022, 5:30 p.m. – Location

The Clearview Library District will make reasonable accommodations for access to library services, programs, and activities and will make special communication arrangements for persons with disabilities. Please call 970-686-5603 by noon on the business day prior to the meeting to make arrangements.



DIRECTOR'S REPORT - January 2022

Districtwide Update - Director Ann Kling

Highlights

- On Tuesday, Jan. 18, the library district purchased the property next to Town Hall in Severance as a site to build a branch library.
- Piper Sandler released an RFP for lease financing for the Severance building project. Bank of the San Juans, a division of Glacier Bank, responded with a proposal offering an interest rate of 2.09%.
- The library district received 3000 KN95 masks for distribution to the public. Seven hundred masks were distributed within the first 2 hours the library was open. Over 7,000 masks have been distributed to date.

Opportunities

- The library district purchased a new 2021 Dodge Promaster van which will be used as a courier van when the Ash St. building is remodeled this summer. The van will also be used to move files, books, and items to Ash St. prior to the staff move.

Challenges

- The building committee continues to meet. The escalating cost of building materials poses a challenge in containing project costs.
- COVID positivity rates were extremely high for the 80550 zip code. In order to continue in library programming for teens and adults, masks were required at all programs and in our PAWS program for children.

Personnel

- Full-time staff met and interviewed Communications Specialist Candidate Christine Henschler. Christine accepted the offer to become Clearview Library District's Communications Specialist. Her start date is Feb. 14.
- Preliminary interviews for IT/Tech Services Manager were held via Zoom. In-person interviews were scheduled for early February.
- Trish Parsons was hired as the Children and Family Services Librarian. Her start date is Feb. 7.
- Nancy Milliken will be transitioning roles from the Children and Family Services librarian to the Early Literacy Librarian.
- Business Librarian, Kelly Hall, resigned to spend more time with family.
- The library was closed until 11 am for an in-person all-staff meeting on Friday, Feb. 4. A guest speaker from North Range Behavioral Health led the staff through a Question, Persuade, Refer (QPR) Gatekeeper Training, a research-supported approach to preventing suicide. This certification training teaches participants to recognize warning signs and respond when a person is experiencing a mental health crisis or suicidal thoughts.

Board of Trustees Meeting Highlights - Month Year

- Officers were appointed
 - Kendra Adams, President
 - Rochelle Brotsky, Vice-President
 - Ron Dunworth, Treasurer
 - Jeromey Balderrama, Secretary
 - The Board voted to accept the proposal of Bank of the San Juans for lease financing for a branch in Severance.
 - The Board voted to give the director authority to sign the purchase documents for a new 2021 Dodge Promaster Van to serve as a courier van for the library district.
-

Public Services Update - Public Services Manager Casey Lansinger-Pierce

Highlights

- Programs are performing well across all age groups and in both virtual and in-person offerings. We are consistently filling program registration, with most programs requiring waitlists. When we have the resources to do so, we can add patrons from the waitlist into the program.
- In January, our previous Children and Family Services Librarian, Nancy Milliken, was offered the Early Literacy Librarian position. Thus we opened the Children and Family Services Librarian position and offered the job to Trisha Parsons. Previously, Trisha worked with Clearview Library District from 2018-2020 as a Children's Services Assistant. We are overjoyed to have her back on our team and to have a fuller staff.

Opportunities

- The public services team is excited to start hosting more in-person programs for ages 6+ beginning April 1. We are busy planning and scheduling spring and summer programs and are eager to welcome more patrons into our in-person programs. We are still keeping an eye on a return to in-person programming for patrons ages 0-5 (vaccine eligibility is one of the main factors of our decision-making with a return to in-person programming). Still, we are eager to program outdoors for this age group this summer.

Challenges

- Business Resource Librarian Kelly Hall stepped down in January to spend more time with her family. Kelly was a tremendous asset to the library district and will be missed dearly among staff. Jennifer Bradley, Ann Kling, and Casey Lansinger-Pierce sat down to discuss the position moving forward. We have determined that we will hold off on hiring for this position for the time being; however, we will reassess in 6 months. Adult Services Assistant Jennifer King plans to continue Kelly's successful and popular podcast, Clearview on Business.
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IT & Technical Services Update

Highlights

- Our growing and popular collection of video games outgrew our 2 Game Cubes. As a result, a third cub was purchased and rearranged shelving to accommodate it. Games were re-distributed across all 3 Cubes. IT Assistants, Maintenance, Customer Service Staff, and the Technical Services Supervisor were all involved in this time-consuming but necessary process.
- IT Staff answered 111 Ask a Geek questions from our patrons in January. Patron Sue B. had this to say about IT Assistant Jesse Feavel - "I had a question about my computer this afternoon. IT geek Jesse helped me and did not make me feel that my questions were stupid. What a great experience! Thanks for hiring Jesse."

Opportunities

- The IT Assistants launched the *One on One With You* project, meeting with staff members to answer questions, organize technology in workspaces and upgrade, replace or repair equipment. The staff has taken advantage of this helpful opportunity.
- Interlibrary Loan statistics were added to a spreadsheet, making it possible to easily see how much each type of material is lent to other libraries. Books are the most popular by far, almost double the following most popular material type, DVDs.
- This falls into both the challenge and an opportunity category, VHS conversion station swapped to a Windows setup making it easier for patrons to use.

Challenges

- The end of year rollover of funds in EDI (Electronic Data Interchange) proved to be problematic. It was the first year of using the system, and some important pieces were not fully implemented. It was both a learning experience and an opportunity for staff to learn more about how to best use the system at our library district.
 - Replacing the old logo with the brand refresh logo was challenging. It took some digging and sleuthing through files as they have not needed updating in many years.
-

Patrons Served			
Metric	Change From Last Month	Change From This Month Last Year	Sparklines (data since Jan 2019)
Library 8,717	9.65%	294.79%	
Bookmobile 392	-60.32%	600.00%	
Outreach 0	-100.00%	No data	
Total Patrons 9,109	1.66%	302.34%	

Select a date to see that month's data. Cumulative data is shown until a date is selected.

Month ▾
Jan 2022
Dec 2021
Nov 2021
Oct 2021
Sep 2021
Aug 2021
Jul 2021
Jun 2021
May 2021
Apr 2021
Mar 2021
Feb 2021
Jan 2021
Dec 2020

Circulation			
Metric	Change From Last Month	Change From This Month Last Year	Sparklines (data since Jan 2019)
Physical Circs 28,206	-1.24%	64.60%	
Digital Circs 8,894	8.41%	-7.48%	
Database Usage 1,179	71.62%	-12.08%	

For more detailed information, please visit <https://clearviewlibrary.org/about-us/values-priorities/our-impact>



Programs			
Metric	Change From Last Month	Change From This Month Last Year	Sparklines (data since Jan 2019)
Program Attendees 696	17.17%	12.26%	N/A
Total Programs 62	44.19%	5.08%	
Waitlisted People 17	-10.53%	-56.41%	
Waitlisted Programs 10	25.00%	66.67%	

Select a date to see that month's data. Cumulative data is shown until a date is selected.

Month ▾
Jan 2022
Dec 2021
Nov 2021
Oct 2021
Sep 2021
Aug 2021
Jul 2021
Jun 2021
May 2021
Apr 2021
Mar 2021
Feb 2021
Jan 2021
Dec 2020

Cardholders			
Metric	Change From Last Month	Change From This Month Last Year	Sparklines (data since Jan 2019)
Active Cardholders 4,199	3.70%	26.40%	
New Cardholders 202	39.31%	66.94%	

Website Stats			
Metric	Change From Last Month	Change From This Month Last Year	Sparklines (data since Jan 2019)
Pageviews 19,008	33.15%	-9.49%	

For more detailed information, please visit <https://clearviewlibrary.org/about-us/values-priorities/our-impact>



Clearview Library District

Treasurer's Report(Draft not yet approved by the Board) For

1/31/2022

Current Assets

Checking/Savings/Cash

		12/31/2021		1/31/2022	Change +/-
1010 - Petty Cash	\$	140.65	\$	140.65	\$ -
1015 - Cash on Hand	\$	433.30	\$	433.30	\$ -
1033 - ColoTrust LT Bldg 8004	\$	3,350,697.71	\$	2,837,303.02	\$ (513,394.69)
1034 - Colo Trust Gen Fund Res 8005	\$	1,000,307.21	\$	1,000,369.67	\$ 62.46
1038 - Colo Trust Operating Fund 8003	\$	1,433,766.13	\$	1,206,651.40	\$ (227,114.73)
1040 - Colo Trust Capital Fund-8001	\$	1,129,474.00	\$	1,129,544.55	\$ 70.55
1053 - Bank of Colorado--Checking	\$	178,394.32	\$	245,697.41	\$ 67,303.09
Total Checking/Savings		7,093,213.32	\$	6,420,140.00	\$ (673,073.32)

December 2021 Close	\$	7,093,213.32
January 2022 Close	\$	6,420,140.00
Month To Month Change	\$	(673,073.32)

CLEARVIEW LIBRARY DISTRICT

Balance Sheet

As of January 31, 2022

02/18/22

	<u>Jan 31, 22</u>
ASSETS	
Current Assets	
Checking/Savings	
1010 · Petty Cash	140.65
1015 · Cash on Hand	433.30
1033 · ColoTrust LT Bldg 8004	2,837,303.02
1034 · Colo Trust Gen Fund Res 8005	1,000,369.67
1038 · Colo Trust Operating Fund 8003	1,206,651.40
1040 · Colo Trust Capital Fund-8001	1,129,544.55
1053 · Bank of Colorado--Checking	245,697.41
Total Checking/Savings	<u>6,420,140.00</u>
Accounts Receivable	
1200 · Accounts Receivable	527.66
Total Accounts Receivable	<u>527.66</u>
Other Current Assets	
1150 · Delinquent Property Tax	6,294.11
1151 · Current Prop. Taxes Rec.	4,850,856.00
1170 · Prepaid Expenses	35,751.01
Total Other Current Assets	<u>4,892,901.12</u>
Total Current Assets	<u>11,313,568.78</u>
Other Assets	
1250 · Land	1,037,824.00
1255 · Land Improvements	146,656.00
1260 · Building & Improvement	3,166,664.27
1270 · Furniture and Equipment Asset	854,924.37
Total Other Assets	<u>5,206,068.64</u>
TOTAL ASSETS	<u><u>16,519,637.42</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · *Accounts Payable	120,799.68
Total Accounts Payable	<u>120,799.68</u>
Credit Cards	
Pinnacle Bank - Casey 2011	760.00
Total Credit Cards	<u>760.00</u>
Other Current Liabilities	
2100 · Fed W/H. Taxes Payable	861.71
2101 · Payroll Liabilities	42.13
2110 · Pera Payable (Employee)	214.35
2111 · Pera Payable (Library)	-76.60
2112 · Employee Health Insurance Payab	1,429.52
2120 · Colorado W/H. Taxes Payable	-399.00
2200 · Deferred Revenue - Property	4,850,856.00
2210 · Deferred Revenue - Grant	-12,239.01
Total Other Current Liabilities	<u>4,840,689.10</u>
Total Current Liabilities	<u>4,962,248.78</u>
Long Term Liabilities	
2850 · Invest. in Gen. Fixed Assets	6,038,354.43
Total Long Term Liabilities	<u>6,038,354.43</u>
Total Liabilities	<u>11,000,603.21</u>

02/18/22

CLEARVIEW LIBRARY DISTRICT
Balance Sheet
As of January 31, 2022

	<u>Jan 31, 22</u>
Equity	
2860 · 2000 Fund Balance	2,289,503.00
2862 · TABOR Requirement	81,280.00
3900 · Retained Earnings	3,887,992.09
Net Income	<u>-739,740.88</u>
Total Equity	<u>5,519,034.21</u>
TOTAL LIABILITIES & EQUITY	<u><u>16,519,637.42</u></u>

CLEARVIEW LIBRARY DISTRICT
Balance Sheet Prev Year Comparison
As of January 31, 2022

	Jan 31, 22	Jan 31, 21	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
1010 · Petty Cash	140.65	149.05	-8.40	-5.6%
1015 · Cash on Hand	433.30	433.30	0.00	0.0%
1033 · ColoTrust LT Bldg 8004	2,837,303.02	2,565,107.80	272,195.22	10.6%
1034 · Colo Trust Gen Fund Res 8005	1,000,369.67	679,575.37	320,794.30	47.2%
1038 · Colo Trust Operating Fund 8003	1,206,651.40	1,624,176.10	-417,524.70	-25.7%
1040 · Colo Trust Capital Fund-8001	1,129,544.55	220,201.69	909,342.86	413.0%
1053 · Bank of Colorado--Checking	245,697.41	169,496.49	76,200.92	45.0%
Total Checking/Savings	6,420,140.00	5,259,139.80	1,161,000.20	22.1%
Accounts Receivable				
1200 · Accounts Receivable	527.66	527.66	0.00	0.0%
Total Accounts Receivable	527.66	527.66	0.00	0.0%
Other Current Assets				
1150 · Delinquent Property Tax	6,294.11	6,232.00	62.11	1.0%
1151 · Current Prop. Taxes Rec.	4,850,856.00	4,850,856.00	0.00	0.0%
1170 · Prepaid Expenses	35,751.01	58,443.51	-22,692.50	-38.8%
Total Other Current Assets	4,892,901.12	4,915,531.51	-22,630.39	-0.5%
Total Current Assets	11,313,568.78	10,175,198.97	1,138,369.81	11.2%
Other Assets				
1250 · Land	1,037,824.00	1,037,824.00	0.00	0.0%
1255 · Land Improvements	146,656.00	146,656.00	0.00	0.0%
1260 · Building & Improvement	3,166,664.27	3,166,664.27	0.00	0.0%
1270 · Furniture and Equipment Asset	854,924.37	854,924.37	0.00	0.0%
Total Other Assets	5,206,068.64	5,206,068.64	0.00	0.0%
TOTAL ASSETS	<u>16,519,637.42</u>	<u>15,381,267.61</u>	<u>1,138,369.81</u>	<u>7.4%</u>
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
2000 · *Accounts Payable	120,799.68	55,035.21	65,764.47	119.5%
Total Accounts Payable	120,799.68	55,035.21	65,764.47	119.5%
Credit Cards				
Pinnacle Bank - Ann 9399	0.00	561.43	-561.43	-100.0%
Pinnacle Bank - Casey 2011	760.00	1,479.46	-719.46	-48.6%
Pinnacle Bank - Hunt 2228	0.00	1,672.20	-1,672.20	-100.0%
Total Credit Cards	760.00	3,713.09	-2,953.09	-79.5%
Other Current Liabilities				
2100 · Fed W/H. Taxes Payable	861.71	861.71	0.00	0.0%
2101 · Payroll Liabilities	42.13	42.13	0.00	0.0%
2110 · Pera Payable (Employee)	214.35	160.88	53.47	33.2%
2111 · Pera Payable (Library)	-76.60	25.18	-101.78	-404.2%
2112 · Employee Health Insurance Payab	1,429.52	1,737.03	-307.51	-17.7%
2120 · Colorado W/H. Taxes Payable	-399.00	0.00	-399.00	-100.0%
2200 · Deferred Revenue - Property	4,850,856.00	4,850,856.00	0.00	0.0%
2210 · Deferred Revenue - Grant	-12,239.01	-12,239.01	0.00	0.0%
Total Other Current Liabilities	4,840,689.10	4,841,443.92	-754.82	0.0%
Total Current Liabilities	4,962,248.78	4,900,192.22	62,056.56	1.3%

CLEARVIEW LIBRARY DISTRICT
Balance Sheet Prev Year Comparison
As of January 31, 2022

	<u>Jan 31, 22</u>	<u>Jan 31, 21</u>	<u>\$ Change</u>	<u>% Change</u>
Long Term Liabilities				
2850 · Invest. in Gen. Fixed Assets	6,038,354.43	6,038,354.43	0.00	0.0%
Total Long Term Liabilities	6,038,354.43	6,038,354.43	0.00	0.0%
Total Liabilities	11,000,603.21	10,938,546.65	62,056.56	0.6%
Equity				
2860 · 2000 Fund Balance	2,289,503.00	2,289,503.00	0.00	0.0%
2862 · TABOR Requirement	81,280.00	81,280.00	0.00	0.0%
3900 · Retained Earnings	3,887,992.09	1,675,218.89	2,212,773.20	132.1%
Net Income	-739,740.88	396,719.07	-1,136,459.95	-286.5%
Total Equity	5,519,034.21	4,442,720.96	1,076,313.25	24.2%
TOTAL LIABILITIES & EQUITY	<u>16,519,637.42</u>	<u>15,381,267.61</u>	<u>1,138,369.81</u>	<u>7.4%</u>

CLEARVIEW LIBRARY DISTRICT Profit & Loss Budget vs. Actual January 2022

	Jan 22	Budget	\$ Over Budget	% of Budget
Income				
3110 · General Property Tax	52,331.88	4,155,604.00	-4,103,272.12	1.26%
3120 · Specific Ownership	21,124.36	210,000.00	-188,875.64	10.06%
3130 · Abatement	161.38			
3140 · Abatement Interest	-0.15			
3189 · Delinquent Tax	1.21			
3190 · Interest on Deliq. Taxes	-31.53			
3335 · State Library Grant	0.00	9,914.00	-9,914.00	0.0%
3522 · Book Replacement	704.74	6,000.00	-5,295.26	11.75%
3600 · Miscellaneous Revenue	0.00	3,500.00	-3,500.00	0.0%
3601 · Transfer from reserves	0.00	2,643,927.00	-2,643,927.00	0.0%
3610 · Earnings on Investments	407.58	3,500.00	-3,092.42	11.65%
3611 · COP / Lease	0.00	5,686,076.00	-5,686,076.00	0.0%
Total Income	74,699.47	12,718,521.00	-12,643,821.53	0.59%
Gross Profit	74,699.47	12,718,521.00	-12,643,821.53	0.59%
Expense				
4050 · Operating Supplies	2,641.14	50,000.00	-47,358.86	5.28%
4053 · Overdue Collection Agency Charg	17.90	350.00	-332.10	5.11%
4054 · Credit Card Processing Fees	265.68	2,500.00	-2,234.32	10.63%
4055 · Bank Charges	40.00	525.00	-485.00	7.62%
4056 · Payroll Service	585.57	3,200.00	-2,614.43	18.3%
4057 · Administration Wages				
4047.1 · Director Salary	11,284.02	140,824.00	-129,539.98	8.01%
4057 · Administration Wages - Other	9,458.89	337,459.00	-328,000.11	2.8%
Total 4057 · Administration Wages	20,742.91	478,283.00	-457,540.09	4.34%
4058 · Administration Pera/Payroll Tax	3,246.26	73,867.00	-70,620.74	4.4%
4059 · Workers Comp	910.00	9,019.00	-8,109.00	10.09%
4060 · Administration SDI	19.29	2,207.00	-2,187.71	0.87%
4061 · Administration Health Insurance	789.52	48,287.00	-47,497.48	1.64%
4080 · Staff Development	0.00	2,000.00	-2,000.00	0.0%
4100 · Auditing	0.00	10,000.00	-10,000.00	0.0%
4102 · Consultants	0.00	48,000.00	-48,000.00	0.0%

CLEARVIEW LIBRARY DISTRICT Profit & Loss Budget vs. Actual January 2022

	Jan 22	Budget	\$ Over Budget	% of Budget
4120 · Wellness Benefit	0.00	5,400.00	-5,400.00	0.0%
4129 · Meetings-Employees	176.04	4,500.00	-4,323.96	3.91%
4130 · Conferences / Workshops	1,093.31	4,500.00	-3,406.69	24.3%
4131 · Mileage	182.23	7,000.00	-6,817.77	2.6%
4139 · Board Expenses	0.00	100.00	-100.00	0.0%
4140 · Dues	0.00	3,000.00	-3,000.00	0.0%
4141 · Library District Memberships	0.00	7,100.00	-7,100.00	0.0%
4145 · Staff Incentives	84.73	10,000.00	-9,915.27	0.85%
4150 · Legal	5,118.75	55,000.00	-49,881.25	9.31%
4160 · Telephone	167.03	15,000.00	-14,832.97	1.11%
4170 · Postage	26.95	1,500.00	-1,473.05	1.8%
4185 · Copy Machine Lease	860.70	18,500.00	-17,639.30	4.65%
4190 · Miscellaneous Expenses	2,196.15	41,124.00	-38,927.85	5.34%
4191 · Public Relations	0.00	98,400.00	-98,400.00	0.0%
4200 · Treasurer's Fee	787.68	62,334.00	-61,546.32	1.26%
4401 · Salary & Wages Circulation	19,355.62	248,239.00	-228,883.38	7.8%
4402 · Circulation Pera/Payroll Taxes	3,029.18	35,469.00	-32,439.82	8.54%
4403 · Circulation Health Insurance	730.13	27,294.00	-26,563.87	2.68%
4405 · Circulation SDI	84.25	840.00	-755.75	10.03%
4406 · Circulation Life Insurance	7.75	93.00	-85.25	8.33%
4440 · Courier Service	0.00	2,700.00	-2,700.00	0.0%
4445 · Annual Maint / Support Software	8,345.03	76,500.00	-68,154.97	10.91%
4446 · Tech Support	130.00	1,500.00	-1,370.00	8.67%
4450 · Computer Equipment & Supplies	1,455.44	81,150.00	-79,694.56	1.79%
4460 · Monthly Online Services Soft.	1,160.37	1,600.00	-439.63	72.52%
4470 · Salary & Wages-Tech Services	26,061.56	467,290.00	-441,228.44	5.58%
4472 · Tech Serv Pera/Payroll Taxes	4,078.65	58,409.00	-54,330.35	6.98%
4473 · Tech Serv Health Insurance	4,150.34	55,285.00	-51,134.66	7.51%
4475 · Tech Services SDI	153.40	1,877.00	-1,723.60	8.17%
4476 · Tech Serv Life Insurance	23.25	372.00	-348.75	6.25%
4485 · Teen Programs	144.28	5,000.00	-4,855.72	2.89%
4486 · Internet Service	1,193.93	26,400.00	-25,206.07	4.52%

CLEARVIEW LIBRARY DISTRICT
Profit & Loss Budget vs. Actual
January 2022

	<u>Jan 22</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
4498 · Youth Services SDI	84.23	2,994.00	-2,909.77	2.81%
4500 · Salary & Wages-Youth Services	27,127.29	489,943.00	-462,815.71	5.54%
4501 · Youth Services Life Insurance	15.47	558.00	-542.53	2.77%
4502 · Youth Serv Pera/Payroll Taxes	4,245.41	75,246.00	-71,000.59	5.64%
4503 · Youth Serv Health Ins.	1,384.67	69,107.00	-67,722.33	2.0%
4505 · Youth Service Programs	1,027.33	40,000.00	-38,972.67	2.57%
4507 · Adult Serv Pera/Payroll Taxes	1,683.51	23,695.00	-22,011.49	7.11%
4508 · Adult Serv Health Insurance	1,980.90	18,428.00	-16,447.10	10.75%
4510 · Adult Programs	599.96	14,000.00	-13,400.04	4.29%
4511 · Salary & Wages-Adult Services	10,757.13	154,282.00	-143,524.87	6.97%
4513 · Adult Services SDI	75.69	728.00	-652.31	10.4%
4515 · Adult Print Materials	3,390.96	55,000.00	-51,609.04	6.17%
4517 · Materials Processing	201.75	16,000.00	-15,798.25	1.26%
4520 · Adult Non-Print Materials	752.78	40,000.00	-39,247.22	1.88%
4521 · Explore Kits	83.20	5,000.00	-4,916.80	1.66%
4525 · Periodicals	1,864.90	5,000.00	-3,135.10	37.3%
4530 · Electronic Databases	12,026.30	27,000.00	-14,973.70	44.54%
4531 · Downloadable / Streaming Serv.	7,025.05	80,000.00	-72,974.95	8.78%
4532 · Youth Services Print Materials	1,121.94	25,000.00	-23,878.06	4.49%
4533 · Youth Serv Non-Print Materials	224.72	3,500.00	-3,275.28	6.42%
4534 · Games	653.48	10,000.00	-9,346.52	6.54%
4535 · Adult E Materials	0.00	94,000.00	-94,000.00	0.0%
4536 · Youth E Materials	0.00	50,000.00	-50,000.00	0.0%
4600 · Teen Print	210.77	3,500.00	-3,289.23	6.02%
4610 · Repairs & Maintenance				
4610.1 · Repair and Maint 3rd Street	439.00			
4610 · Repairs & Maintenance - Other	2,512.37	50,000.00	-47,487.63	5.03%
Total 4610 · Repairs & Maintenance	2,951.37	50,000.00	-47,048.63	5.9%
4615 · Security Service	0.00	1,270.00	-1,270.00	0.0%
4620 · Utilities				
4620.1 · Utilities 3rd Street	3,073.76			
4620 · Utilities - Other	77.93	40,000.00	-39,922.07	0.2%

CLEARVIEW LIBRARY DISTRICT Profit & Loss Budget vs. Actual January 2022

	<u>Jan 22</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Total 4620 · Utilities	3,151.69	40,000.00	-36,848.31	7.88%
4630 · Insurance	30,739.00	27,000.00	3,739.00	113.85%
4631 · Bookmobile Maintenance	761.04	15,000.00	-14,238.96	5.07%
4632 · Fuel, Oil, Lubricants	0.00	4,000.00	-4,000.00	0.0%
4637 · Outreach Life Insurance	7.75	93.00	-85.25	8.33%
4638 · Salary & Wages-Outreach	11,407.55	177,231.00	-165,823.45	6.44%
4639 · Outreach PERA/ Payroll Taxes	1,785.27	24,509.00	-22,723.73	7.28%
4640 · Outreach Health Ins	730.13	25,339.00	-24,608.87	2.88%
4643 · Book Mobile Expenses/Supplies	61.38	500.00	-438.62	12.28%
4644 · Outreach Phone	147.08	0.00	147.08	100.0%
4647 · Outreach SDI	82.41	866.00	-783.59	9.52%
4721 · Computer/Tech Equipment	0.00	45,000.00	-45,000.00	0.0%
4722 · Courier Van	53,000.00	60,000.00	-7,000.00	88.33%
4723 · Lease Payment	0.00	363,015.00	-363,015.00	0.0%
9000 · Capital Outlay	523,023.22	8,530,003.00	-8,006,979.78	6.13%
Total Expense	<u>814,440.35</u>	<u>12,818,521.00</u>	<u>-12,004,080.65</u>	<u>6.35%</u>
Net Income	<u>-739,740.88</u>	<u>-100,000.00</u>	<u>-639,740.88</u>	<u>739.74%</u>

Draft Minutes (Unapproved)

Call to Order

President Kendra Adams called the meeting to order at 5:31 pm.

Roll Call

Present: President Kendra Adams, Vice-President Rochelle Brotsky, Treasurer Ronald Dunworth, Trustee Jeromey Balderrama, Trustee Cole Gerstner, Trustee/Town of Severance Liaison Frank Baszler, Town of Windsor Liaison Scott Charpentier, and Attorney William Garcia.

Absent: Weld RE-4 School District Liaison Lance Nichols.

Staff: Library Director Ann Kling, Public Services Manager Casey Lansinger-Pierce, Tech Services Assistant Natalie Wagner, IT Assistant Emma Malin, and Bookkeeper/HR Assistant Erin Mitchell.

Review of Agenda

Nothing at this time.

Public Input

Nothing at this time.

Director's Report - Ann Kling, Library Director

- Communication
 - Director Kling said that there were no communications.
- Monthly Statistics
 - Director Kling referenced the board packet and stats wherein. She thanked Tech Services Assistant Aimee Moore for her work on stats and the Memo for this meeting.
 - Kendra asked about stats concerning Mobile Services, databases, and circulation numbers, and Scott asked about the website stats. Director Kling and Casey addressed their questions.

Personnel Report - Rochelle Brotsky, Vice President

Director Kling reported there were no staff resignations in November or December except for Bud Hunt as was noted in October. Business Librarian Kelly Hall resigned this past Tuesday, 1/25/22. Nancy Milliken moved into a new position, she is now the Early Literacy Librarian. Nancy's former job as the Children and Family Services Librarian has been offered to a candidate. Beginning preparations for final round interviews for the IT and Tech Services Manager. The Communications Specialist interviewing wrapped up and an offer has been extended to a candidate.

Treasurer's Report- Ronald Dunworth, Treasurer

Ronald reported on both November and December. Extra money was received due to delinquent

taxes and the penalties associated with those taxes. Closed the year with expenses at 98% of budget, including the Ash Street building purchase. The year has closed out and things were good.

Motion by Cole Gerstner, second by Jeromey Balderrama, to accept the Treasurer's Report as presented for November 2021; motion passed unanimously.

Motion by Cole Gerstner, second by Jeromey Balderrama, to accept the Treasurer's Report as presented for December 2021; motion passed unanimously.

Friends and Foundation Report - Rochelle Brotsky, Vice President

Casey reported that they are excited to welcome author James Campbell to discuss his book *Braving It*. The Clearview Reads program will host this event Saturday, March 19th in the Severance High School auditorium. They would also like to host a Jamboree, this is to be determined at their next meeting. If the Jamboree outdoor event is planned for, it will be held at Eastman Park in Windsor. Library programmers are planning events/programs to tie in with the author talk. Local bookstore Words of Windsor will be at the event and will have copies of *Braving It* available for purchase.

Reports of the Liaisons

Town of Windsor: Scott Charpentier congratulated the board on the land purchase in Severance. Scott reported that they are working on employment contracts, evaluating expenses, budgeting, what fees can be raised and by how much, and that the Sports complex is coming along. HWY 257 is going to be rebuilt with additional stop lights added. Working on downtown redevelopment and working on finishing up the 5G project and fiber optics.

Town of Severance: Frank Baszler reported that Severance is still under a water moratorium, they are working on doing legal reviews, and they recently approved a water tower that will have the Town of Severance labeled on it.

Weld RE-4 School District: Lance Nichols absent.

Reports of Library Board Members

Kendra, Ronald, and Ann attended the Severance Board meeting in December. Kendra recommends board members getting back to attending meetings in the towns of Windsor and Severance, the Weld RE-4 School Board meetings, as well as the Friends and Foundation.

Old Business

- Approve Minutes of the December 9, 2021 Regular Board Meeting
 - Minutes were approved.
 - Motion by Rochelle Brotsky, second by Jeromey Balderrama, to approve minutes of the December 9, 2021 Regular Board Meeting; motion passed unanimously.
- Facilities Plan Update - Ann Kling, Library Director
 - Director Kling updated the board on the meeting that was recently held. Costs are

considerably higher than they were 2 years ago.

- Looking for cost savings for the Ash St. building and the Windsor-Severance building.
- Work on the Ash St. building is expected to begin early April. Work on the Windsor-Severance building is expected to begin in early June. Ground breaking for Severance branch is anticipated to occur in October - building forecasted to be completed late fall 2023.
- Dola proposals need to be in by March 1st.
- Update on the Director's Annual Evaluation - Ann Kling, Library Director
 - Director Kling reported that the 360 Evaluation was completed and sent to Kendra.
 - Kendra will review the 360 Evaluation and said that it will be on the February Agenda as an executive session.

New Business

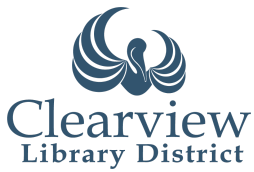
- Item 1 - A Resolution, 22-01, Authorizing The President Of The Board Of Trustees To Sign And Deliver All Instruments Necessary For The Consummation Of Transaction For 5 Timber Ridge Parkway, Severance Colorado - Ann Kling, Library Director (Action was taken via email vote).
 - Vote was taken via email, 3 yes received and 2 votes not submitted; Kendra signed the documents via docu sign. Trustee Baszler did not participate.
- Item 2 - Election of Board Officers and Committee Members - Kendra Adams, Board President (Action)
 - Kendra Adams remains President. Rochelle Brotsky remains Vice-President. Ronald Dunworth remains Treasurer. Motion by Cole Gerstner, second by Jeromey Balderrama, to approve these Trustees to retain their current roles; motion passed unanimously.
 - Jeromey Balderrama offered to be Secretary. Motion by Ronald Dunworth, second by Cole Gersnter, to approve Trustee Jeromey Balderrama as Secretary; motion passed unanimously.
 - Rochelle Brotsky remains liaison to the Friends and Foundation.
 - Long Term Planning Committee: Kendra Adams and Ronald Dunworth
 - Building Committee: Kendra Adams, Ronald Dunworth, and alternate Cole Gerstner
 - Audit Committee: Ronald Dunworth and Kendra Adams
 - Personnel Committee: Rochelle Brotsky and Cole Gerstner
- Item 3 - Posting Location for Board Meeting Announcements, Resolution 22-02 - Ann Kling, Library Director, (Action)
 - Director Kling reported that meeting notices and other official announcement are posted on the library's website and the bulletin board (inside the glass case, located in the foyer of the Windsor-Severance building).
 - Kendra and Jeromey will sign Resolution 22-02 via docu sign.
 - Motion by Rochelle Brotsky, second by Ronald Dunworth, to Posting Locations for Board Meeting Announcements; motion passed unanimously.

- Item 4 - Public Access to Library Information - Ann Kling, Library Director (Information)
 - Public access to library information is posted to the library district's website. It is updated regularly.
- Item 5 - Investment of Library Funds- Ron Dunworth, Library Treasurer, (Information)
 - Ronald reported on earnings of investment (refer to board packet).
 - Attorney Garcia spoke with Weld County Treasurer, John Lefebvre and he has offered to meet with Ronald to discuss ways the library can maximize investments under the law.
 - Ronald suggested creating a committee to work on this endeavor. Kendra created an ad hoc committee and appointed Ronald and Cole to look at options and report back to the board.
 - Rochelle reported that the Friends and Foundation are going through the same process. Ronald said they would share what they learned with Rochelle.
- Item 6 - Engagement Letter for the 2021 Audit - Ann Kling, Library Director (Action)
 - Director Kling reported on the engagement letter from Hinkle & Company. Director Kling recommends working with Jim Hinkle, Hinkle & Company to get the audit done, and approve the engagement letter
 - Motion by Jeromey Balderrama, second by Rochelle Brotsky, to approve the Engagement Letter for the 2021 Audit; motion passed unanimously.
- Item 7 - Approve the Bank of the San Juans/Glacier Bank proposal for lease financing for a library branch in Severance - Ron Dunworth, Treasurer, Ann Kling, Library Director (Action)
 - Director Kling reported working with Piper Sandler. Piper Sandler sent an RFP out and Bank of San Juans, Division of Glacier Bank met all the requirements and offered a 2.09% fixed rate. Ronald would like to get this locked down before interest rates go up.
 - The building will be a lease until the district pays it off. The land is owned by the Clearview Library District.
 - Motion by Rochelle Brotsky, second by Cole Gerstner, to approve Bank of the San Juans, Division of Glacier Bank Proposal; motion passed unanimously.
- Item 8 - Approve the purchase of a courier van and authorize Director Kling to sign relevant documents - Ann Kling, Library Director (Action)
 - Director Kling reported that former board member Brian Lampe, of Centennial Leasing, found a new RAM ProMaster Van for \$53,000 (only \$3,000 more than a used van of the same model.)
 - This van has been planned for and approved for in the budget. Director Kling recommends to approve this purchase and waive the procurement policy.
 - Motion by Ronald Dunworth, second by Rochelle Brotsky, to approve the Purchase of a Courier Van and Authorize Director Kling to Sign Relevant Documents and waive the procurement policy; motion passed unanimously.

Upcoming Agenda

Policies

Lease financing on Severance Branch



Director's Evaluation - Executive Session
Liability Insurance

Adjourn

Motion by Cole Gerstner, second by Ronald Dunworth, to adjourn; motion passed unanimously. The meeting adjourned at 7:25 pm.

Upcoming Meetings

- Board of Trustees Regular Meeting, February 24, 2022, 5:30 p.m. – Hybrid (Hybrid, via Zoom)

The Clearview Library District will make reasonable accommodations for access to library services, programs, and activities and will make special communication arrangements for persons with disabilities. Please call 970-686-5603 by noon on the business day prior to the meeting to make arrangements.

MEMORANDUM

To: Library Board of Trustees

From: Ann Kling, Library Director

Date: February 24, 2022

Re: Lease Financing for a Branch Library in Severance

Item 1: New Business

Background / Discussion

In April, 2021, the Board adopted a Facilities Plan which recommended the building of a branch library in the Town of Severance. The library district, after releasing an RFP seeking a company to assist in obtaining lease financing, engaged the services of Piper Sandler. The land in Severance has been purchased, an owner's representative has been engaged as well as an architectural design firm and a construction manager at risk. The library district is ready to move forward with building the library.

Relationship to Strategic Plan

Space

Budget Considerations

The library district will be using reserve funds and the lease financing to fund the branch.

Recommendation(s)

The library director and the Members of the Long Range Planning Committee recommend that the board approve the resolution.

Attachments

Clearview Library District Lease Financing 2022 - Closing Documents

Clearview Library District 2022 Lease Purchase Agreement

Clearview Library District 2022 Site Lease

Resolution 22-04

OMNIBUS CERTIFICATE

\$5,770,000

**Annually Renewable Lease Purchase Agreement
dated as of March 1, 2022**

**between Bank of the San Juans, a Division of Glacier Bank, as lessor, and
Clearview Library District, in Weld County, Colorado, as lessee**

This certificate is being executed as of March 1, 2022 by the undersigned officials of Clearview Library District, in Weld County, Colorado (the "District"), in connection with the above captioned financing (the "Lease-Purchase Financing"). On the date hereof, the District is entering into a Lease Purchase Agreement, dated as of March 1, 2022 (the "Lease"), between the Bank of the San Juans, a Division of Glacier Bank (the "Lender"), as lessor, and the District, as lessee. The undersigned officials of the District hereby certify as follows (capitalized terms used herein and not defined shall have the meanings ascribed thereto by the Lease):

1. The District is a library district duly organized in 1985, validly existing pursuant to the provisions of Part 1 of Article 90 of Title 24 of the Colorado Revised Statutes ("C.R.S.") and established by separate resolutions of the Town of Windsor, Colorado and Weld County School District RE-4 to meet the informational, educational, recreational, and cultural reading needs of the people within the service area of the District.

2. The District has full power and authority to consummate all transactions contemplated by (i) the resolution adopted on February 24, 2022 (the "Authorizing Resolution") by the Board of Trustees of the District (the "Board") authorizing and approving the Lease-Purchase Financing; (ii) the Lease; (iii) the Site Lease dated as of March 1, 2022 (the "Site Lease") between the District, as lessor, and the Lender, as lessee and (iv) certain other documents executed and delivered by the District in connection with the execution and delivery of the Lease, including but not limited to the Tax Compliance Certificate (such resolution and documents referred to in clauses (i) through (iii) above, collectively, are referred to herein as the "Principal Documents"). The District has duly authorized and has taken all action necessary to be taken by it to carry out, give effect to and consummate the transactions contemplated by the Principal Documents.

3. From at least February 1, 2022, to and including the day hereof, the following were the duly elected, or appointed, qualified and acting members of the Board and administrative officers of the District:

<i>Office:</i>	<i>Name:</i>
President	Kendra Adams
Vice President	Rochelle Brotsky
Secretary	Jeromey Balderrama
Treasurer	Ronald Dunworth
Trustee	Cole Gerstner
Alternate Trustee	Frank Baszler
Executive Director	Ann Kling

From at least February 1, 2022, to and including the date hereof, General Counsel for the District has been and is Coan, Payton and Payne LLC, Greeley, Colorado.

4. The Authorizing Resolution was duly adopted at a regular, public meeting of the Board and is valid and enforceable. No referendum petition concerning the Authorizing Resolution or any other resolutions or other proceedings of the Board concerning the Lease-Purchase Financing or the use of the proceeds thereof has been filed, and to the best of our knowledge, none is being circulated or is planned for circulation. Subsequent to the adoption of the Authorizing Resolution, the District, acting by and through the Board, or otherwise, has not rescinded, repealed, amended, supplemented, or otherwise modified the provisions of the Authorizing Resolution or any other proceedings related to the Lease-Purchase Financing or the Project, and the Authorizing Resolution is in full force and effect.

5. The Principal Documents have been duly executed and delivered by the District and constitute valid, legal and binding obligations of the District, enforceable in accordance with their terms, subject only to bankruptcy, insolvency, moratorium or other laws affecting creditors' rights generally and equitable principles, whether considered at law or in equity.

6. The execution, delivery, receipt and due performance of the Principal Documents and the consummation of the transactions contemplated by the Principal Documents do not conflict with or result in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the District is now a party or by which the District is bound, in a manner which affects the validity or enforceability of the provisions of the Principal Documents or constitute a default under any of the foregoing.

7. There is no litigation or proceeding pending in any state of federal court or, to the best of our knowledge, threatened against the District or any other person affecting the right of the District to execute and deliver any of the Principal Documents, the ability of the District to make the District's Base Rental and Additional Rental payments required under the Lease or the ability of the District otherwise to comply with its obligations under the Principal Documents.

8. The execution and delivery of the Lease by the District will not directly, indirectly or contingently, constitute a debt, indebtedness or multiple-fiscal year direct or indirect debt or other financial obligation of the District or obligate the District to levy any form of taxation therefor or to make any appropriation for their payment.

9. Each of the representations and warranties of the District contained in the Principal Documents to which the District is a party is true and correct as of the date hereof.

10. The District has not assigned or pledged any of its rights under or interest in the Lease.

11. To the best of our knowledge, none of the undersigned, or any other officer or employee of the District, is interested, directly or indirectly, in the profits of any contract or services to be performed in connection with the Project (except in the performance of his or her official rights, privileges, powers and duties); nor have such persons solicited or received any payment, commission, money or anything of value or derived any benefit, profit or advantage

directly or indirectly, from or by reason of any dealings with or service for the District in connection with the execution and delivery of the Lease by the District.

12. No circumstances exist as of the date of this Certificate which prevent the District from executing and delivering the Principal Documents.

[Remainder of page left intentionally blank]

WITNESS our hands as of the date first written above.

CLEARVIEW LIBRARY DISTRICT, IN
WELD COUNTY

[SEAL]

By _____
President, Board of Trustees

By _____
Secretary, Board of Trustees

By _____
Treasurer, Board of Trustees

By _____
Executive Director

[Signature Page to Omnibus Certificate]

DELIVERY CERTIFICATE AND CROSS-RECEIPT

\$5,770,000

**Annually Renewable Lease Purchase Agreement
dated as of March 1, 2022**

**between Bank of the San Juans, a Division of Glacier Bank, as lessor, and
Clearview Library District, in Weld County, Colorado, as lessee**

As of this 1st day of March, 2022, the undersigned, as duly authorized officials of Clearview Library District, in Weld County, Colorado (the "District"), and Bank of the San Juans, a Division of Glacier Bank (the "Lender"), in connection with the execution and delivery of the Site Lease dated as of March 1, 2022 between the District, as lessor, and the Lender, as lessee (the "Site Lease"), and the Lease Purchase Agreement dated as of March 1, 2022 (the "Lease") between the Lender, as lessor, and the District, as lessee, hereby certify for the Lender as provided in paragraphs (1), (3) and (4), and for the District as provided in paragraphs (1), (2), (3) and (4), and represent as follows:

1. On the date hereof, the Lender transferred \$5,770,000 (the "Lender Rental Payment") to the District, in satisfaction of the Lender's payment requirements under the Site Lease. The District applied, or cause to be applied, \$85,000 of the Lender Rental Payment to the payment of the costs associated with the execution and delivery of the Site Lease and the Lease.

2. On the date hereof, the District authorized the release and recording of the Site Lease and the Lease, as provided in the Resolution of the Board of Education of the District adopted on February 24, 2022.

3. On or before the date hereof, the Lender acknowledges receipt from the District of executed copies of the Lease and the Site Lease.

4. The undersigned, respectively, represent that they are duly authorized to make the representations contained herein.

[Remainder of page intentionally left blank]

Dated as of the date first written above.

CLEARVIEW LIBRARY DISTRICT, in Weld
County, Colorado

By _____
President, Board of Trustees

BANK OF THE SAN JUANS, a Division of Glacier
Bank

By _____
Authorized Officer

[Signature Page to Delivery Certificate and Cross Receipt]

AFTER RECORDATION PLEASE RETURN TO:

Kutak Rock LLP
1801 California Street, Suite 3000
Denver, Colorado 80202
Attention: Thomas M. Peltz, Esq.

LEASE PURCHASE AGREEMENT

between

BANK OF THE SAN JUANS, A DIVISION OF GLACIER BANK,
as Lessor,

and

CLEARVIEW LIBRARY DISTRICT
IN WELD COUNTY, COLORADO,
as Lessee

Dated as of March 1, 2022

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LEASE PURCHASE AGREEMENT

THIS LEASE PURCHASE AGREEMENT dated as of March 1, 2022 (this “Lease”), between **BANK OF THE SAN JUANS, A DIVISION OF GLACIER BANK** (the “Lender”), as lessor, and **CLEARVIEW LIBRARY DISTRICT, IN WELD COUNTY, COLORADO** (the “District”), a duly organized library district validly existing as such under the laws of the State of Colorado (the “State”), as lessee.

WITNESSETH:

WHEREAS, the District is a library district duly organized in 1985, validly existing pursuant to the provisions of Part 1 of Article 90 of Title 24 of the Colorado Revised Statutes (“C.R.S.”) and established by separate resolutions of the Town of Windsor, Colorado and Weld County School District RE-4 to meet the informational, educational, recreational, and cultural reading needs of the people within the service area of the District; and

WHEREAS, in order to generate moneys to finance the acquisition of land and the construction thereon of a new District library facility in Severance, Colorado (the “Project”), the Board of Trustees of the District (the “Board”) has determined that the District shall enter into that certain Site Lease, dated as of the date of this Lease, pursuant to which the District is to convey a leasehold interest in the land and title to the improvements comprising the Project, as described in Exhibit A hereto, for a lump-sum payment, and sublease such property back from the Lender pursuant to the term and provisions of this Lease; and

WHEREAS, pursuant to the Site Lease, the District has leased the Leased Property to the Lender, as authorized by Section 24-90-109(h), C.R.S.; and

WHEREAS, the District is authorized, under Section 24-90-109(h), C.R.S., to lease the Leased Property from the Lender and to execute, deliver and perform its obligations under this Lease; and

WHEREAS, the obligation of the District to pay Base Rentals and Additional Rentals (both as hereinafter defined) hereunder shall be from year-to-year only; shall constitute currently budgeted expenditures of the District; shall not constitute a mandatory charge or requirement in any ensuing budget year; and shall not constitute a general obligation or a multiple-Fiscal Year direct or indirect debt or other financial obligation whatsoever of the District within the meaning of any constitutional or statutory limitation or requirement concerning the creation of indebtedness, nor a mandatory payment obligation of the District in any ensuing Fiscal Year beyond any Fiscal Year during which this Lease shall be in effect; and

WHEREAS, the funding of the Project and the execution, performance and delivery of this Lease, have been authorized, approved and directed by the Board by a resolution finally passed and adopted by the Board;

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Terms Defined in Preamble and Recitals. The following terms shall have the meanings set forth in the preamble and recitals hereto:

Board	Lease
District	Project
Lender	State

Section 1.02. Additional Definitions. The following additional terms shall have the meanings specified below:

“*Additional Rentals*” means the cost of all (a) reasonable expenses and fees of the Lender related to the performance of the provisions of this Lease or otherwise incurred at the request of the District, (b) taxes, if any, insurance premiums, utility charges, maintenance, upkeep, repair, improvement and replacement in respect of the Leased Property, and (c) all other charges and costs (together with all interest and penalties that may accrue thereon) in the event that the District shall fail to pay the same, as specifically set forth herein which the District assumes or agrees to pay hereunder. Additional Rentals do not include Base Rentals.

“*Annual Compliance Certificate*” means the Annual Compliance Certificate, a form of which is attached hereto as Exhibit D.

“*Authorized Officer of the District*” means the Library Director of the District, the President of the Board and any person authorized by resolution of the Board to perform any act or execute any document.

“*Base Rentals*” means the payments payable by the District during the Lease Term pursuant to Section 6.02 of this Lease and as set forth in Exhibit B, as it may be amended hereunder from time to time, which constitute the payments payable by the District for and in consideration of the right to use the Leased Property during the Lease Term. In the event that Exhibit B sets forth separate schedules of Base Rentals payable with respect to one or more separate portions of the Leased Property, such payments will be combined for purposes of Section 6.02, but may be treated as separate schedules for other purposes of this Lease.

“*Base Rental Payment Dates*” means semi-annual payments occurring on each June 1 and December 1, commencing on June 1, 2022.

“*Business Day*” means any day other than a Saturday, a Sunday or a day on which banks in New York, New York or Denver, Colorado are authorized by law to remain closed.

“*Counsel*” means an attorney at law or law firm (who may be counsel for the Lender or the District) who is satisfactory to both the District and the Lender.

“*Determination of Taxability*” has the meaning set forth in Section 6.04 hereof.

“*Event of Default*” means one or more events of default as defined in Section 13.01 of this Lease.

“*Event of Nonappropriation*” means a termination of this Lease by the District, determined by the District’s failure for any reason, to duly enact by the last day of each Fiscal Year an appropriation resolution for the ensuing Fiscal Year which includes (a) by specific line item reference amounts authorized and directed to be used to pay all Base Rentals and (b) sufficient amounts to pay such Additional Rentals as are estimated to become due, as provided in Section 6.06 of this Lease. The term also means notice under Section 4.01 of this Lease of the District’s intention to terminate and an event described in Section 6.06 of this Lease relating to the failure by the District to appropriate amounts due as Additional Rentals in excess of the amounts estimated to become due.

“*Fiscal Year*” means the fiscal or budget year of the District.

“*Force Majeure*” means, without limitation, the following, acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States of America or of the State or any of their departments, agencies or officials or any civil or military authority; insurrection; riots; landslides; earthquakes; fires; storms; droughts; floods; explosions; breakage or accidents to machinery, transmission pipes or canals; or any other cause or event not within the control of the District; provided, however, that the COVID-19 pandemic shall not be considered an event of force majeure.

“*Hazardous Substance*” means any hazardous substance, pollutant or contaminant, as such terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 U.S.C. Section 9601, et seq., Resource Conservation and Recovery Act, as amended, 42 U.S.C. Section 6901, et seq., and any applicable State law or regulations promulgated under either.

“*Insurance Consultant*” means an independent person or firm acceptable to the District experienced in providing the specific type of insurance in question and capable of making an evaluation of the actuarial risk of loss from the types of events customarily covered by such insurance policies.

“*Lease Remedy*” or “*Lease Remedies*” means any or all remedial steps provided in Section 13.02 of this Lease whenever an Event of Default hereunder has happened and is continuing.

“*Lease Term*” means the time during which the District is the lessee of the Leased Property under this Lease, including the Original Term and all Renewal Terms as provided in and subject to Article IV and Sections 6.01, 6.02 and 6.05 of this Lease; certain provisions of this Lease survive the termination of the Lease Term, as provided in Section 4.02 of this Lease.

“*Leased Property*” means the property described in Exhibit A attached hereto.

“*Net Proceeds*” when used with respect to any performance or payment bond proceeds, or proceeds of insurance, including self-insurance, required by this Lease, or proceeds from any condemnation award, or any proceeds resulting from default or breaches of warranty under any

contract relating to the Leased Property or proceeds from any Lease Remedy, means the amount remaining after deducting from such proceeds (a) all expenses (including, without limitation, attorneys' fees and costs) incurred in the collection of such proceeds or award; and (b) all other fees, expenses and payments due to the Lender.

“*Original Term*” means the portion of the Lease Term that terminates on December 31, 2022.

“*Opinion of Counsel*” means a written opinion of Counsel.

“*Permitted Encumbrances*” means, as of any particular time, those encumbrances included as Exhibit B to the Site Lease.

“*Purchase Option Price*” means the amount payable, at the option of the District, for the purpose of terminating this Lease with respect to the Leased Property and purchasing the Leased Property pursuant to Article XI of this Lease, which amount shall be the amounts identified in Exhibit C hereto as the Purchase Option Price.

“*Renewal Term*” means any optional renewal of the Lease Term for the next Fiscal Year by the District, as provided in Article IV of this Lease.

“*Revenues*” means (a) all amounts payable by or on behalf of the District with respect to the Leased Property pursuant to this Lease including, but not limited to, all Base Rentals, Purchase Option Prices and Net Proceeds, but not including Additional Rentals; and (b) all other revenues derived from this Lease, excluding Additional Rentals.

“*Site Lease*” means the Site Lease dated of even date herewith, whereby the District conveys to the Lender a leasehold interest in real property upon which the Leased Property is located and title and a legal interest in the existing improvement thereon.

“*Taxable Rate*” means 2.75%.

ARTICLE II

REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.01. Representations, Covenants and Warranties of the District. The District represents, covenants and warrants as follows:

(a) The District is a library district duly organized and validly existing under the laws of the State.

(b) Pursuant to the Site Lease, the District has leased the Leased Property to the Lender, as authorized by Section 24-90-109(h), C.R.S.

(c) The District is authorized, under Section 24-90-109(h), C.R.S., to lease the Leased Property from the Lender and to execute, deliver and perform its obligations under this Lease.

(d) The lease of the Leased Property from the Lender pursuant to this Lease serves a public purpose and is in the best interests of the District and the residents of the District.

(e) The execution, delivery and performance of this Lease by the District has been duly authorized by the District.

(f) This Lease is enforceable against the District in accordance with its terms, limited only by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, by equitable principles, whether considered at law or in equity, by the exercise by the State and its governmental bodies of the police power inherent in the sovereignty of the State and by the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America.

(g) The execution, delivery and performance of the terms of this Lease by the District does not and will not conflict with or result in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the District is now a party or by which the District is bound, or constitute a default under any of the foregoing or, except as specifically provided in this Lease or the Site Lease, result in the creation or imposition of a lien or encumbrance whatsoever upon any of the property or assets of the District.

(h) There is no litigation or proceeding pending or to the best of its knowledge threatened against the District or any other Person affecting the right of the District to execute, deliver or perform its obligations of the District under this Lease.

(i) The District will recognize economic and other benefits by the leasing of the Leased Property pursuant to this Lease; the Leased Property is, and any Leased Property substituted for the initial Leased Property will be, property that is necessary and essential to the District's purpose and operations; the District expects that the Leased Property will adequately serve the needs for which it is being leased throughout the Scheduled Lease Term.

(j) The Base Rentals payable in each Fiscal Year during the Lease Term are not more than the fair value of the use of the Leased Property during such Fiscal Year. The Base Rentals and Additional Rentals payable in each Fiscal Year during the Lease Term do not exceed a reasonable amount so as to place the District under an economic compulsion (i) to continue this Lease beyond any Fiscal Year, (ii) not to exercise its right to terminate this Lease at any time through an Event of Nonappropriation or (iii) to exercise any of its options to purchase the Leased Property hereunder. The Purchase Option Price is the District's best estimate of the fair purchase price of the Leased Property at the time of exercise of the District's option to purchase the Leased Property by paying the Purchase Option Price. The Scheduled Lease Term does not exceed the weighted average useful life of the Improvements or any other real property improvements currently located on the Leased Property. The period from the beginning of the Lease Term through the date on which each item of Equipment is to be released

from this Lease does not exceed the remaining useful life of such item of Equipment. In making the representations, covenants and warranties set forth above in this subsection, the District has given due consideration to the Project, the purposes for which the Leased Property will be used by the District, the benefits to the District from the use of the Leased Property, the District's options to purchase the Leased Property hereunder and the terms of this Lease governing the use of, and the District's options to purchase, the Leased Property.

(k) The District presently intends and expects to continue this Lease annually until title to the Leased Property is acquired by the District pursuant to this Lease; but this representation does not obligate or otherwise bind the District.

(l) The District is not aware of any current violation of any requirement of law or the presence of any Hazardous Substance relating to the Leased Property.

(m) The District has appropriated sufficient moneys in its General Fund to pay the Base Rentals payable in the current Fiscal Year and the Additional Rentals estimated to be payable in the current Fiscal Year.

(n) To the best of the District's knowledge, the real property on which the Leased Property is not located in a flood hazard area and has never been subject to material damage from flooding.

(o) The District is the owner in fee of title to the real property on which the Leased Property is located. No lien or encumbrance on the property materially impairs the District's use of the real property on which the Leased Property is located for the purposes for which they are, or may reasonably be expected to be, held.

(p) The District shall maintain and provide upon request by the Lender an inventory of all furniture, fixtures and equipment that make up part of the Leased Property.

Section 2.02. Representations, Covenants and Warranties of the Lender. The Lender represents, covenants and warrants as follows:

(a) The Lender has all requisite power to acquire legal interests in the Leased Property and to execute, deliver, enter into and perform the transactions contemplated by this Lease and the Site Lease and to carry out its obligations under this Lease and the Site Lease, and has duly executed and delivered this Lease and all other documents related to this Lease.

(b) Except as specifically provided in this Lease, the Lender will not pledge or assign its right, title and interest in and to any of its rights under this Lease or assign, pledge, mortgage, encumber or grant a security interest in its right, title and interest in, to and under this Lease or the Leased Property, except for Permitted Encumbrances.

(c) Neither the execution and delivery of this Lease or the Site Lease nor the fulfillment of or compliance with the terms and conditions hereof and thereof, nor the

consummation of the transactions contemplated hereby and thereby, conflicts with or results in a breach of the terms, conditions and provisions of any restriction or any agreement or instrument to which the Lender is now a party or by which the Lender is bound, or constitutes a default under any of the foregoing.

(d) Except as specifically provided in this Lease and the Site Lease, the Lender will not assign its duties and obligations under this Lease or the Site Lease to any other person, firm or Lender, so as to impair or violate the representations, covenants and warranties contained in this Section 2.02.

(e) There is no litigation or proceeding pending or threatened against the Lender or any other person affecting the right of the Lender to execute this Lease or the Site Lease and to perform its obligations hereunder and thereunder.

(f) The Lender acknowledges that the Base Rentals and Additional Rentals hereunder during the Original Term and all of the Renewal Terms, if any, shall be paid from then currently budgeted expenditures of the District, using any legally available funds of the District. The District's obligations to pay Base Rentals, Additional Rentals or any other payments provided for under this Lease during the Original Term and all of the Renewal Terms, if any, shall be subject to the District's annual right to renew this Lease (as further provided in Article IV and Sections 6.02 and 6.05 hereof), and shall not constitute a mandatory charge, requirement or liability in any ensuing Fiscal Year beyond the then current Fiscal Year. No provision of this Lease shall be construed or interpreted as a delegation of governmental powers or as creating indebtedness or a multiple Fiscal Year direct or indirect debt or other financial obligation whatsoever of the District within the meaning of any constitutional or statutory debt limitation, including without limitation, Article XI, Sections 1, 2 and 6, and Article X, Section 20, of the Colorado Constitution. This Lease shall not directly or indirectly obligate the District to make any payments of Base Rentals or Additional Rentals beyond the funds legally available to the District for its then current Fiscal Year. The District shall be under no obligation whatsoever to exercise its option to purchase the Leased Property. No provision of this Lease shall be construed to pledge or to create a lien on any class or source of District moneys, nor shall any provision of this Lease restrict the future issuance of any bonds or obligations of the District payable from any class or source of moneys of the District. The Lender further acknowledges that the District may elect not to renew this Lease by failure to budget and appropriate funds sufficient to meet its next Fiscal Year's Base Rentals and Additional Rentals, and that the acts of budgeting and appropriating funds are legislative acts and, as such, are solely within the discretion of the Board.

ARTICLE III

LEASE OF LEASED PROPERTY

The Lender demises and leases the Leased Property, including any interest in the Leased Property, to the District, and the District leases the Leased Property, including any interest in the Leased Property, from the Lender, in accordance with the provisions of this Lease, subject only to Permitted Encumbrances, to have and to hold for the Lease Term.

ARTICLE IV

LEASE TERM

Section 4.01. Duration of Lease Term; District's Annual Right to Renew Lease. The Lease Term shall commence as of the date hereof and continue through the last day of the current Fiscal Year of the District. Subject to the provisions of Section 4.02 hereof, the Lease Term may be renewed at the end of the Original Term and at the end of each renewal term thereafter for a term of twelve months coinciding with the next succeeding Fiscal Year of the District. The District shall have the right to annually renew the Lease Term unless (a) the District gives written notice to the Lender not less than 30 days prior to the end of the Original Term or the then current Renewal Term of the District's intention not to renew this Lease at the end of the Original Term or the then current Renewal Term, or (b) an Event of Nonappropriation shall have occurred with respect to a Renewal Term occurring after the Original Term or any then current Renewal Term. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except for the amount of Base Rentals and Additional Rentals to be paid during such Renewal Term. The Lease Term, including the Original Term and all Renewal Terms, does not exceed the weighted average useful life of the Leased Property or the Financed Project.

Except as otherwise provided in Section 4.02 hereof, the exercise of the District's annual option to renew this Lease shall be conclusively determined by whether or not the Board has, on or before the last day of each Fiscal Year, duly enacted an appropriation resolution for the ensuing Fiscal Year which includes (a) by specific line item reference sufficient amounts authorized and directed to be used to pay all the Base Rentals and (b) sufficient amounts to pay such Additional Rentals as are estimated to become due, all as further provided in Section 6.06 of this Lease. The officer of the District at any time charged with the responsibility of formulating budget proposals is hereby directed to include in the annual budget proposals submitted to the Board, items for all payments required under this Lease for the ensuing Fiscal Year, until such time (if any) as the Board may determine to renew or not to renew this Lease; it being the intention of the Board that any decision to renew or not to renew this Lease shall be made solely by the Board and not by any other official of the District.

Section 4.02. Termination of Lease Term. The Lease Term shall terminate upon the earliest of any of the following events:

(a) the last day of any Fiscal Year during which there has occurred an Event of Nonappropriation pursuant to Section 4.01 and Article VI of this Lease (provided that the Lease Term will be deemed to have been renewed and, therefore, not terminated if the Event of Nonappropriation is cured as provided in Section 6.05 hereof); or

(b) the conveyance of all of the Leased Property to the District upon payment of the Purchase Option Price or all Base Rentals and Additional Rentals as provided in Section 11.02(a) and (b) of this Lease; or

(c) an Event of Default and termination of this Lease under Article XIII of this Lease.

An election not to renew the Lease Term shall terminate all unaccrued obligations of the District under this Lease, and shall terminate the District's rights of possession under this Lease at the end of the last day of the Fiscal Year for which this Lease shall be in effect (except to the extent of the holdover provisions of Section 13.02(d)(i) hereof, and except for any conveyance pursuant to Article XI of this Lease). Except for an event described in subparagraph (b) above, upon termination of this Lease, the District agrees to peaceful delivery of the Leased Property to the Lender or its assigns.

ARTICLE V

ENJOYMENT OF LEASED PROPERTY

Section 5.01. Lender's Covenant of Quiet Enjoyment. The Lender hereby covenants that the District shall during the Lease Term peaceably and quietly have, hold and enjoy the Leased Property without suit, trouble or hindrance from the Lender, except as expressly required or permitted by this Lease. The Lender shall, at the request of the District and at the cost of the District, join and cooperate fully in any legal action in which the District asserts its right to such possession and enjoyment, or which involves the imposition of any taxes or other governmental charges on or in connection with the Leased Property. In addition, the District may at its own expense join in any legal action affecting its possession and enjoyment of the Leased Property and shall be joined in any action affecting its liabilities hereunder. Notwithstanding the foregoing or anything to the contrary herein, the Lender shall have the right to litigate its own interests under this Lease as it deems necessary.

The District also hereby consents to the inspection by the Lender of all books, accounts and records maintained by the District with respect to the Leased Property and this Lease.

Section 5.02. District's Need for the Leased Property; Determinations as to Fair Value and Fair Purchase Price. The District has determined and hereby determines that it has a current need for the Leased Property. It is the present intention and expectation of the District that this Lease will be renewed annually until the Lender's interests in the Site Lease are released and unencumbered title to the Leased Property is acquired by the District pursuant to this Lease; but this declaration shall not be construed as contractually obligating or otherwise binding the District. The District has determined and hereby determines that the Base Rentals under this Lease during the Lease Term for the Leased Property represent the fair value of the use of the Leased Property and that the Purchase Option Price for the Leased Property will represent the fair purchase price of the Lender's leasehold interest in the Leased Property at the time of the exercise of the option. The District has determined and hereby determines that the Base Rentals do not exceed a reasonable amount so as to place the District under an economic compulsion to renew this Lease or to exercise its option to purchase the Lender's leasehold interest in the Leased Property hereunder. In making such determinations, the District has given consideration to the estimated current value of the Leased Property, the uses and purposes for which the Leased Property will be employed by the District, the benefit to the citizens and inhabitants of the District by reason of the use and occupancy of the Leased Property pursuant to the terms and provisions of this Lease, the District's option to purchase the Lender's leasehold interest in the Leased Property and the expected eventual vesting of unencumbered title to the Leased Property in the District. The District hereby determines and declares that the period during which the

District has an option to purchase the Lender's leasehold interest in the Leased Property (i.e., the entire maximum Lease Term for the Leased Property) does not exceed the weighted average useful life of the Leased Property.

ARTICLE VI

PAYMENTS BY THE DISTRICT

Section 6.01. Payments to Be Paid from Currently Budgeted Expenditures of the District. The District and the Lender acknowledge and agree that the Base Rentals and Additional Rentals hereunder during the Original Term and all of the Renewal Terms, if any, shall be paid from then currently budgeted expenditures of the District, using any legally available funds of the District. The District's obligations to pay Base Rentals, Additional Rentals or any other payments provided for under this Lease during the Original Term and all of the Renewal Terms, if any, shall be subject to the District's annual right to renew this Lease (as further provided in Article IV and Sections 6.02 and 6.05 hereof), and shall not constitute a mandatory charge, requirement or liability in any ensuing Fiscal Year beyond the then current Fiscal Year. No provision of this Lease shall be construed or interpreted as a delegation of governmental powers or as creating indebtedness or a multiple-Fiscal Year direct or indirect debt or other financial obligation whatsoever of the District within the meaning of any constitutional or statutory debt limitation, including without limitation, Article XI, Sections 1, 2 and 6, and Article X, Section 20, of the Colorado Constitution. This Lease shall not directly or indirectly obligate the District to make any payments of Base Rentals or Additional Rentals beyond the funds legally available to the District for its then current Fiscal Year. The District shall be under no obligation whatsoever to exercise its option to purchase the Leased Property. No provision of this Lease shall be construed to pledge or to create a lien on any class or source of District moneys, nor shall any provision of this Lease restrict the future issuance of any bonds or obligations of the District payable from any class or source of moneys of the District.

Section 6.02. Base Rentals and Additional Rentals.

(a) The District shall pay all Base Rentals directly to the Lender during the Original Term and all Renewal Terms, on the Base Rental Payment Dates and in the "Total Base Rentals" amounts set forth in Exhibit B, attached hereto and made a part hereof, as it may be amended from time to time hereunder.

(b) The District may, at any time during the Lease Term, pay the then-applicable Purchase Option Price related to the Leased Property for the purpose of terminating this Lease and purchasing the Leased Property shown on Exhibit A, as further provided in Article XI of this Lease. The District shall give the Lender notice of its intention to exercise its option not less than thirty (30) days in advance of the date of exercise and shall deposit with the Lender on or prior to an Interest Payment Date an amount equal to the Purchase Option Price.

The District shall pay Additional Rentals during the Original Term and all Renewal Terms, if any, as herein provided. All Additional Rentals shall be paid by the

District on a timely basis directly to the person or entity to which such Additional Rentals are owed.

Section 6.03. Interest Component. A portion of each payment of Base Rentals is paid as, and represents payment of, interest, and Exhibit B hereto, as may be amended from time to time hereunder, sets forth the interest component of each payment of Base Rentals. Interest shall be calculated at a fixed rate of 2.090% on a 30/360 basis, consisting of twelve 30-day months.

Section 6.04. Manner of Payment. The Base Rentals and, if paid, the Purchase Option Price, shall be paid by the District by certified funds or other method of payment acceptable to the Lender in lawful money of the United States of America directly to the Lender at its address provided in Section 14.02 hereof. The obligation of the District to pay the Base Rentals and Additional Rentals, during the Original Term and each Renewal Term, shall be absolute and unconditional, payable from all legally available sources, and payment of the Base Rentals and Additional Rentals shall not be abated through accident or unforeseen circumstances, or for any other reason, including without limitation, any acts or circumstances that may constitute failure of consideration, destruction of or damage to the Leased Property, commercial frustration of purpose, or failure of the Lender to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Lease, it being the intention of the parties that the payments required by this Lease will be paid in full when due without any delay or diminution whatsoever, subject only to the special and limited nature of the District's obligation to make payments hereunder as set forth in Section 6.01 above, and further subject to the District's rights under Section 8.04 hereof. Notwithstanding any dispute between the District and Lender, the District shall, during the Original Term and all Renewal Terms, make all payments of Base Rentals and Additional Rentals when due and shall not withhold any Base Rentals or Additional Rentals pending final resolution of such dispute (except to the extent permitted by Section 8.04 hereof with respect to certain Additional Rentals), nor shall the District assert any right of set-off or counterclaim against its obligation to make such payments required hereunder. No action or inaction on the part of the Lender shall affect the District's obligation to pay all Base Rentals and Additional Rentals (except to the extent provided by Section 8.04 hereof with respect to certain Additional Rentals), during the Lease Term.

If the District or the Lender receives notice, in any form, from the Internal Revenue Service: (a) that the interest from this Lease is not excludable from federal gross income, or (b) that this Lease is not a qualified tax exempt obligation within the meaning of Section 265(b)(3) of the Code due to an act or omission of the District (a "Determination of Taxability"), then the District shall pay to the Lender, within thirty (30) days after the District or the Lender receives notification of such determination, the amount which, with respect to interest previously paid, will restore to the Lender interest thereon at the Taxable Rate. Additionally, the District agrees that upon the occurrence of such a Determination of Taxability, it shall thereafter pay interest on this Lease at the rate of interest equal to the Taxable Rate, notwithstanding any other provision of this Lease that may be to the contrary. Notwithstanding any provisions to the contrary contained herein, the Lender nor any subsequent successor shall not be required to present the Lease to the District to receive payment of principal of and interest thereon.

Section 6.05. Nonappropriation. In the event that the Board shall not specifically budget and appropriate, on or before the last day of each Fiscal Year, moneys to pay all Base

Rentals and the reasonably estimated Additional Rentals coming due for the next ensuing Fiscal Year as provided in Section 4.01 hereof and this Article, an Event of Nonappropriation shall be deemed to have occurred, subject, however, to each of the following provisions:

(a) The Lender shall declare an Event of Nonappropriation on any earlier date on which the Lender receives specific written notice from the District that this Lease will be terminated.

(b) Absent such notice from the District, the Lender shall give written notice to the District of any Event of Nonappropriation declared by the Lender following the Lender's receipt of the District's adopted budget for such Fiscal Year; but any failure of the Lender to give such written notice shall not prevent the Lender from declaring an Event of Nonappropriation or from taking any remedial action which would otherwise be available to the Lender.

(c) The Lender shall waive any Event of Nonappropriation which is cured by the District, within ten days of the giving of notice by the Lender as provided in (b) above, by inclusion in a duly enacted appropriation resolution, (i) by specific line item, amounts authorized and directed to be used to pay all Base Rentals and (ii) sufficient amounts to pay reasonably estimated Additional Rentals coming due for such Fiscal Year.

In the event that during any Fiscal Year, any Additional Rentals shall become due which were not included in a duly enacted appropriation resolution then, in the event that moneys are not specifically budgeted and appropriated to pay such Additional Rentals within 45 days subsequent to the date upon which such Additional Rentals are due, an Event of Nonappropriation shall be deemed to have occurred, upon notice by the Lender to the District to such effect (subject to waiver by the Lender as hereinbefore provided).

Notwithstanding any provision to the contrary herein, if an Event of Nonappropriation occurs, the District's rights of possession of the Leased Property under this Lease shall terminate at the end of the last day of the Fiscal Year for which this Lease shall be in effect, and the District shall not be obligated to make payment of the Base Rentals, Additional Rentals or any other payments provided for herein which accrue after the end of the last day of the Fiscal Year for which this Lease shall be in effect; provided, however, that, subject to the limitations of Sections 6.01 and 14.03 hereof, the District shall continue to be liable for Base Rentals and Additional Rentals allocable to any period during which the District shall continue to occupy, use or retain possession of the Leased Property, beginning with the first day of the Fiscal Year in respect of which the Event of Nonappropriation occurs. The District shall in all events vacate or surrender possession of the Leased Property by the tenth Business Day of the Fiscal Year in respect of which the Event of Nonappropriation has occurred.

After the tenth Business Day of the Fiscal Year in respect of which an Event of Nonappropriation has occurred, the Lender may proceed to exercise all or any Lease Remedies. All property, funds and rights acquired by the Lender upon the termination of this Lease by reason of an Event of Nonappropriation as provided herein, less any moneys due and owing to the Lender, shall be held by the Lender.

ARTICLE VII

TITLE TO THE LEASED PROPERTY; LIMITATIONS ON ENCUMBRANCES

Section 7.01. Fee Interest in the Leased Property. Fee interest in the Leased Property shall remain in the District, subject to the Site Lease and this Lease.

Except as expressly set forth in this Lease or the Site Lease, the District shall have no right or interest in the Leased Property or any additions and modifications thereto or replacements thereof.

Section 7.02. No Encumbrance, Mortgage or Pledge of Leased Property. Except as may be permitted by this Lease, the District shall not permit any mechanic's or other lien to remain against the Leased Property; provided that, if the District shall first notify the Lender of the intention of the District to do so, the District may in good faith contest any mechanic's or other lien filed or established against the Leased Property, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom if the District shall notify the Lender that, in the Opinion of Counsel, by nonpayment of any such items the Lender's title to or interest in the Leased Property will not be materially endangered, or the Leased Property or any part thereof will not be subject to loss or forfeiture, otherwise the District shall promptly pay and cause to be satisfied and discharged all such unpaid items (provided, however, that such payment shall not constitute a waiver of the right to continue to contest such items). The Lender will cooperate fully with the District in any such contest, upon the request and at the expense of the District. Except as may be permitted by this Lease, the Lender shall not directly or indirectly create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Leased Property, except Permitted Encumbrances. The District and the Lender shall promptly, at their own respective expense, take such action as may be necessary to duly discharge any such mortgage, pledge, lien, charge, encumbrance or claim not excepted above which each shall respectively have created, incurred, or suffered to exist.

ARTICLE VIII

MAINTENANCE; TAXES; INSURANCE AND OTHER CHARGES

Section 8.01. Maintenance of the Leased Property by the District. The District agrees that at all times during the Lease Term the District will maintain, preserve and keep all portions of the Leased Property or cause the Leased Property to be maintained, preserved and kept, in good repair, working order and condition, and that the District will from time to time make or cause to be made all necessary and proper repairs, except as otherwise provided in Sections 9.02 and 10.03 of this Lease. The Lender shall not have any responsibility for such maintenance or repairs or for the making of any additions, modifications or replacements to the Leased Property.

Section 8.02. Modification of the Leased Property, Installation of Furnishings and Machinery of the District. The District shall have the privilege of making substitutions,

additions, modifications and improvements to any portion of the Leased Property, at its own cost and expense; and the same shall be the property of the Lender and, subject to this Lease, shall be included under the terms of this Lease and the Site Lease; provided, however, that such substitutions, additions, modifications and improvements shall not in any way damage the Leased Property or cause the Leased Property to be used for purposes other than lawful governmental or proprietary functions of the District (except to the extent of subleasing permitted under Section 12.01 hereof); and provided that the Leased Property, as improved or altered, upon completion of such substitutions, additions, modifications and improvements, shall be of a value not less than the value of the Leased Property immediately prior to making such substitutions, additions, modifications and improvements.

The District may also, from time to time in its sole discretion and at its own expense, install machinery, equipment, and other tangible personal property in or on any Leased Property. All such machinery, equipment, and other tangible personal property shall remain the sole property of the District in which the Lender shall have not any interests; provided, however, that title to any such machinery, equipment, and other tangible personal property which becomes permanently affixed to any Leased Property shall be in the name of the Lender and shall be included under the terms of this Lease, in the event the Lender shall reasonably determine that such Leased Property would be materially damaged or impaired by the removal of such machinery, equipment, or other tangible personal property.

Section 8.03. Reserved.

Section 8.04. Taxes, Other Governmental Charges and Utility Charges. In the event that the Leased Property or any portion thereof shall, for any reason, be deemed subject to taxation, assessments or charges lawfully made by any governmental body, the District shall pay the amount of all such taxes, assessments and governmental charges when due, as Additional Rentals. With respect to special assessments or other governmental charges which may be lawfully paid in installments over a period of years, the District shall be obligated to provide for Additional Rentals only for such installments as are required to be paid during the upcoming Fiscal Year. Except for Permitted Encumbrances, the District shall not allow any liens for taxes, assessments or governmental charges to exist with respect to the Leased Property or any portion thereof (including, without limitation, any taxes levied upon the Leased Property or any portion thereof which, if not paid, will become a charge on the rentals and receipts from the Leased Property or any portion thereof, or any interest therein, including the interest of the Lender), or the rentals and revenues derived therefrom or hereunder. The District shall also pay as Additional Rentals, as the same respectively become due, all utility and other charges incurred in the maintenance and upkeep of the Leased Property.

Section 8.05. Provisions Regarding Liability, Property and Worker's Compensation Insurance. Upon the delivery and acceptance of the Leased Property as provided in this Lease, the District shall, at its own expense, cause casualty and property insurance to be carried and maintained with respect to the Leased Property in an amount equal to the lesser of the next succeeding Purchase Option Price or the maximum insurable value of the Leased Property. Such insurance policy may have a deductible clause in an amount not to exceed \$25,000 or such greater amount as is approved in writing by the Lender. With the prior written consent of the Lender, the District may, in its discretion, insure the Leased Property under blanket insurance

policies which insure not only the Leased Property, but other property as well, as long as such blanket insurance policies otherwise comply with the requirements hereof. Any property damage insurance policy required by this Section 8.05 shall be so written or endorsed as to show the Lender, as loss payee and/or additional insured, and to make losses exceeding \$25,000, if any, payable to the District and the Lender, as their respective interests may appear.

Upon the execution and delivery of this Lease, the District shall, at its own expense, cause public liability insurance, including blanket contractual liability or specific contractual liability insurance for this Lease and public officials' errors and omissions coverage, to be carried and maintained with respect to the activities to be undertaken by the District and its officers, officials, agents and employees in connection with the use and possession of the Leased Property. All such policies (other than errors and omissions) shall show the District and all officers and employees thereof, and the Lender as additional insureds. Such coverage shall be in amounts not less than the limits of liability per occurrence set by the Colorado Governmental Immunity Act as the same may from time to time be amended, to a \$1,000,000 annual aggregate, for claims to which the defense of sovereign immunity applies. The public liability insurance required by this Section 8.05 may be by blanket insurance policy or policies.

If, at any time during the term of this Lease, it is determined that any part of the Leased Property is located in a flood zone, as determined in accordance with 12 CFR Chapter 1, Part 22 or its successor (the "Flood Insurance Regulations"), the District, at its own expense, shall obtain and maintain for the entire term of this Lease flood insurance covering the Leased Property in such form and amount as is required under the Flood Insurance Regulations. If at any time during the term of this Lease, the District shall fail to maintain such adequate flood insurance, the Lender may, to the extent permitted by law, purchase such insurance on the District's behalf, and the cost thereof shall be deemed an Additional Rental payable by the District as provided in Section 6.04 of this Lease. The District shall provide evidence of the renewal or replacement of such flood insurance at least 15 days prior to its expiration.

If the District shall insure against similar risks by self-insurance, the District, at its election and in accordance with the standards of the State relating thereto, may in lieu of obtaining policies for casualty and property, and public liability insurance coverage as required by this Section 8.05 provide one or more such coverages by a self-insurance fund so long as the District provides an annual certification to the Lender that the reserves therein are adequate as determined by, in the case of public liability and workers' compensation insurance, the District's risk manager or Insurance Consultant. Insurance required by Section 8.03 may not be met by self-insurance.

Each property and liability insurance policy provided for in this Section 8.05 shall contain a provision to the effect that the insurance company shall not cancel the policy or modify it materially and adversely to the interests of the Lender without first giving written notice thereof to the Lender at least 30 days in advance of such cancellation or modification. In the event that the District has received such notice of cancellation or modification, it shall immediately furnish to the Lender a new insurance policy or certificate evidencing such policy replacing the cancelled or modified policy and effective on or before the effective date of such cancellation or modification.

The District shall, at its own expense and at the direction of the Lender, cause a policy of title insurance to be procured, insuring the Lender's leasehold interest under the Site Lease, in the amount equal to Lender Rental Payment (as defined in the Site Lease), on the standard ALTA forms, subject only to such exceptions as will be acceptable to the Lender, with such endorsements and affirmative coverages as may be reasonably required by the Lender, and otherwise in form and substance satisfactory to the Lender and issued by a company acceptable to the Lender and authorized to issue such insurance in the State.

The District shall provide certified copies of all insurance policies required under this Section 8.05 or certificates of insurance with appropriate endorsements attached evidencing, that the Lender has been named as loss payee and/or additional insured and that the sixty-day notice of cancellation provision is in effect. A certificate of insurance will be acceptable evidence of insurance at closing, with the understanding that the District shall furnish the policy or endorsements within 45 days after closing. No agent or employee of the District shall have the power to adjust or settle any loss with respect to the Leased Property, whether or not covered by insurance, without the prior written consent of the Lender; except that losses not exceeding \$25,000 may be adjusted or settled by the District without the Lender's consent. The consent of the Lender shall not be required for any such adjustment or settlement.

Section 8.06. Granting of Easements. As long as no Event of Nonappropriation or Event of Default shall have happened and be continuing, the Lender shall at any time or times, but only upon the request of the District, grant easements, licenses, rights-of-way (including the dedication of public highways) and other rights or privileges in the nature of easements with respect to any property or rights included in this Lease, free from this Lease and any security interest or other encumbrance created hereunder or thereunder, and the Lender shall release existing easements, licenses, rights-of-way, and other rights and privileges with respect to such property or rights, with or without consideration, and shall execute and deliver any instrument necessary or appropriate to confirm and grant or release any such easement, license, right-of-way or other grant or privilege upon receipt of: (a) a copy of the instrument of grant or release; (b) a written application signed by an Authorized Officer of the District requesting such instrument and stating that such grant or release will not adversely affect the rental value of the Leased Property, impair the effective use of the Leased Property or interfere with the operation of the Leased Property; and (c) an opinion of Bond Counsel stating that such grant or release will not have an adverse effect on the excludability from federal income taxation on interest payments due under this Lease.

ARTICLE IX

DAMAGE, DESTRUCTION AND CONDEMNATION; USE OF NET PROCEEDS

Section 9.01. Damage, Destruction and Condemnation. If, during the Lease Term (a) the Leased Property or any portion thereof shall be destroyed (in whole or in part), or damaged by fire or other casualty; or (b) title to, or the temporary or permanent use of, the Leased Property or any portion thereof or the estate of the District or the Lender in the Leased

Property or any portion thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority; or (c) a breach of warranty or a material defect in the construction, manufacture or design of the Leased Property shall become apparent; or (d) title to or the use of all or any portion of the Leased Property shall be lost by reason of a defect in title thereto; then the District shall be obligated to continue to pay the amounts specified in Section 6.02 of this Lease (subject to Section 6.01 hereof).

Section 9.02. Obligation of the District to Repair and Replace the Leased Property.

The District and, to the extent such Net Proceeds are within their control, the Lender, shall cause the Net Proceeds of any insurance policies, performance bonds or condemnation awards to be deposited in a separate trust fund held by the Lender. Subject to the receipt of the certificate required by the preceding sentence, all Net Proceeds so deposited shall be applied to the prompt repair, restoration, modification, improvement or replacement of the Leased Property by the District upon receipt of requisitions acceptable to the Lender signed by an Authorized Officer of the District stating with respect to each payment to be made; (a) the requisition number; (b) the name and address of the person, firm or corporation to whom payment is due; (c) the amount to be paid; and (d) that each obligation mentioned therein has been properly incurred, is a proper charge against the separate trust fund and has not been the basis of any previous withdrawal and specifying in reasonable detail the nature of the obligation, accompanied by a bill or a statement of account for such obligation.

Section 9.03. Insufficiency of Net Proceeds. If the Net Proceeds (plus any amounts withheld from such Net Proceeds by reason of any deductible clause) shall be insufficient to pay in full the cost of any repair, restoration, modification, improvement or replacement of the Leased Property required under Section 9.02 of this Lease, the District may elect to:

(a) complete the work or replace such Leased Property (or portion thereof) with similar property of a value equal to or in excess of such Leased Property or portion thereof and pay as Additional Rentals, to the extent amounts for Additional Rentals which have been specifically appropriated by the District are available for payment of such cost, any cost in excess of the amount of the Net Proceeds, and the District agrees that, if by reason of any such insufficiency of the Net Proceeds, the District shall make any payments pursuant to the provisions of this Section 9.03(a), the District shall not be entitled to any reimbursement therefor from the Lender, nor shall the District be entitled to any diminution of the Base Rentals and Additional Rentals payable under Section 6.02 of this Lease; or

(b) apply the Net Proceeds to the payment of the Purchase Option Price in accordance with Article XI of this Lease. In the event of an insufficiency of the Net Proceeds for such purpose, the District shall, subject to the limitations of Section 6.01 hereof, pay such amounts as may be necessary to equal that portion of the Purchase Option Price which is attributed to the Leased Property for which the Net Proceeds have been received (as certified to the Lender by the District); and in the event the Net Proceeds shall exceed such portion of the Purchase Option Price, such excess shall be retained by the District; or

(c) if the District does not timely budget and appropriate sufficient funds to proceed under either (a) or (b) above, the Lender may retain and apply the New Proceeds against the Purchase Option Price, and an Event of Nonappropriation will be deemed to have occurred and, subject to the District's right to cure, the Lender may pursue remedies available to it following an Event of Nonappropriation.

The above referenced election shall be made by the District within 30 days of the occurrence of an event specified in Section 9.01 of this Lease.

If the District elects to replace the Leased Property with similar property pursuant to subparagraph (a) above, the District shall give notice thereof to Lender prior to such substitution.

Section 9.04. Cooperation of the Lender. At the expense of the District, the District shall cooperate fully with the Lender in filing any proof of loss with respect to any insurance policy or performance bond covering the events described in Section 9.01 of this Lease and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to the Leased Property or any portion thereof and in the enforcement of all warranties relating to the Leased Property. In no event shall the Lender voluntarily settle, or consent to the settlement of, any proceeding arising out of any insurance claim, performance or payment bond claim, prospective or pending condemnation proceeding, or any portion thereof without the written consent of the District.

Section 9.05. Condemnation by the District. The District agrees that, to the extent permitted by law, in the event it brings an eminent domain or condemnation proceeding with respect to all or any portion of the Leased Property, the fair market value of the condemned portion of the Leased Property shall be not less than the Purchase Option Price.

ARTICLE X

DISCLAIMER OF WARRANTIES; OTHER COVENANTS

Section 10.01. Disclaimer of Warranties. THE LENDER DOES NOT MAKE ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR FITNESS FOR USE OF THE LEASED PROPERTY OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE LEASED PROPERTY. THE DISTRICT HEREBY ACKNOWLEDGES AND DECLARES THAT THE DISTRICT IS SOLELY RESPONSIBLE FOR THE USE, CONSTRUCTION, IMPROVEMENT, EQUIPPING, MAINTENANCE AND OPERATION OF THE LEASED PROPERTY, AND THAT THE LENDER DOES NOT HAVE ANY RESPONSIBILITY THEREFOR. For the purpose of enabling the District to discharge such responsibility, the Lender constitutes and appoints the District as its attorney in fact for the purpose of constructing, improving, equipping, maintaining and operating the Leased Property, and asserting and enforcing, at the sole cost and expense of the District, all constructor's or manufacturer's warranties and guaranties, express or implied, with respect to the Leased Property, as well as any claims or rights the Lender may have in respect of the Leased Property against any manufacturer, supplier, contractor or other person. The Lender has not participated and will not participate in

the design or construction of any buildings or improvements located at or on the Leased Property, and will not undertake any such activities during the Lease Term. In no event shall the Lender be liable for any direct or indirect, incidental, special or consequential damage in connection with or arising out of this Lease or the existence, furnishing, functioning or use by the District of any item, product or service provided for herein.

Section 10.02. Further Assurances and Corrective Instruments. The Lender and the District agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Leased Property hereby leased or intended so to be, or for otherwise carrying out the intention hereof.

Section 10.03. Compliance with Requirements. During the Lease Term, the District and the Lender shall observe and comply promptly to the extent possible with all current and future orders of all courts having jurisdiction over the Leased Property or any portion thereof, provided that the District, the Lender may contest or appeal such orders so long as they are in compliance with such orders during the contest or appeal period, and all current and future requirements of all insurance companies writing policies covering the Leased Property or any portion thereof.

Section 10.04. Tax Covenant of District. The District will not use or permit others to use the Leased Property in a manner that would cause the interest component of the Base Rentals to be included in gross income for federal income tax purposes or to be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations (except, with respect to corporations, as such interest is required to be taken into account in determining "adjusted net book income" for the purpose of computing the alternative minimum tax imposed on such corporations). The District will strictly comply with all covenants and directives contained in the Tax Compliance Certificate.

Section 10.05. Immunity and Indemnification. In the exercise of the powers of the Lender by its employees and agents under this Lease, including (without limiting the foregoing) the application of moneys and the investment of funds, the Lender shall not be accountable to the District for any action taken or omitted with respect to this Lease by it or its employees and agents reasonably believed by it or them to be authorized or within the discretion or rights or powers conferred under this Lease. The Lender and its employees and agents shall be protected in its or their actions taken in reliance upon any paper or documents believed by it or them to be genuine and consistent with their rights or powers under this Lease, and it or they may conclusively rely upon the advice of Counsel and may (but need not) require further evidence of any fact or matter before taking any action. No recourse shall be had by the District for any claims based on this Lease against any employee or agent of the Lender alleging personal liability on the part of such person.

Subject to the limitations of Section 6.01 hereof and to the fullest extent permitted by law, the District shall indemnify the Lender and any of its employees or agents and save them harmless against any liability resulting from acts or omissions of the District in connection with any acts taken pursuant to this Lease as it relates to the District and the Leased Property. To the fullest extent permitted by law, the District shall also indemnify the Lender and its employees or

agents against all claims arising from: (a) the conduct, management, operation or use of, or from any work or thing done on, the Leased Property during the Lease Term; (b) any condition of the Leased Property; and (c) any act of negligence of the District or of any of its agents, contractors or employees or any violation of law by the District or breach of any covenant or warranty by the District hereunder. To the fullest extent permitted by law, the District shall indemnify and save the Lender and its employees and agents harmless from any such claim arising as aforesaid or in connection with any action or proceeding brought thereon and, upon notice from the Lender or any of its employees or agents, shall defend the Lender and its employees and agents in any such action or proceeding, and in any such action, the District shall assert on the Lender's behalf the defense that the District, and not the Lender, is the sole "landowner" of the Leased Property within the meaning of C.R.S. § 13-21-115.

Subject to Section 10.08 hereof, notwithstanding anything to contrary herein, nothing in this Section 10.05 or otherwise contained in this Lease shall be construed in any way or applied in any manner as a compromise or waiver of the District's rights and protections under the Colorado Governmental Immunity Act.

Section 10.06. Access to Leased Property. The District agrees that the Lender, and any authorized representative of such parties, shall have the right at all reasonable times to examine and inspect the Leased Property and all of the District's books and records with respect thereto. The District further agrees that the Lender, and any such representative shall have such rights of access to the Leased Property as may be reasonably necessary to cause the proper maintenance of the Leased Property in the event of failure by the District to perform its obligations under this Lease; provided however that Lender shall have no responsibility for maintenance or repair of the Leased Property or any improvements thereon.

Section 10.07. Annual Budgets and Audited Financial Statements. The District shall provide its annual budget to the Lender, annually, within 30 days of the Board's adoption of such annual budget. Additionally, the District shall provide its audited financial statements to the Lender, annually, within 30 days of their acceptance by the Board. The District shall use its best efforts to provide such audited financial statements to be delivered to the Lender no later than seven months after the close of the District's Fiscal Year.

Section 10.08. Environmental Covenant. The District shall not store, locate, generate, produce, process, treat, transport, incorporate, discharge, emit, release, deposit or dispose of any Hazardous Substance in, upon, under, over or from the Leased Property in violation of any federal or State environmental regulation, shall not permit any Hazardous Substance to be stored, located, generated, produced, processed, treated, transported, incorporated, discharged, emitted, released, deposited, disposed of or to escape therein, thereupon, thereunder, thereover or therefrom in violation of any federal or State environmental regulation, shall cause all Hazardous Substances to be properly removed therefrom and properly disposed of in accordance with all applicable environmental regulations, shall not install or permit to be installed any underground storage tank therein or thereunder in violation of any environmental regulation and shall comply with all other environmental regulations which are applicable to the Leased Property.

Subject to the limitations of Section 6.01 hereof, in the event any Hazardous Substance is found upon, under, over or from the Leased Property in violation of any applicable

environmental regulation or if any lien or claim for lien in favor of any governmental entity or agency as a result of any release of any Hazardous Substance is threatened, the District, at its sole cost and expense, shall, within ten days of such finding, deliver written notice thereof to the Lender and shall promptly remove such Hazardous Substances and prevent the imposition of any liens against the Leased Property for the cleanup of any Hazardous Substances. Such removal shall be conducted and completed in compliance with all applicable federal, State and local laws, regulations, rules, ordinances and policies in accordance with the orders and directives of all federal, state and local governmental authorities.

The District further agrees to reimburse the Lender, to the fullest extent permitted by law, for any and all claims, demands, judgments, penalties, liabilities, costs, damages and expenses, including court costs and attorneys' fees directly or indirectly incurred by the Lender in any action against or involving the Lender, resulting from any breach of the foregoing covenants or the representations and warranties in Section 2.01(e) hereof, or from the discovery of any Hazardous Substance, in, upon, under or over, or emanating from, the Leased Property.

The representations and warranties in Section 2.01(e) hereof and the covenants of this Section 10.08 shall be deemed to be for the benefit of the Lender and any successors and assigns of the Lender.

Section 10.09. Bank Qualification. The District reasonably expects that the total amount of "tax exempt obligations" within the meaning of Section 265 of the Internal Revenue Code of 1986, as amended (the "Code") to be issued by it during the calendar year 2022, including its obligations under this Lease, will not exceed \$10,000,000. Accordingly, the District has designated this Lease as a "qualified tax-exempt obligation" for purposes of Section 265(b) of the Code.

ARTICLE XI

PURCHASE AND CONVEYANCE OF THE LEASED PROPERTY

Section 11.01. Purchase Option. The District shall have the option to purchase the Leased Property and terminate this Lease, but only if it is not then in default under this Lease. The District may exercise its option on the dates specified in Exhibit C by complying with one of the conditions set forth in Section 11.02. The District shall give the Lender notice of its intention to exercise its option not less than thirty (30) days in advance of the date of exercise. If the District shall have given notice to the Lender of its intention to purchase the Leased Property, but shall not have deposited the amounts with the Lender on the date specified in such notice, the District shall continue to pay Base Rentals as if no such notice had been given.

Section 11.02. Conveyance of the Leased Property. The Lender shall transfer and convey the Leased Property to the District in the manner provided for in Section 11.03 of this Lease; provided, however, that prior to such transfer and conveyance, either:

- (a) the District shall have paid the then applicable Purchase Option Price as set forth in Exhibit C; or

(b) an Event of Default shall not have occurred and be continuing and the District shall have paid all Base Rentals set forth in Exhibit B hereto and all then current Additional Rentals required to be paid hereunder, in which case the Lender shall transfer and convey the Leased Property to the District.

The District is hereby granted the option to terminate this Lease and to purchase the Leased Property upon payment by the District of the then applicable Purchase Option Price. It is the intent of this Section to provide for and allow the release of the Leased Property shown on Exhibit A subject to this Lease if the District has fulfilled all payment obligations with respect hereto and is not then in default hereunder.

Section 11.03. Manner of Conveyance. At the closing of any purchase or other conveyance of the Leased Property pursuant to Section 11.02 of this Lease, the Lender shall execute and deliver to the District such bills of sale and other necessary documents assigning, transferring and conveying good and marketable title to the Leased Property, as they then exist, subject to the following: (a) Permitted Encumbrances, other than this Lease; (b) all liens, encumbrances and restrictions created or suffered to exist by the Lender as required or permitted by this Lease or arising as a result of any action taken or omitted to be taken by the Lender as required or permitted by this Lease; and (c) any lien or encumbrance created by action of the District.

ARTICLE XII

ASSIGNMENT, SUBLEASING AND USE BY DISTRICT

Section 12.01. Assignment and Subleasing of the Lease. This Lease may not be assigned by the District for any reason other than to a successor by operation of law. However, the Leased Property may be subleased to any other person or entity, as a whole or in part, by the District, subject, however, to each of the following conditions:

- (a) this Lease, and the obligations of the District hereunder, shall, at all times during the Lease Term remain obligations of the District subject to Section 6.01 of this Lease, and the District shall maintain its obligations to the Lender, notwithstanding any sublease;
- (b) the District shall furnish or cause to be furnished to the Lender a copy of any sublease agreement;
- (c) receipt by the Lender of an opinion of reputable bond counsel that such sublease by the District shall not violate the Constitution or laws of the State; and
- (d) receipt by the Lender of an opinion of reputable bond counsel that such sublease by the District shall not have an adverse effect on the excludability from federal income taxation on interest payments due under this Lease.

For purposes of this Section 12.01, the temporary use of the Leased Property under the District's community use of library facilities policies or similar procedures shall not constitute an assignment or subletting in violation of this section.

ARTICLE XIII

EVENTS OF DEFAULT AND REMEDIES

Section 13.01. Events of Default Defined. Any one of the following shall be an “Event of Default” under this Lease:

(a) failure by the District to pay any Base Rentals or Additional Rentals during the Lease Term after the same becomes due;

(b) failure by the District to vacate or surrender possession of the Leased Property by the tenth Business Day of the Fiscal Year in respect of which an Event of Nonappropriation has occurred;

(c) failure by the District to carry any insurance required under Section 8.05, and failure to cure within 10 days after written notice given to the District by the Lender, specifying such failure and requesting that it be remedied;

(d) failure by the District to observe and perform any covenant, condition or agreement on its part to be observed or performed hereunder or under any certificates executed and delivered by the District in connection with the execution and delivery of this Lease, other than as referred to in (a), (b) or (c), for a period of 30 days after written notice, specifying such failure and requesting that it be remedied shall be given to the District by the Lender, unless the Lender shall agree in writing to an extension of such time prior to its expiration; provided, however, that if the failure stated in the notice cannot be corrected within the applicable period, the Lender shall not withhold its consent to an extension of such time if corrective action is instituted by the District within the applicable period and diligently pursued until the default is corrected. Such consent by the Lender shall not be unreasonably withheld; or

(e) the District (i) files a petition or application seeking reorganization, arrangement under federal bankruptcy law, or other debtor relief under the laws of the State or (ii) is the subject of such a petition or application which is not contested by the District, or otherwise dismissed or discharged, within 30 days.

The foregoing provisions of this Section 13.01 are subject to the following limitations: (a) the District shall be obligated to pay the Base Rentals and Additional Rentals only during the Original Term or current Renewal Term, except as otherwise expressly provided in this Lease; and (b) if, by reason of Force Majeure, the District shall be unable in whole or in part to carry out any agreement on its part herein contained, other than the obligations on the part of the District contained in Article VI of this Lease, the District shall not be deemed in default during the continuance of such inability. The District agrees, however, to remedy, as promptly as legally and reasonably possible, the cause or causes preventing the District from carrying out its agreement; provided that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the District.

Section 13.02. Remedies on Default. Whenever any Event of Default referred to in Section 13.01 of this Lease shall have happened and be continuing, the Lender may, without any further demand or notice, take one or any combination of the following remedial steps:

(a) The Lender may terminate the Lease Term and give notice to the District to vacate and surrender possession of the Leased Property within ten Business Days of such notice; and pursue Judgment for Possession and a Writ of Restitution under C.R.S. § 13-40-101 et seq. if possession is not timely surrendered.

(b) The Lender may proceed to foreclose through the courts on or otherwise sell, trade-in, repossess or liquidate the District's interest in the Leased Property, or any part thereof in any lawful manner; provided, however, that the Lender may not recover from the District any deficiency which may exist following the liquidation of the District's interest in the Leased Property in excess of Base Rentals and Additional Rentals for the then current Fiscal Year and in excess of amounts payable under subparagraph (d) of this Section 13.02.

(c) The Lender may lease or sublease the Leased Property or any portion thereof or sell any interest the Lender has in the Leased Property.

(d) The Lender may recover from the District:

(i) the portion of Base Rentals and Additional Rentals which would otherwise have been payable hereunder, during any period in which the District continues to occupy, use or possess the Leased Property; and

(ii) Base Rentals and Additional Rentals which would otherwise have been payable by the District hereunder during the remainder, after the District vacates and surrenders possession of the Leased Property, of the Fiscal Year in which such Event of Default occurs.

(e) The Lender may take whatever action at law or in equity may appear necessary or desirable to enforce its rights in and to the Leased Property under this Lease.

Section 13.03. Limitations on Remedies. A judgment requiring a payment of money may be entered against the District by reason of an Event of Default only as to the District's liabilities described in paragraph (d) of Section 13.02 of this Lease. A judgment requiring a payment of money may be entered against the District by reason of an Event of Nonappropriation only to the extent that the District fails to vacate and surrender possession of the Leased Property as required by Section 6.05 of this Lease, and only as to the liabilities described in paragraph (d)(i) of Section 13.02 of this Lease. The remedy described in paragraph (d)(ii) of Section 13.02 of this Lease is not available for an Event of Default consisting of failure by the District to vacate and surrender possession of the Leased Property within ten Business Days following notice of an Event of Nonappropriation.

Section 13.04. No Remedy Exclusive. Subject to Section 13.03 hereof, no remedy herein conferred upon or reserved to the Lender is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or

now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Lender to exercise any remedy reserved in this Article XIII, it shall not be necessary to give any notice, other than such notice as may be required in this Article XIII.

Section 13.05. Waivers. The Lender may waive any Event of Default under this Lease and its consequences. In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder. With respect to all of the remedies provided for in this Article XIII, the District hereby waives any damages occasioned by the Lender's repossession of the Leased Property upon the occurrence of an Event of Default.

Section 13.06. Agreement to Pay Attorneys' Fees and Expenses. To the extent permitted by law and subject to the provisions of Section 6.01 hereof, in the event that either party hereto shall default under any of the provisions hereof and the nondefaulting party shall employ attorneys or incur other expenses for the collection of Base Rentals and Additional Rentals, or the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it shall on demand therefor pay to the nondefaulting party the fees of such attorneys and such other expenses so incurred by the nondefaulting party, to the extent that such attorneys' fees and expenses may be determined to be reasonable by a court of competent jurisdiction.

ARTICLE XIV

MISCELLANEOUS

Section 14.01. Sovereign Powers of District. Nothing in this Lease shall be construed as diminishing, delegating, or otherwise restricting any of the sovereign powers of the District. Nothing in this Lease shall be construed to require the District to occupy and operate the Leased Property other than as lessee, or to require the District to exercise its right to purchase the Leased Property as provided in Article XI hereof.

Section 14.02. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by certified or registered mail, postage prepaid, addressed as follows:

if to the District: Clearview Library District
720 3rd Street
Windsor, Colorado 80550
Attention: Library Director;

and if to the Lender: Bank of the San Juans, a Division of Glacier Bank
2452 US Highway 6 & 50

Grand Junction, Colorado 81505
Attention: Regional Market President

The District and the Lender may, by written notice, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 14.03. Binding Effect. This Lease shall inure to the benefit of and shall be binding upon the Lender and the District and their respective successors and assigns, subject, however, to the limitations contained in Article XII of this Lease.

Section 14.04. Amendments, Changes and Modifications. Except as otherwise provided in this Lease, this Lease may not be effectively amended, changed, modified or altered without the written consent of the parties hereto.

Section 14.05. Assignment and Transfer by Lender. This Lease shall be assignable and transferrable by the Lender, without the District's consent, on prior written notice to the District not less than thirty (30) days prior to the assignment and transfer date, but only to: (i) an affiliate of the Lender; or (ii) a "Bank" as defined in Section 3(a)(2) of the Securities Act of 1933 as amended (the "Securities Act"). The District shall not be required to incur any expenses in connection with an assignment or transfer by the Lender.

Section 14.06. Net Lease. This Lease shall be deemed and construed to be a "triple net lease," and the District shall, subject to Section 6.01 hereof, pay absolutely net during the Lease Term, the Base Rentals, Additional Rentals and all other payments required hereunder, free of any deductions, and without abatement, deduction or setoff (other than credits against Base Rentals expressly provided for in this Lease).

Section 14.07. No Rating, CUSIP Number or Securities Depository. The Lease has not, is not expected to be, rated by a nationally recognized organization which regularly rates such obligations, assigned a CUSIP number or registered with or made eligible for registration with any securities depository, including but not limited to the Depository Trust Company, New York, New York.

Section 14.08. Payments Due on Holidays. If the date for making any payment or the last day for performance of any act or the exercising of any right, as provided in this Lease, shall be a day other than a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day, with the same force and effect as if done on the nominal date provided in this Lease.

Section 14.09. Severability. In the event that any provision of this Lease, other than the requirement of the District to pay Base Rentals in accordance with Section 6.01 and the requirement of the Lender to provide quiet enjoyment of the Leased Property and to convey the Leased Property to the District under the conditions set forth in Article XI of this Lease, and the requirement that the obligation of the District to pay Base Rentals, Additional Rentals and other amounts under this Lease are subject to the limitations of Section 6.01 hereof, shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 14.10. No Merger. The Lender and the District intend that the legal doctrine of merger shall have no application to this Lease and that neither the execution and delivery of the Site Lease by the District and the Lender nor the exercise of any remedies under the Site Lease or this Lease shall operate to terminate or extinguish the Site Lease or this Lease, except as specifically provided therein and herein.

Section 14.11. Execution in Counterparts. This Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14.12. Applicable Law. This Lease shall be governed by and construed in accordance with the laws of the State, without regard to conflict of laws principles.

Section 14.13. Captions. The captions or headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Lease.

Section 14.14. Reporting Requirements. Throughout the duration of the Lease Term, the District shall annually provide the Lender its audited financial statements (audited by an independent certified accountant), to be prepared in accordance with the requirements of State law and delivered within 270 days after the conclusion of the District's Fiscal Year. Simultaneously with the delivery of the District's audited financial statements, the District shall deliver to the Lender an Annual Compliance Certificate signed by an Authorized Officer of the District in substantially the form attached hereto as Exhibit D: (i) stating that such officer has made a review of activities during the preceding period for the purpose of determining whether the District has complied with all of the terms, provisions and conditions of this Lease; and (ii) attesting that, to the best of his/her knowledge, the District has kept, observed, performed and fulfilled each and every such covenant, provision and condition on its part to be performed and no Event of Default has occurred, or if an Event of Default has occurred such certificate shall specify such event or condition, the nature and status thereof and any remedial steps taken or proposed to correct such event or condition.

Section 14.15. Patriot Act Notice. The Lender hereby notifies the District that pursuant to the requirements of the Patriot Act it is required to obtain, verify and record information that identifies the District, which information includes the name and address of the District and other information that will allow the Lender to identify the District in accordance with the Patriot Act. The District hereby agrees that it shall promptly provide such information upon request by the Lender.

[Signature Page to Lease Purchase Agreement follows]

WITNESS the due execution hereof as of the day and the year first mentioned above.

BANK OF THE SAN JUANS, A DIVISION
OF GLACIER BANK, as Lessor

By: _____
Authorized Officer

[SEAL]

CLEARVIEW LIBRARY DISTRICT, IN
WELD COUNTY, COLORADO, as Lessee

Attest:

By _____
President, Board of Trustees

By _____
Secretary, Board of Trustees

[Signature Page to Lease Purchase Agreement]

STATE OF COLORADO)
) ss.
COUNTY OF MESA)

This instrument was acknowledged before me this ____ day of February, 2022, by _____, as an authorized officer of Bank of the San Juans, a Division of Glacier Bank.

WITNESS my hand and official seal.

[SEAL]

Notary Public

My Commission Expires:

STATE OF COLORADO)
) ss.
COUNTY OF WELD)

This instrument was acknowledged before me this ____ day of February, 2022, by Kendra Adams, as President, and Jeromey Balderrama, as Secretary of the Board of Trustees of the Clearview Library District, in Weld County, Colorado.

Witness my hand and official seal.

[SEAL]

Notary Public

My Commission Expires:

EXHIBIT A

DESCRIPTION OF LEASED PROPERTY

REAL PROPERTY

Address

5 Timber Ridge Parkway
Severance, CO 80546

Legal Description

Lot 1 and Lot 4, Block 1, Summit View Subdivision, Fifth Filing, County of Weld, State of Colorado

LEASED PROPERTY

Facilities

The Leased Property comprises the new District library branch, to be constructed on the property listed above.

EXHIBIT B
BASE RENTALS SCHEDULE

[See Attached]

EXHIBIT C

PURCHASE OPTION PRICE

The District may exercise its option to purchase the Leased Property in whole, on December 1, 2030 or any date thereafter, with written notice to the Lender provided not less than thirty (30) days prior to the purchase option date, upon payment of the balance of the Base Rentals principal component which has not been paid, plus interest accruing on the outstanding principal balance as provided in Exhibit B hereto from the last date on which Base Rentals were paid to the date on which the option to purchase is exercised.

EXHIBIT D

FORM OF ANNUAL COMPLIANCE CERTIFICATE

For the Fiscal Year Ended December 31, 20__

The undersigned, as an authorized officer of and on behalf of the Clearview Library District, in Weld County, Colorado, a duly and regularly created, organized and existing library district under the laws of the State of Colorado (the “District”), in connection with the Lease Purchase Agreement, March 1, 2022 (the “Lease”), between the District, as lessee, and Bank of the San Juans, a Division of Glacier Bank, as lessor (the “Bank”), hereby attests as follows (capitalized terms used herein and not defined shall have the meanings ascribed thereto in the Lease Purchase Agreement):

1. The undersigned is an authorized officer of the District.

2. The undersigned has made a review of activities during the preceding period for the purpose of determining whether the District has complied with all of the terms, provisions and conditions of the lease documents to which the District is a party, except as described below, if applicable.

3. To the best of his/her knowledge, the District has kept, observed, performed and fulfilled each and every such covenant, provision and condition on its part to be performed and no Event of Default or noncompliance has occurred.

[or]

An Event of Default or noncompliance under the Lease has occurred and is continuing. Such Event of Default or noncompliance and the actions the District is taking to remedy or terminate such Event of Default or noncompliance are described below:

[description of Event of Default and remedial actions being taken]

[description of noncompliance, if any]

IN WITNESS WHEREOF, I have hereunto subscribed my name as of the _____ day of _____, _____.

CLEARVIEW LIBRARY DISTRICT

By: _____

Title: _____

AFTER RECORDATION PLEASE RETURN TO:

Kutak Rock LLP
1801 California Street, Suite 3000
Denver, Colorado 80202
Attention: Thomas M. Peltz, Esq.

SITE LEASE

between

CLEARVIEW LIBRARY DISTRICT
IN WELD COUNTY, COLORADO
as Lessor,

and

BANK OF THE SAN JUANS, A DIVISION OF GLACIER BANK
as Lessee

Dated as of March 1, 2022

THIS SITE LEASE dated as of March 1, 2022 (this “Site Lease”), between **CLEARVIEW LIBRARY DISTRICT**, in Weld County, Colorado, as lessor (the “District”), a duly organized library district validly existing as such under the laws of the State of Colorado (the “State”), and **BANK OF THE SAN JUANS, A DIVISION OF GLACIER BANK**, as lessee (together with its successors and assigns, the “Lender”).

WITNESSETH:

WHEREAS, the District is a library district duly organized in 1985, validly existing pursuant to the provisions of Part 1 of Article 90 of Title 24 of the Colorado Revised Statutes (“C.R.S.”) and established by separate resolutions of the Town of Windsor, Colorado and Weld County School District RE-4 to meet the informational, educational, recreational, and cultural reading needs of the people within the service area of the District; and

WHEREAS, the Board of Trustees of the District (the “Board”) has the power, pursuant to Section 24-90-109(h), C.R.S., to “lease, purchase, or erect any appropriate building for library purposes and acquire such other property as may be needed therefor”; and

WHEREAS, in order to generate moneys to finance the acquisition of land and the construction thereon of a new District library facility in Severance, Colorado (the “Project”), the Board has determined that the District shall convey a leasehold interest in the Project (as such and as more particularly described in Exhibit A attached hereto, the “Leased Property”) for a lump-sum payment set forth in Section 3 hereof, and contemporaneously with the execution and delivery of this Site Lease, sublease the Leased Property back from the Lender pursuant to that certain Lease Purchase Agreement dated as of the date of this Site Lease (the “Lease Purchase Agreement”) between the Lender, as sublessor, and the District, as sublessee; and

WHEREAS, the Board has determined the acquisition of the Leased Property, completion of the Project, lease of the Leased Property to the Lender pursuant to this Site Lease and leaseback of the Leased Property from the Lender pursuant to the Lease Purchase Agreement is in the best interests of the District and its residents;

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows;

Section 1. Definitions. Unless the context otherwise requires, capitalized terms used herein shall have the meanings ascribed to them herein and in the Lease Purchase Agreement.

Section 2. Site Lease and Terms. The District hereby leases to the Lender and the Lender hereby leases from the District, on the terms and conditions hereinafter set forth, the Leased Property, which consists of the real property (including all improvements thereon, whether existing now or hereafter) described in Exhibit A attached hereto and made a part hereof, subject to permitted encumbrances as described in Exhibit B attached hereto, and such lease to the Lender is hereby deemed to be in the best interests of the District and its inhabitants.

The term of this Site Lease shall commence on the date hereof and shall end on December 31, 2051 (the “Site Lease Termination Date”), unless such term is sooner terminated as hereinafter provided. If, prior to the Site Lease Termination Date, all legal interests of the Lender in the

Leased Property have been conveyed to the District pursuant to the Lease Purchase Agreement as a result of the District's payment of (i) the related Purchase Option Price thereunder or (ii) all Base Rentals and Additional Rentals as provided in Section 11.02 of the Lease Purchase Agreement, then the term of this Site Lease shall end immediately thereafter.

Section 3. Rent and Payment. The Lender has paid to the District and the District hereby acknowledges receipt from the Lender as and for rental hereunder, paid in advance, the sum of \$5,770,000 (the "Lender Rental Payment"), as and for all rent due hereunder, and other good and valuable consideration, the receipt and the sufficiency of which are hereby acknowledged, to have and to hold for the term of this Site Lease as provided herein. The District hereby determines that such amount is reasonable consideration for the leasing of the Leased Property to the Lender for the term of this Site Lease

Section 4. Purpose. The Lender shall use the Leased Property for the purpose of subletting the same to the District pursuant to the Lease Purchase Agreement; provided, that upon the occurrence of an Event of Nonappropriation or an Event of Default under the Lease Purchase Agreement, the District shall vacate the Leased Property as provided in the Lease Purchase Agreement, the Lender may exercise the remedies provided in the Lease Purchase Agreement and the Lender may use or sublet the Leased Property for any lawful purposes.

Section 5. Owner in Fee. The District covenants and represents that it is the owner in fee of the Leased Property, subject only to permitted encumbrances set forth in Exhibit B hereto, and the permitted encumbrances do not and shall not interfere in any material way with the Leased Property.

Section 6. Assignments and Subleases. Unless an Event of Nonappropriation or an Event of Default under the Lease Purchase Agreement shall have occurred and except as may otherwise be provided in the Lease Purchase Agreement, the Lender may not assign its rights under this Site Lease or sublet the Leased Property without the written consent of the District.

In the event that (a) the Lease Purchase Agreement is terminated for any reason and (b) this Site Lease is not terminated, the Lender may sublease the Leased Property or any portion thereof, or sell an assignment of its interest in this Site Lease. Except as provided in this Site Lease or in the Lease Purchase Agreement, neither the District nor the Lender will sell, mortgage or encumber the Leased Property or any portion thereof during the term of this Site Lease.

Section 7. Right of Entry. The District reserves the right, so long as no Event of Nonappropriation or Event of Default shall have occurred under the Lease Purchase Agreement, for any of its duly authorized representatives to enter upon the Leased Property at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

Section 8. Termination. The Lender agrees, upon the termination of this Site Lease, to quit and surrender the Leased Property and any improvements and structures built on the Site to the District, and agrees that any fixtures, permanent improvements and structures existing upon the Leased Property, including any improvements and structures built on the Leased Property, at the time of the termination of this Site Lease shall remain thereon and all legal interests of the

Lender thereto shall vest in the District. The Lender and any sublessee or assignee shall execute and deliver, upon request by the District, any instrument of transfer, conveyance or release necessary or appropriate to confirm the vesting of such legal interests in the District.

Section 9. Default. In the event the Lender shall be in default in the performance of any obligation on its part to be performed under the terms of this Site Lease, which default continues for 30 days following notice and demand for correction thereof to the Lender, the District may exercise any and all remedies granted by law, except that no merger of this Site Lease and of the Lease Purchase Agreement shall be deemed to occur as a result thereof.

Section 10. Quiet Enjoyment and Acknowledgment of Ownership. The Lender at all times during the term of this Site Lease shall peaceably and quietly have, hold and enjoy the Leased Property and any improvements and structures built on the Leased Property, subject to the provisions of the Lease Purchase Agreement, and the District hereby acknowledges that the Lender shall have a leasehold interest in the land comprising the Leased Property and in all fixtures, improvements and structures on the Leased Property, subject to the Lease Purchase Agreement.

Section 11. Waiver of Personal Liability. All liabilities under this Site Lease on the part of the Lender are solely liabilities of the Lender, and the District hereby releases each and every director, member, officer, employee and agent of the Lender of and from any personal or individual liability under this Site Lease. No employee or agent of the Lender shall at any time or under any circumstances be individually or personally liable under this Site Lease for anything done or omitted to be done by the Lender hereunder.

All liabilities under this Site Lease on the part of the District are solely liabilities of the District, and the Lender hereby releases each and every director, member, officer, employee and agent of the District of and from any personal or individual liability under this Site Lease. No employee or agent of the District shall at any time or under any circumstances be individually or personally liable under this Site Lease for anything done or omitted to be done by the District hereunder.

Section 12. Taxes; Maintenance; Insurance. During the Lease Term of the Lease Purchase Agreement and in accordance with the provisions of the Lease Purchase Agreement, the District covenants and agrees to pay any and all assessments of any kind or character and all taxes, including possessory interest taxes, levied or assessed upon the Leased Property and any improvements thereon, and all maintenance costs and utility charges in connection with the Leased Property and any improvements thereon. In the event that the Lease Purchase Agreement is terminated for any reason and this Site Lease is not terminated, the District shall pay or cause to be paid when due all taxes and assessments imposed thereon and maintain the Leased Property in good condition. Any such payments that are to be made by the Lender are required to be made solely from the proceeds of any such subleasing or assignment of the Leased Property.

The provisions of the Lease Purchase Agreement shall govern with respect to the maintenance of insurance hereunder during the Lease Term of the Lease Purchase Agreement.

Section 13. Damage, Destruction or Condemnation. The provisions of the Lease Purchase Agreement shall govern with respect to any damage, destruction or condemnation of the Leased Property or any improvements and structures built on the Leased Property during the Lease Term of the Lease Purchase Agreement. In the event that (a) the Lease Purchase Agreement is terminated for any reason, (b) this Site Lease is not terminated and either (i) the Leased Property or any portion thereof are damaged or destroyed, in whole or in part, by fire or other casualty, or (ii) title to or use of the Leased Property or any part thereof shall be taken under the exercise of the power of eminent domain, the District and the Lender, or any sublessee, purchaser or assignee of the Leased Property from the Lender shall cause the Net Proceeds of any insurance claim or condemnation award to be applied in accordance with the provisions of Article IX of the Lease Purchase Agreement.

Section 14. Hazardous Substances. Except for customary materials necessary for construction, operation, cleaning and maintenance of the Leased Property, none of the District, the Lender or any sublessee or assignee of the Leased Property from the Lender shall cause or permit any Hazardous Substance (as defined in the Lease) to be brought upon, generated at, stored or kept or used in or about the Site without prior written notice to the District and the Lender and all Hazardous Substances, including, customary materials necessary for construction, operation, cleaning and maintenance of the Leased Property, will be used, kept and stored in a manner that complies with all laws regulating any such Hazardous Substance so brought upon or used or kept in or about the Site. If the presence of Hazardous Substance on the Leased Property caused or permitted by the District, the Lender or any sublessee or assignee of the Leased Property from the Lender, as the case may be, results in contamination of the Site, or if contamination of the Site by Hazardous Substance otherwise occurs for which the District, the Lender or any sublessee or assignee of the Leased Property, as the case may be, is legally liable for damage resulting therefrom, then the District, the Lender or any sublessee or assignee of the Leased Property from the Lender, as the case may be, shall reimburse the other party for its reasonable and necessary legal expenses to defend the parties hereto or assignees hereof that have not caused or permitted such contamination and are not so legally liable with respect to this Site Lease from claims for damages, penalties, fines, costs, liabilities or losses; provided that the cost of such defense, in the case of the District, shall be payable only if the cost of such defense has been annually appropriated by the District. This duty to reimburse legal expenses is not an indemnification. It is expressly understood that none of the District, the Lender or any sublessee or assignee is indemnifying any other person with respect to this Site Lease. Without limiting the foregoing, if the presence of any Hazardous Substance on the Site caused or permitted by

(a) the Lender or any sublessee or assignee of the Leased Property from the Lender, as the case may be, results in any contamination of the Leased Property, the Lender or any sublessee or assignee of the Leased Property from the Lender, as the case may be, shall provide prior written notice to the District and the Lender and promptly take all actions, solely at the expense of the Lender or any sublessee or assignee of the Leased Property, as the case may be, as are necessary to effect remediation of the contamination in accordance with legal requirements; or

(b) the District, results in any contamination of the Leased Property, the District shall provide prior written notice to the Lender and promptly take all actions, solely at the expense of the District, which expenses shall constitute Additional Rentals, as are

necessary to effect remediation of the contamination in accordance with legal requirements.

Section 15. Partial Invalidity. If any one or more of the terms, provisions, covenants or conditions of this Site Lease shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Site Lease shall be affected thereby, and each provision of this Site Lease shall be valid and enforceable to the fullest extent permitted by law.

Section 16. No Merger. The District and the Lender intend that the legal doctrine of merger shall have no application to this Site Lease and that neither the execution and delivery of the Lease Purchase Agreement by the Lender and the District nor the exercise of any remedies under this Site Lease or the Lease Purchase Agreement shall operate to terminate or extinguish this Site Lease or the Lease Purchase Agreement, except as specifically provided herein and therein.

Section 17. Notices. All notices, statements, demands, consents, approvals, authorizations, offers, designations, requests or other communications hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed shall be made by United States registered mail, return receipt requested, postage prepaid, at the addresses indicated in the Lease Purchase Agreement, or to such other addresses as the respective parties may from time to time designate in writing.

Section 18. Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Site Lease.

Section 19. Execution. This Site Lease may be executed in any number of counterparts, each of which shall be deemed to be an original but all together shall constitute but one and the same Site Lease.

Section 20. Governing Law. This Site Lease shall be governed by and construed in accordance with the law of the State of Colorado.

Section 21. Electronic Transactions. The parties hereto agree that the transactions described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

[Signature Page of Site Lease Follows]

IN WITNESS WHEREOF, the District and the Lender have caused this Site Lease to be executed by their respective officers thereunto duly authorized, and the District has affixed its official seal hereto all as of the day and year first above written.

CLEARVIEW LIBRARY DISTRICT, IN
WELD COUNTY, COLORADO, as Lessor

By _____
President, Board of Trustees

Attest:

By _____
Secretary, Board of Trustees

BANK OF THE SAN JUANS, A DIVISION
OF GLACIER BANK, as Lessee

By: _____
Authorized Officer

[Signature Page to Site Lease]

STATE OF COLORADO)
) ss.
COUNTY OF WELD)

This instrument was acknowledged before me this ____ day of February, 2022, by Kendra Adams, as President, and Jeromey Balderrama, as Secretary of the Board of Trustees of the Clearview Library District, in Weld County, Colorado.

WITNESS my hand and official seal.

Notary Public

[SEAL]

My Commission Expires:

STATE OF COLORADO)
) ss.
COUNTY OF MESA)

This instrument was acknowledged before me this ____ day of February, 2022, by _____, as an authorized officer of Bank of the San Juans, a Division of Glacier Bank.

WITNESS my hand and official seal.

Notary Public

[SEAL]

My Commission Expires:

EXHIBIT A

DESCRIPTION OF THE LEASED PROPERTY

REAL PROPERTY

Address

5 Timber Ridge Parkway
Severance, CO 80546

Legal Description

Lot 1 and Lot 4, Block 1, Summit View Subdivision, Fifth Filing, County of Weld, State of Colorado

LEASED PROPERTY

Facilities

The Leased Property comprises the new District library branch, to be constructed on the property listed above.

EXHIBIT B

PERMITTED ENCUMBRANCES

Permitted Encumbrances means the following: (a) liens for taxes and assessments not then delinquent, or liens which may remain unpaid pending contest pursuant to the provisions of Article VIII of the Lease; (b) this Site Lease and the Lease; (c) utility, access and other easements and rights of way, restrictions and exceptions which an Authorized Officer of the District certifies will not interfere with or impair the Leased Property, including rights or privileges in the nature of easements as provided in Section 8.06 of the Lease; (d) any financing statements filed to perfect security interests pursuant to this Site Lease or the Lease; (e) any encumbrance represented by financing statements in forms appropriate to perfect purchase money security interests given by the Lender in any of the Leased Property; (f) existing easements, covenants, restrictions, liens and encumbrances (if any) to which title to the Leased Property was subject when a leasehold interest therein was conveyed to the Lender described in the title policy provided by the District, or approved in writing by the Lender pursuant to this Site Lease or otherwise, and which do not interfere in any material way with the Leased Property; and (g) such minor defects, irregularities, encumbrances and clouds on title as normally exist with respect to property of the general character of the Leased Property and as do not render the title unmarketable.

RESOLUTION 22-04

A RESOLUTION AUTHORIZING A LEASE-PURCHASE FINANCING FOR THE PURPOSE OF FINANCING COSTS RELATED TO THE ACQUISITION OF LAND AND CONSTRUCTION OF A NEW DISTRICT LIBRARY FACILITY IN SEVERANCE, COLORADO; APPROVING A SITE LEASE, A LEASE PURCHASE AGREEMENT, ALL RELATED REAL ESTATE DOCUMENTATION AND ANY ADDITIONAL TRANSACTION DOCUMENTS NEEDED TO COMPLETE THE FINANCING AND PROVIDING PARAMETERS IN CONNECTION WITH THE FINANCING.

WHEREAS, Clearview Library District, in Weld County, Colorado (the “District”), is a library district duly organized in 1985, validly existing pursuant to the provisions of Part 1 of Article 90 of Title 24 of the Colorado Revised Statutes (“C.R.S.”) and established by separate resolutions of the Town of Windsor, Colorado and Weld County School District RE-4 to meet the informational, educational, recreational, and cultural reading needs of the people within the service area of the District; and

WHEREAS, the Board of Trustees of the District (the “Board”) has the power, pursuant to Section 24-90-109(h), C.R.S., to “lease, purchase, or erect any appropriate building for library purposes and acquire such other property as may be needed therefor”; and

WHEREAS, the Board has determined it is in the best interests of the District and its residents that the District finance the acquisition of land and the construction thereon of a new District library facility in Severance, Colorado (the “Project”) by means of a lease-purchase financing; and

WHEREAS, Piper Sandler & Co. is acting as Placement Agent to the District in connection with lease purchase financing proposals and, following staff and advisor review of the proposals received, District officials have informed the Board with respect to the proposals received and made a recommendation to the Board of the best proposal to meet the needs of the District; and

WHEREAS, the District has determined that the best proposal was submitted by Bank of the San Juans, a Division of Glacier Bank (the “Lender”) and hereby accepts the terms of the Lender’s proposal, attached here as Exhibit A; and

WHEREAS, in connection with the lease-purchase financing, the District shall acquire certain land upon which it will construct the Project (as such and as described more particularly in the Site Lease, the “Leased Property”) and convey a long-term leasehold interest in the Leased Property pursuant to a Site Lease (the “Site Lease”) between the District, as lessor, and the Lender, as lessee, for a lump-sum payment from the Lender to the District to be determined as provided herein, and contemporaneously with the execution and delivery of the Site Lease, sublease the Leased Property back from the Lender pursuant a Lease Purchase Agreement (the “Lease Purchase

Agreement”) between the Lender, as sublessor, and the District, as sublessee for a term not to exceed 21 years; and

WHEREAS, the Project will be acquired and constructed with loan proceeds to be deposited by the Lender into an escrow account established at the Lender and requested by the District pursuant to an agreement by and between the District and the Lender (the “Escrow Agreement”); and

WHEREAS, the District has determined that acquiring the land comprising the Leased Property, entering into the Site Lease, the Lease Purchase Agreement and the Escrow Agreement and constructing the Project are in the best interests of the District and its residents; and

WHEREAS, the Base Rentals and Additional Rentals (both as defined in the Lease Purchase Agreement) payable by the District under the Lease Purchase Agreement shall constitute currently appropriated expenditures of the District and shall not constitute a debt or multiple fiscal year direct or indirect obligation whatsoever of the District or a mandatory charge or requirement against the District in any fiscal year beyond the fiscal year for which such payments have been appropriated; and

WHEREAS, no provision of the Site Lease or the Lease Purchase Agreement shall be construed or interpreted (a) to directly or indirectly obligate the District to make any payment in any fiscal year in excess of amounts appropriated for such fiscal year; (b) as creating a debt or multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the District within the meaning of Article XI, Section 6 or Article X, Section 20 of the Colorado Constitution or any other constitutional or statutory limitation or provision; (c) as a delegation of governmental powers by the District; (d) as a loan or pledge of the credit or faith of the District or as creating any responsibility by the District for any debt or liability of any person, company or corporation within the meaning of Article XI, Section 1 of the Colorado Constitution; or (e) as a donation or grant by the District to, or in aid of, any person, company or corporation within the meaning of Article XI, Section 2 of the Colorado Constitution; and

WHEREAS, the Board has been presented with forms of the Site Lease, the Lease Purchase Agreement and the Escrow Agreement; and

WHEREAS, the Board desires to authorize and otherwise proceed with the completion of the Project, the acquisition of the Leased Property and the lease-purchase financing described herein; therefore

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE CLEARVIEW LIBRARY DISTRICT, IN WELD COUNTY, COLORADO:

Section 1: Site Lease Authorization. The Board hereby approves the lease of the Leased Property in accordance with the Site Lease to the Lender, for a lump sum rental payment (the “Lender Rental Payment”) to be determined by the Library Director of the District (the “Director”) and to be payable to the District in accordance with the terms of the Site Lease, all subject to the provisions of Section 4 hereof. The Site Lease in the form presented to the Board is in all respects approved, authorized and confirmed, and the President of the Board (the “President”) is authorized and directed to execute the Site Lease in substantially the form and with substantially the same

content as the form thereof presented to the Board, for and on behalf of the District, but with such changes therein as the President or Director may deem necessary or appropriate, as evidenced by the execution thereof, including incorporation of the terms to be determined by the Director in accordance with the provisions hereof. The Board hereby finds and determines that the Lender Rental Payment, as limited hereby, will be the fair market value of the leasehold interest in the Leased Property and such amount will represent fair and adequate consideration to the District for the conveyance of the leasehold interest in the Leased Property. The Board hereby authorizes the application of the Lender Rental Payment solely to the costs of the Project, including reimbursement of District funds advanced within the sixty-day period preceding the date of adoption of this Resolution for the payment of costs of the Project, if any, as well as the costs related to the lease-purchase financing.

Section 2: Lease Purchase Agreement Authorization. The Lease Purchase Agreement, in substantially the form and with substantially the content presented to this meeting of the Board, is in all respects approved, authorized and confirmed, and the President is authorized and directed to execute the Lease Purchase Agreement in substantially the form and with substantially the same content as the form thereof presented to this meeting of the Board, for and on behalf of the District but with such changes therein as the President or Director may deem necessary or appropriate, as evidenced by the execution thereof, including incorporation of the terms to be determined by the Director in accordance with the provisions hereof. The Board hereby approves the leasing of the Leased Property (as defined in the Lease Purchase Agreement) by the District from the Lender for the dollar amounts determined by the Director, in accordance with and subject to the provisions of Section 4 hereof.

Section 3: Real Estate Documentation Authorization. The Board hereby authorizes the acquisition of the real estate comprising the Leased Property. The execution and delivery of all documentation necessary to complete the acquisition of the Leased Property, including any title work documentation, is in all respects approved, authorized and confirmed, and the President is authorized and directed to execute such documentation for and on behalf of the District.

Section 4: Delegation and Parameters. The Board hereby delegates to the Director the authority to determine:

- (i) the maximum number of renewal terms of the Lease Purchase Agreement, which shall not exceed 19 years, and the term of the Site Lease, which shall end no later than December 31, 2041;
- (ii) the amount of the Lender Rental Payment, which shall not exceed \$5,800,000;
- (iii) the aggregate amount of the Base Rentals payable under the Lease Purchase Agreement, which shall not exceed a total of \$7,200,000, with annual payments not to exceed \$3,620,000;
- (iv) the Base Rental Payment Dates (as defined in the Lease Purchase Agreement); and

(v) the net effective rate for the lease-purchase of the Leased Property, which rate shall not be in excess of 2.15% per annum, except in the event of a Determination of Taxability.

Section 5: Execution and Delivery of Documents. The Secretary of the Board (the “Secretary”) is hereby authorized and directed to attest all signatures and acts of any official of the Board or the District in connection with the matters authorized by this Resolution, and to place the seal of the District, if any, on the Site Lease, the Lease Purchase Agreement, the Escrow Agreement, any real estate documentation required for the acquisition of the Leased Property and all other additional certificates, documents and other papers associated with the transactions and other matters authorized by this Resolution. The President, Director and other officials, employees and agents of the Board or the District are hereby authorized to execute and deliver for and on behalf of the District any and all additional agreements, certificates, documents and other papers and to perform all other acts that they may deem necessary or appropriate in order to implement and carry out the transactions and other matters authorized or contemplated by this Resolution.

Section 6: Obligations of the District. No provision of this Resolution or the Lease Purchase Agreement shall be construed as creating or constituting a general obligation or multiple-fiscal year direct or indirect indebtedness or other financial obligation whatsoever of the District nor a mandatory payment obligation of the District in any ensuing fiscal year beyond any fiscal year during which the Lease Purchase Agreement shall be in effect. The term of the Lease Purchase Agreement shall not extend beyond one year, subject to annual renewal as provided therein, and the District shall have no obligation to make any payment except in connection with the payment of the Base Rentals and Additional Rentals in accordance with the provisions of the Lease Purchase Agreement.

Section 7: Bank-Qualified Determination. The District hereby designates the Lease Purchase Agreement as a “qualified tax-exempt obligation” for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986 (the “Code”), as amended, in that the Lease is not a “private activity bond” as defined in the Code and the reasonably anticipated amount of “qualified tax exempt obligations” to be issued by the District (including all subordinate entities of the District) for the calendar year 2022 will not exceed \$10,000,000.

Section 8: Declarations and Findings. The Board hereby determines and declares that the Base Rentals in an amount not to exceed the amounts set forth in Section 4 hereof represent the fair value of the use of the Leased Property (as defined in the Lease Purchase Agreement), and that the Purchase Option Price (as defined in the Lease Purchase Agreement) represents the fair purchase price of the Leased Property. The Board hereby determines and declares that the Base Rentals will not exceed a reasonable amount so as to place the District under an economic or practical compulsion to appropriate moneys to make payments under the Lease Purchase Agreement or to exercise its option to purchase the Leased Property pursuant to the Lease Purchase Agreement. In making such determinations, the Board has given consideration to the current market value of the Leased Property, the cost of acquiring, constructing or equipping property similar to the Leased Property, the uses and purposes for which the Leased Property is being and will be employed by the District, the benefit to the citizens and residents of the District by reason of the use of the Leased Property pursuant to the terms and provisions of the Lease Purchase Agreement, the option of the District to purchase the Leased Property, and the expected eventual

vesting of full title to the Leased Property in the District. The Board hereby determines and declares that the leasing of the Leased Property pursuant to the Lease Purchase Agreement will result in facilities of comparable quality and meeting the same requirements and standards as would be necessary if the acquisition of the Leased Property were performed by the District other than pursuant to the Lease Purchase Agreement. The Board hereby determines and declares that the duration of the Lease Purchase Agreement, including all optional renewal terms, authorized under this Resolution, will not exceed the weighted average useful life of the Leased Property.

Section 9: Ratification of Prior Actions. All actions heretofore taken (not inconsistent with the provisions of this Resolution) by the Board or by the officers and employees of the District directed toward the acquisition of the Leased Property and the satisfaction of the District's obligations under the Site Lease and Lease Purchase Agreement are hereby ratified, approved and confirmed.

Section 10: Severability. It is hereby expressly declared that all provisions hereof and their application are intended to be and are severable. In order to implement such intent, if any provision hereof or the application thereof is determined by a court or administrative body to be invalid or unenforceable, in whole or in part, such determination shall not affect, impair or invalidate any other provision hereof or the application of the provision in question to any other situation; and if any provision hereof or the application thereof is determined by a court or administrative body to be valid or enforceable only if its application is limited, its application shall be limited as required to most fully implement its purpose.

Section 11: Repealer. All resolutions, or parts thereof, in conflict with this Resolution are hereby repealed, provided that this repealer shall not repeal the repealer clauses of such resolution nor revive any resolution thereby.

Section 12: Effective Date. This Resolution shall be in full force and effect immediately upon adoption by the Board.

ADOPTED AND APPROVED this 24th day of February, 2022.

By _____
President, Board of Trustees

Attest:

By _____
Secretary, Board of Trustees

EXHIBIT A
LENDER'S TERM SHEET

(see attached)

MEMORANDUM

To: Library Board of Trustees

From: Ann Kling, Library Director

Date: February 24, 2022

Re: Application for a DOLA Energy/Mineral Assistance Fund (EIAF) Grant

Item 2: New Business

Background / Discussion

From the Colorado Department of Local Affairs website -

"The purpose of the EIAF Program is to assist political subdivisions that are socially and/or economically impacted by the development, processing, or energy conversion of minerals and mineral fuels. Funds come from the state severance tax on energy and mineral production and from a portion of the state's share of royalties paid to the federal government for mining and drilling of minerals and mineral fuels on federally-owned land.

Eligible entities to receive grants and loans include municipalities, counties, school districts, special districts and other political subdivisions and state agencies.

DOLA's intent in administering this grant program is to do as outlined in statute and promote sustainable community development, increase livability and resilience of communities through strategic investments in asset-building activities. The most successful applications into this program are those that demonstrate urgency and local commitment to get the project done, show a high priority for the proposed application, are prepared to start work, and can demonstrate a relationship to energy and mineral impact in rural Colorado."

Cycle 22-06: Anticipate \$15,000,000 available

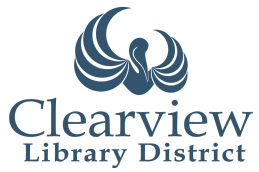
Tier I (up to \$200,000) and Tier II (\$200,001 to \$750,000) applications accepted

- Application period opens: February 1, 2022
- Applications period closes: March 1, 2022
- Final awards: June 2022

Relationship to Strategic Plan

Space

Budget Considerations



The library district is funding the building of a branch library in Severance with lease financing and library district reserves. Building costs are escalating rapidly; grant funding will ensure that the district can complete the building of a 10,000 sq. ft. building.

Recommendation(s)

The library director recommends the approval of the grant application.



Clearview Library District Director's Draft Goals - 2022

1. Ash St. Central Services Hub. Work with the Owner's Representative, Architectural Design Firm, Construction Manager at Risk, and the Building Committee to complete the renovation of the building and move administrative, IT, and technical services staff into the building by Summer, 2022.
2. Renovation of the 3rd St. Library. Work with the Owner's Representative, Architectural Design Firm, Construction Manager at Risk, and the Building Committee to complete the design of the renovation by June, 2022. Continue working with the team to complete the renovation by Jan. 1, 2023.
3. Branch in Severance. Work with the Owner's Representative, Architectural Design Firm, Construction Manager at Risk, the Building Committee and representatives of the community in Severance to complete the design of the building, apply for permitting and prepare for a ground-breaking in the Fall of 2022.
4. Strategic Plan, 2023 - 2025. Work with the Internal Strategy staff team to formulate a plan for completing a strategic plan and begin gathering information for the formulation of the plan by July, 2022.
5. Coach and support my direct reports, providing them with clear expectations and meaningful feedback throughout the year.
6. Examine staffing levels in all library departments and make adjustments as needed throughout the year.
7. Review staff benefits with a team of staff and the Personnel Committee and make recommendations for changes by Sept. 2022.
8. Continue to work with the Long Range Planning Committee to monitor growth in the district, build relationships and identify opportunities for future expansion of facilities.