

**BOULDER PUBLIC LIBRARY DISTRICT**  
-SPECIAL MEETING-  
Tuesday, April 30, 2024  
Boulder Public Library, Canyon Meeting Room  
1001 Arapahoe Ave, Boulder CO  
and  
Via Zoom  
6:00 p.m.  
Join Zoom Meeting  
<https://tinyurl.com/yckjjw7v>

<u>Board of Trustees</u>	<u>Term Expiration</u>
Benita Duran	2028
Jennifer Yee	2028
Sylvia Wirba	2027
Doug Hamilton	2027
Cara O'Brien	2026
Sam Fuqua	2025

Follow [link](#) to review long range agenda planning document.

**AGENDA**

1. Call to Order and Declaration of Quorum
2. Public Comment
3. Consider approval of minutes of April 2, 2024
4. Library Policies Review
  - a. Second review and finalization of finance policies initially reviewed on April 2 and April 16
5. Director Updates (oral)
6. Boulder Library Foundation Updates
7. Trustee Matters
  - a. Update from Trustee Selection Process (Hamilton and Duran)
    - i. Joint Meeting with Trustees and County and City present update from Library Staff (tentatively set for July)
  - b. Library Director Evaluation Process (Duran)
  - c. Update on NoBO Library Meeting (Fuqua and Hamilton)
  - d. NoBo Speaker
  - e. Advanced Planning Agenda (Hamilton)
  - f. Retreat
    - i. Library Trends
    - ii. Strategy
    - iii. Budget
8. Legal Counsel Updates
9. Executive Session: Gunbarrel Lease and Library Director contract  
*Upon motion, the Board may move into executive session to discuss personnel matters as allowed by Section 24-6-402 (4) (f) and contract negotiations as allowed by Section 24-6-402 (4) (e) concerning the executive director's contract and the Gunbarrel Lease.*
10. Adjournment

**NEXT MEETING: Tuesday, May 14, 2024**

**RECORD OF PROCEEDINGS  
MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES  
OF THE  
BOULDER PUBLIC LIBRARY DISTRICT**

<p><b>Held:</b> Tuesday, April 2, 2024, at 6:00 p.m. at the Meadows Branch Library, 4800 Baseline Road, Boulder, Colorado</p>
<p><b>Person preparing summary:</b> Celia Seaton</p>
<p>The meeting of the Board of Trustees of the Boulder Public Library District was called and held as shown above in accordance with the statutes of the State of Colorado. The following Trustees, having confirmed their qualifications to serve on the Board, were in attendance:</p> <p style="padding-left: 40px;">Katharine (Joni) Teter Sylvia Wirba Benita Duran Cara O’Brien Sam Fuqua Jennifer Yee</p> <p>Also present were Kim J. Seter, Esq. from Seter &amp; Vander Wall, P.C.; David Farnan, Director of the Boulder Public Library; Jennifer Phares, Deputy Director of the Boulder Public Library; and Chris Barge, Executive Director of the Boulder Public Library Foundation.</p> <p><b>Members of the public present:</b> None.</p>
<p><b>Type of Meeting:</b> Special</p>
<p><b>Agenda Item 1: Call to order</b> Trustee Teter called the meeting to order at 6:02 p.m. noting that a sufficient number of appointed trustees were present to create a quorum authorized to act on behalf of the District.</p>
<p><b>Agenda Item 2: Public comment</b> None.</p>
<p><b>Agenda Item 3: Consider Approval of Minutes of February 20, 2024</b></p> <p style="padding-left: 20px;">a. Following motion from Trustee Wirba and second from Trustee Yee, the February 20, 2024 minutes were approved unanimously.</p>
<p><b>Agenda Item 4: Library Policies Review</b></p> <p style="padding-left: 20px;">a. Finance Policy Packet Part I – In Teter’s view, the larger umbrella of library policy can be divided into public-facing patron policy, board-related governance policy, and staff-related administrative policy. In her estimation, several items from the finance packet fall into this third designation; she suggests that after review, these more procedure-related items (such as purchasing card policy) could be modified by the Director and staff without board approval. The board’s focus would be on policy at the level of Director and above. In response to Duran’s inquiry, Teter noted her observation of this division between policy and procedure among other library districts.</p>

Phares presented on the initial set of documents pertaining to Asset Management, Audit, Annual Budget, Debt or Long-Term Financial Obligation, Purchasing, and Purchasing Card; a secondary packet will be reviewed at the April 16 meeting.

Teter and Wirba performed a comprehensive review of peer district policies along with staff. Phares noted that especial attention was given to those of Garfield County Library District, as the Auditor had preferred their guidelines.

The group discussed whether the formation of an audit committee would serve as a benefit or a duplication of effort, considering the established process of each Trustee interfacing with the firm representatives. It was clarified that the document being currently discussed refers to a committee which helps manage and facilitate the selection and hiring of the Auditor. Wirba recommended adjusting the language to state that the District Board of Trustees works with the Library Director or their designee to initiate the process; in this way, the Board will retain the option to form a committee if desired. The group agreed that all references to “committee” will be modified to reflect “board.”

Seter clarified that the “annual budget message” to be delivered at the end of January to county and city refers to the statutory requirement set by the Colorado Department of Local Affairs (DOLA), and not to a press release. He explained details around the mandatory publishing of the proposed budget in the fall, and the group agreed to add language around the approval of the budget and associated deadlines, as well as notice to the public once the budget is approved.

Phares will incorporate the feedback and return with tracked and clean versions at the April 30 meeting for a final review.

#### **Agenda Item 5: Governance**

- a. Determine schedule and method for evaluation of Executive Director
  - i. Discussion of job description, compensation, and contract – Personnel Committee members Yee and Fuqua reminded the group to send in the evaluation responses by April 5. Review of the contract is on the April 16 agenda. Duran volunteered to work on the first draft of the updated job description.

In response to Duran’s inquiry, Fuqua provided his understanding that the Personnel Committee’s role involves receiving, compiling, and summarizing the submitted evaluation forms. He suggested that a group conversation with the Director be the vehicle of delivery for the review. Seter has observed these types of performance reviews held as executive sessions and recommended the Board hold such at the May 14 meeting; he will send out the confidential documentation to the Board prior to the meeting by email.
- b. Proposed changes to Board of Trustees handbook – Teter led discussion with the group around the tracked changes to this document as indicated in the [packet](#), further refining the language. Phares will update the piece outlining the staff organizational structure. A revised draft will be reviewed at an upcoming meeting.

#### **Agenda Item 6: Director’s Report**

Farnan spoke from Columbus, Ohio, where a contingent of BPLD staff attended the Public Library Association’s 2024 conference. Staff successfully constructed the “remarkable” ski-lodge styled lounge area which was previously created onsite at the BLDG61 Makerspace – this space has attracted conference attendees from all over the country to commune and relax in between sessions.

He lauded the Trustees for their impetus to purchase from local and state sources and agreed to prioritize such

while procuring certain contracts (e.g., snow removal, marketing consultant). However, he highlighted the challenge within the current publishing industry, whose profit margins have been “shockingly” high. Print and digital media trends can result in a “complicated formula” which makes it impractical or impossible to “purchase local.”

In a financial update, Farnan reported that two new CDs were processed per the discussion at the previous meeting.

The Selection Committee will be meeting on Friday, April 5 to finalize the recommendations for the 4-year and 5-year seats. The next step is a vote by the Council and County Commissioners, with a 2/3 majority needed in each to ratify the selection. Farnan and Seaton are creating an orientation process to onboard the two new Trustees in May, before they are sworn in on May 14.

Farnan reported that Facilities Manager Andres Melendez has now acquired an electric vehicle for the Library; he is just waiting for the registration.

**Agenda Item 7: Boulder Library Foundation Update**

Barge announced that the table sales are going well for the upcoming fundraiser gala. BLF is finalizing its audit, which will be a regular occurrence going forward. Barge is in the process of hiring a full-time administrative assistant. New board members are currently being recruited; he welcomed recommendations.

**Agenda Item 8: Trustee Matters**

- a. Public Correspondence – see [packet](#).

**Agenda Item 9: Legal Counsel Updates**

See [handouts](#).

**Agenda Item 10: Adjournment**

There being no further business to come before the Board, the meeting was adjourned at approximately 7:42 p.m.

---

Attestation

April 26, 2024

**To:** Boulder Public Library District Board of Trustees

**From:** David Farnan, Executive Library Director  
Jennifer Phares, Director of Business and Administration

**Subject:** Library Finance Policy Final Review

**Introduction:** The Board of Trustees reviewed and gave staff feedback on several draft policy and procedure documents during the April 2 and 16, 2024 board meetings.

**Finance Policies:**

The final draft finance policies were consolidated into one document (**Attachment A**). The Board's recommended changes were incorporated into each policy. The changes are tracked except for formatting.

Advice from Kim Seter was not received in time for the April 30, 2024 meeting packet about the Purchasing Policy section I, part B. This part is highlighted and will be revised as directed by Seter and the Board during the April 30, 2024 board meeting.

**Requested Board Action:**

Staff requests the Board's final review, input and approval of the finance policies at the April 30, 2024 board meeting.

**Next Steps:**

- The approved Finance Policies will be translated into Spanish. The English and Spanish versions will be posted on the library policies [webpage](#).
- Staff is collecting other examples of library district investment policies and will consult with Kim Seter and the finance subcommittee on the draft investment policy before it is presented to the Board at a future meeting.

# Boulder Public Library District

## Finance Policies

### Contents

Asset Management Policy.....	2
Audit Policy.....	5
Budget Policy.....	6
Debt and Long-Term Financial Obligation Policy .....	9
Purchasing Policy.....	11
Travel and Business Meal Policy.....	15

# Asset Management Policy

## I. Purpose

The purpose of the Asset Management Policy is to assist the Boulder Public Library District (District) to effectively supervise, monitor and evaluate its investment in capital assets and control non-capitalized inventory.

## II. Background

On November 8, 2022, electors who resided or owned private property and/or businesses in the city of Boulder and areas in Boulder County that are within the District boundary approved the formation of the Boulder Public Library District and funds operation and capital costs revenues generated by a 3.5 mill property tax.

## III. Capital Asset Reporting

A. Asset Classifications - The following are the classifications of capital assets.

1. Land
2. Land Improvements
3. Buildings and improvements
4. Leasehold improvements
5. Library Materials
6. Furniture, Fixtures, Equipment, Computer Software
7. Works of art and historical treasures
8. Vehicles
9. Other assets

B. Valuing Capital Assets

Capital assets built or acquired by the District will be recorded at historical cost, including ancillary costs necessary to place the assets in their intended location and condition of use. Ancillary costs include freight charges, site preparation, appraisal fees, and legal claims directly attributable to the asset's acquisition. Donated capital assets are recorded at the estimated fair value of the assets at the time of donation. If historical cost is unavailable after a search of applicable records, an estimate of the original cost using current replacement costs discounted by appropriate price indices will be used.

## IV. Capitalization Thresholds

For the purchase or construction of new assets, the following capitalization thresholds will be used to determine if the asset should be capitalized.

Type of Asset	Capitalization Threshold
Land	All purchases, regardless of cost
Land Improvements	\$50,000
Buildings and improvements	\$50,000
Leasehold Improvements	\$50,000
Library Materials	All purchases, regardless of cost
Furniture, Fixtures, Equipment, Computer Software	\$5,000
Works of art and historical Treasures	\$5,000
Vehicles	\$5,000

**Note** – According to a Colorado Revised Statute (C.R.S.) requirement all assets more than \$5,000 in value must be tracked, except for library materials.

For expenditures related to repair, remodeling, or expansion of an existing capital asset, the District must determine if the expenditure increased the capacity, operating efficiency or extended the useful life of the asset. The thresholds identified above shall be used to capitalize repair, remodeling, or expansion expenditures. Expenditures that only serve to restore a capital asset to a working condition or do not enhance or extend the useful life should be recorded as repair and maintenance expense and should not be capitalized. Documentation to support what constitutes an enhancement or useful life extension will be maintained in the finance system.

#### V. Estimated Useful Life

The following are guidelines for estimating the useful life of assets. These guidelines may be used when calculating depreciation expenses if there is no other supportable estimate. Supporting documentation for determining the estimated useful life include engineering studies, documentation in the records of similar assets, and actual experience.

Type of Asset	Useful Life
Land	N/A
Land Improvements	20 years
Buildings	20 to 40 years
Leasehold Improvements	Lesser of estimated life of assets or the term of the lease
Library Materials	6 years



Furniture, Fixtures, Equipment, Computer Software	3 to 10 years
Works of art and historical Treasures	N/A
Vehicles	5 to 8 years

## VI. Depreciation Guidelines

All exhaustible capital assets shall be depreciated by the straight-line method using the estimated useful life from chart above or other sources for which documentation will be retained. Assets purchased before July 1 of the fiscal year shall be capitalized as of January 1 and one full-year depreciation recorded. Assets purchased on or after July 1 of the fiscal year will be capitalized as of December 31 and no depreciation calculated until the next fiscal year.

Capitalization of library materials will be calculated at the end of each fiscal year by the inventory of collection by classification (adult, reference, children, young adult and audio/visual) and multiplying each classification by the estimated replacement cost for that item. The value will be removed from Capital Assets before depreciation. Depreciation for library materials will be figured in the subsequent year if depreciation is figured on collection.

## VII. Control of Non-Capitalized Assets

An annual inventory of all real and personal property with original cost > \$5,000 must be conducted regardless of whether the asset is capitalized ([C.R.S. 29-1-506](#)).

# Audit Policy

## I. Purpose

In accordance with Colorado Revised Statute ([C.R.S. 29-1-603](#)), the Boulder Public Library District (District) will have a certified public accounting firm conduct an annual independent audit.

## II. Process

- A. Statements: Annual audited financial statements will be prepared in accordance with Generally Accepted Accounting Principles (GAAP). The statements will show the financial position and results of operation for each of the District's funds and include a comparison of actual to budgeted figures for each fund for which a budget has been adopted ([C.R.S. 29-1-605](#)).
- B. Reports: An annual audited financial report is submitted to the Board of Trustees by June ([C.R.S. 29-1-605](#)). The report will include:
  - 1. The annual audited financial statements.
  - 2. The opinion of the auditor.
  - 3. Full disclosure by the auditor of violations of state or local law identified during the audit process.
- C. One copy of the audit will be filed with the state auditor by June 30.
- D. If applicable, the District will request a filing extension submitted to the Colorado State Auditor by July 31. Granted extensions will not exceed 60 days ([C.R.S. 29-1-605](#)).

## III. Responsibilities

- A. The Board of Trustees, working with the Library Director or their designee, will initiate a formal Request for Proposal (RFP) process every three years, at a minimum, to acquire the services of an auditor.
- B. The Board will participate in the evaluation of submitted proposals, conduct interviews if necessary, and select a certified public accounting firm. The contract for audit services will be for one year and may be renewed pending the annual approval of the Board of Trustees.
- C. The Board of Trustees will approve the selection of a certified public accountant or partnership of certified public accounts, at the close of each fiscal year.
- D. The Finance Manager is responsible for preparing a working trial balance, documentation to support financial records, contracts, bank confirmations, and any additional schedules or information necessary to complete the audit.
- E. The Finance Manager will also be responsible for the production work necessary to complete the final audit report.

# Budget Policy

## I. Purpose

This policy defines the Boulder Public Library District (District) annual budget process when revenues are appropriated to meet the operating and capital project goals for the upcoming year. Colorado Revised Statutes (C.R.S.) dictate the Board of Trustee activities and decisions related to developing and overseeing the annual operating and capital budget for the District.

## II. Background

On November 8, 2022, electors who resided or owned private property and/or businesses in the city of Boulder and areas in Boulder County that are within the District boundary approved the formation of the Boulder Public Library District and the funding of operation and capital costs from revenues generated by a 3.5 mill property tax.

## III. Mill Levy Certification

The District is required to deliver a Certification of Tax Levies of all property tax revenues it will collect for the upcoming year such as general operating and refunds/abatements to the Boulder County Treasurer by December 15th each year.

## IV. Appropriation of Funds and Adoption of Budget

- V. The Board of Trustees adopts by resolution a fiscal plan and the annual budget and any subsequent budget adjustments for the District for the following year. Adoption of the resolution gives the Board legal authority to appropriate and expend funds and constitutes the legal spending limit for the following year. **Annual Budget Calendar**

See page 2.

<b>Boulder Public Library District Annual Budget Calendar</b>		
<b>Date</b>	<b>Item</b>	<b>Description</b>
January 1	Budget Year	Beginning of new fiscal year.
January 31	Statutory Deadline	Submission of the District budget, all resolutions, and the budget message to the Department of Local Affairs (DOLA) <a href="#">C.R.S. 29-1-113</a> (1).
June through August	BPLD Annual Budget	Budget process begins in June and runs through August.
August 25	Statutory Requirement – Certification of Valuations	County Assessor provides Preliminary Certification of Valuations to BPLD <a href="#">C.R.S. 39-5-128</a> (1).
September	Board Finance Committee Meeting	Prepares and submits the first draft budget to Board of Trustees.
October 15	Statutory Deadline – Delivery of Final Draft Budget	<ul style="list-style-type: none"> <li>• Final draft budget is delivered to Board of Trustees <a href="#">C.R.S. 29-1-105</a>.</li> <li>• A notice is published in the newspaper and copies of the draft budget are made available to the public <a href="#">C.R.S. 29-1-108</a> (1).</li> <li>• The Board holds a public hearing for the draft budget.</li> </ul>
Early November	Public Hearing for the BPLD Budget and Board meeting for the Board's consideration to approve the budget.	<ul style="list-style-type: none"> <li>• The Board considers approval of the budget at a Board meeting following the budget public hearing.</li> </ul>
December 10	Statutory Requirement – Amended Certification of Valuation	Amended Certification(s) of Value for property tax revenue due from Boulder County Treasurer.
December 15	Statutory Deadline* - Final resolutions to approve the BPLD Budget and set and certify mill levy.	<ul style="list-style-type: none"> <li>• Final resolutions to: <ul style="list-style-type: none"> <li>○ Approve the BPLD Budget and the appropriation of funds giving the Board the legal authority to expend the appropriated funds <a href="#">C.R.S. 29-1-108</a> (2).</li> <li>○ Set and certify mill levy. Certification of tax levy due to Boulder County Board of County Commissioners <a href="#">C.R.S. 39-5-128</a> (1) and <a href="#">C.R.S. 32-1-1201</a>.</li> </ul> </li> </ul>

		<ul style="list-style-type: none"><li>• A notice is published in the newspaper and copies of the final budget are made available to the public.</li></ul>
--	--	---

\*Failure of the District to meet this deadline will result in the District's receipt of only 90% of the requested funding appropriation for the following year.

# Debt and Long-Term Financial Obligation Policy

## I. Purpose

This policy defines the Boulder Public Library District's (District) practices related to taking on debt or entering long-term financial obligations. Debt is an important tool for acquiring or constructing capital assets including land, buildings, machinery, and equipment.

## II. Issuance of Debt

When making the decision to take on debt or enter a long-term financial obligation, the Board of Trustees will consider an appropriate balance between the needed flexibility to achieve operational goals as these pertain to the annual capital budget, operating budget, and financial plan. Debt or long-term financial obligations are taken on after thorough consideration of legal financing options and it is determined that the debt can be paid, or the obligation met within the terms and on a timely basis.

## III. Purpose of Debt

Debt and other long-term financial obligations will be issued in accordance with Colorado State Statutes (C.R.S.), and if required, will be approved by registered, qualified voters of the District. It is only to be incurred for financing capital assets that, because of their long-term nature or because of budgetary restraints, cannot be acquired by expenditure of current revenues, budgeted resources, or appropriated reserves. Any debt issued shall not have a maturity date beyond the useful life of the asset being acquired or constructed by the debt proceeds.

Issuance of debt should not be used to finance current operating expenses. There must also be sufficient revenues projected to meet ongoing debt payments.

## IV. Types of Debt

Debt and other long-term financial obligations should be obtained at the best possible debt rating, which is favorably maintained through prudent financial management. It may include but is not limited to the following:

- A. General obligation bonds – These represent a commitment to fund debt service payments from property taxes and require voter approval and Board of Trustee approval.
- B. Revenue bonds – These represent a commitment to fund debt service payments from a specific non-property tax revenue source, such as sales tax, and require voter approval in addition to Board of Trustee approval for all government-related activities.
- C. Sale / Lease back financing - These represent a commitment by the District to fund a non-binding lease with an outside authority. The lease payments are made from unrestricted funds.

(unassigned, assigned, or committed funds). A source of unrestricted revenue must be identified to ensure that future lease payments can be made without interruption.

- D. Lease/purchase agreements - These represent a general commitment to fund payments from District revenues. Lease/purchase agreements require voter approval under the TABOR Amendment unless appropriate annual termination terms are included. The only leases the

District is allowed to enter are for equipment such as printers, copiers, postage machine, etc. where the specified vendors have approved the annual termination term in the lease agreement.

#### **V. Refunding Factors**

The debt portfolio will be monitored jointly semi-annually by the Executive Library Director and the Finance Manager for refunding opportunities. Refunding will be used when legally allowable and when any of the following conditions are present:

- A. Significant savings may be achieved.
- B. Anticipated revenues call for a change in the debt service structure.
- C. When the District may desire a change in a bond covenant.

#### **VI. Arbitrage Compliance**

Arbitrage occurs when the funds received from a bond are reinvested at a higher interest rate than paid to the bond investors. Taxes must be paid on any profits derived by the District from such reinvestment. Reports are required for each bond issue date. The Executive Library Director will contract with an arbitrage compliance consulting firm when necessary.

# Purchasing Policy

## Policy

This policy defines the Boulder Public Library District's (District) practices for purchases of supplies, materials, equipment, or services. The Finance Manager shall be the central purchasing agency through which requests for the purchase of all library materials and operational items are routed and by which they are accounted. No employee shall incur any expense or debt against the District without adhering to the provisions of this policy. The District shall not be responsible for any expense or debt incurred by employees not authorized to act under this policy.

### I. Basis for Purchasing

Purchases are made based on price, quality, service, availability, and other pertinent factors considered to be in the best interest of the District.

#### A. Preference for Local and State Purchases

1. When possible, local, and state vendors will be considered before vendors outside of Boulder County and the State of Colorado.
2. There may be times when local and state vendors with similar skills may not have the expertise or experience sought by the District, and in those cases, vendors outside of Boulder County and the State of Colorado may be selected.
3. When the District is working with vendors or other professionals located outside of the District's area of service, those vendors will be expected to make every effort to ensure that when hiring subcontractors, state and local vendors are given priority and the opportunity to bid the work.
4. Staff authorized by the Library Director to lead procurement processes will ensure that potential vendors are treated fairly and professionally throughout the process.

#### B. Preference will be given to Minority, Woman-Owned, and Disadvantaged Business Enterprises when possible.

### II. Prohibited Purchases

The District will not knowingly purchase any supplies, materials, equipment, or services from:

- A. Members of the Board of Trustees of the Boulder Public Library District or someone with whom they share a financial interest.
- B. Employees of the Boulder Public Library District except as reflected in the adopted employment policies.
- C. Family members of employees except as permitted by this policy as an independent contractor.
- D. Firms or enterprises in which any of the above individuals have a personal stake involving ownership, partnership, sales commission, or other direct and immediate gain resulting from such purchase.
- E. A former board member or employee, within six months following the termination of his or her service on the Board or employment.



### III. Exceptions

This policy does not prohibit the purchase of any supplies, materials, equipment, or services from the above individuals when:

- A. A Board member or someone with whom they share a financial interest, when the Board member has disclosed the personal interest on the Board of Trustees conflict of interest form, has not voted thereon, has refrained from attempting to influence the decision of the Board of Trustees in voting on the matter, and the contract is awarded to the bidder in accordance with the competitive bid process in sections IV and V of this policy; or
- B. Due to geographic restrictions, additional cost to the District is greater than ten percent of a contract with an interested party or if the contract is for services that must be performed within a limited period and no other contractor can provide those services within that period.

### IV. Competitive Bids

Major operational items and services including capital items and construction projects anticipated to cost more than \$50,000 each, will be purchased through a competitive bid process. Purchases shall be made from the most responsible vendor whose bid is the most advantageous to the District, considering price, quality, date of delivery, and other pertinent factors.

- A. The Library Director or their authorized designee shall publish a notice of the proposed purchase on the library's website or in a newspaper within Boulder County.
- B. The prospective bidders must be given at least ten (10) days to supply their bid.
- C. Bids shall be submitted by email to the Library Director and/or their authorized designee.
- D. The Library Director may repeatedly reject all bids and again may submit to the same, or other persons, firms, or corporations the request for bid, and/or again publish notice of the proposed purchase at their discretion.
- E. The Library Director or their authorized designee shall analyze the acceptable bids received.
- F. For purchases between \$50,000.00 and \$100,000 the Library Director or their authorized designee shall select the bid that is most advantageous to the District.
- G. For purchases of \$100,000.01 or more, the Library Director will recommend the vendor who has submitted the most responsive, responsible, and best bid to the Board of Trustees.
- H. Final decision to purchase items or service of more than \$100,000 shall be made by the Board of Trustees. The Board of Trustees reserves the right to reject any or all bids, and to waive any technicalities or formalities.
- I. In the event of a tie bid, the purchase may be made from one of those tying, or the purchase may be divided among those tying, always accepting the bid or bids most advantageous to the District.
- J. Contractual services of a professional nature such as engineering, architectural, legal, medical, insurance, janitorial and certified public accounting, etc. shall be requested for bids at least every three (3) years.

- K. The Library Director or their authorized designee shall review all contracts at least annually, and depending on vendor performance, shall submit a recommendation regarding extension, renewal, cancellation or rebidding to the Board of Trustees.
- L. All contracts in force for three consecutive years that exceed \$100,000 in any one year shall be subject to rebidding at the end of the third year unless this requirement is waived by the Board of Trustees.

#### **V. Exceptions for Obtaining Competitive Bids**

The following may be purchased without giving opportunity for competitive bidding:

- A. When excused by participation in a purchasing program under the auspices of the State of Colorado or other governmental entity or through a cooperative purchasing organization such as Omnia Partners or Sourcewell.
- B. A Single or Sole Justification is approved.
- C. Items or services described in section II and III of this policy.
- D. Library materials, e.g., books, periodicals, audiovisual materials, etc., purchased at the best discount available consistent with service, date of delivery, and other pertinent factors.
- E. Electronic resources, e.g., information databases, streaming media, audio- or e-books, are purchased at the best discount available consistent with service, date of delivery, and other pertinent factors.
- F. Services, supplies, materials, or equipment which can be furnished only by a single vendor, or which have a uniform price wherever bought.
- G. Services, supplies, materials, or equipment purchased from another unit of government or non-profit agency at a price deemed below that obtainable from private dealers.
- H. Services (gas, electricity, telephone services, etc.) purchased from a public utility at a price or rate determined by the State Public Utilities or other government authority.
- I. Where proposed equipment, and/or services vary to the extent that formal bids are not practical, detailed proposals may be accepted in lieu of such bids.
- J. Advertising (employment, bid advertisements, etc.)
- K. Employee benefit payments – medical, dental, life, long term disability insurance, etc.
- L. Professional development classes and conference, seminar, workshop registration and fees
- M. Employee reimbursements.
- N. Fees for banking, filing taxes, titles, and licenses, etc.
- O. Grant pass-thru payments.
- P. Insurance premium payments.
- Q. Membership dues or fees.
- R. Postage.
- S. Business travel airfare, bus, train tickets, etc.
- T. Lodging, meals, and refreshments during business travel.

#### **VI. Emergency Purchases**

In an emergency as determined by the Library Director, that requires swift action, when no regular or emergency Board of Trustees meeting is scheduled or practical under the situation, the Library Director may contract to handle the emergency; with all reasonable efforts to advise individual Board Members of the emergency action having been taken.

# Travel and Business Meal Policy

## **Policy**

The Boulder Public Library District (District) pays or reimburses the cost of certain travel and meeting expenses incurred by employees and Board of Trustee members during their work with the District. These expenses must be related to the conduct of official business or attendance at professional meetings, conferences or training sessions that promote overall job knowledge or professional certifications required for the employee's job or the trustee's role to be considered for payment. All such expenditures should be reasonable and necessary.

For travel-related expenditures to be considered for payment or reimbursement, adequate appropriations must be available, the expenditures must be properly authorized in advance and the employee or trustee must comply with this policy.

## **Non-Reimbursable Expenditures**

The District will not reimburse the following expenditures:

- A. Alcohol
- B. Entertainment
- C. In-room movies
- D. Use of hotel mini bars
- E. Expenses of a personal nature
- F. Upgrades or travel insurance
- G. A non-employee travel partner's expense.

From: NoBo <[noboadvocacygroup@gmail.com](mailto:noboadvocacygroup@gmail.com)>  
Date: April 24, 2024 at 4:56:27 PM MDT  
To: Doug Hamilton <[hamiltond@boulderlibrary.org](mailto:hamiltond@boulderlibrary.org)>  
Cc: Marianne Gatten <[mkgatten@gmail.com](mailto:mkgatten@gmail.com)>, [nicholascallais@yahoo.com](mailto:nicholascallais@yahoo.com), David Farnan <[farnand@boulderlibrary.org](mailto:farnand@boulderlibrary.org)>, Sam Fuqua <[fuquas@boulderlibrary.org](mailto:fuquas@boulderlibrary.org)>  
Subject: Re: NoBo Branch library

Hi David, Doug, and Sam,

Thank you for showing us the new library, answering our questions, and talking through our safety concerns. We learned a lot and are grateful for your thoughtful approach to creating a safe space for all. Attached are our notes from the meeting. Please review them and let us know your thoughts, especially with regard to the opportunities of which we plan to actively pursue.

We look forward to collaborating with you and please feel free to reach back with any questions. Enjoy the rest of your week!

Best,  
Julie, Marianne, and Nick  
North Boulder Alliance

On Thu, Apr 18, 2024 at 1:05 PM Doug Hamilton <[hamiltond@boulderlibrary.org](mailto:hamiltond@boulderlibrary.org)> wrote:  
Hi Julie,

I appreciate the additional information. Sam, David, and I will meet you at the North entrance to the library. We will have hard hats ready for you and then we will go inside. You will get a sneak preview of the new space. It is an active construction site, so, we will need to keep out of the way of the workers.

If the weather is not too bad, we will be able to also walk around outside and show you which areas are under the Library's responsibility.

If you need to get a hold of me for some reason, my number is 720-258-5916.

See you tomorrow.  
Doug  
President, Boulder Library Board of Trustees

---

**From:** NoBo <[noboadvocacygroup@gmail.com](mailto:noboadvocacygroup@gmail.com)>  
**Sent:** Thursday, April 18, 2024 11:21 AM  
**To:** Doug Hamilton <[hamiltond@boulderlibrary.org](mailto:hamiltond@boulderlibrary.org)>; Marianne Gatten <[mkgatten@gmail.com](mailto:mkgatten@gmail.com)>;

[nicholascallais@yahoo.com](mailto:nicholascallais@yahoo.com) <[nicholascallais@yahoo.com](mailto:nicholascallais@yahoo.com)>

Cc: David Farnan <[farnand@boulderlibrary.org](mailto:farnand@boulderlibrary.org)>; Sam Fuqua <[fuquas@boulderlibrary.org](mailto:fuquas@boulderlibrary.org)>

Subject: Re: NoBo Branch library

Hi Doug,

We are looking forward to the meeting tomorrow at the new NoBo library branch at 11:00am. Marianne Gatten and Nick Callais will also be joining as representatives of the North Boulder Alliance. What's the best way for us to access the new library?

At the meeting, we'd like to see the space, ask questions, and discuss ideas about how to make the library a welcoming, safe, and accessible resource for the neighborhood kids by walking or biking on the multi-use paths. Below is a brief description of the North Boulder Alliance.

### **Summary**

The North Boulder Alliance is a group of families, homeowners, renters, and small business owners who are passionate about NoBo and the vibrant and equitable community that it is today. We strive to address the various social, safety, and environmental issues that impact the well-being of our community. Rooted in the belief that working together starts with transparency and fairness, we aim to create positive change and foster a connected and thriving community.

### **Mission**

The mission of the North Boulder Alliance is to advocate for a safe, walkable, and thriving community as envisioned in the [North Boulder Sub Community Plan](#). We are committed to:

- **Amplifying Voices:** We amplify the voices of residents and businesses, particularly when they are overlooked.
- **Advocating for Needs:** We ask for what we need and create a community where decisions are strategic and collaborative.
- **Collaborating for Impact:** We believe in working together with other organizations, community leaders, businesses, and government agencies to achieve greater results.
- **Building Community Resilience:** We strengthen community resilience by fostering connections, providing support and mutual aid among community members.
- **Creating Sustainable Solutions:** We are committed to finding sustainable solutions to complex challenges. We prioritize the long-term well-being of our residents and businesses.

Thank you,  
Julie Ireland

On Mon, Apr 8, 2024 at 3:35 PM NoBo <[noboadvocacygroup@gmail.com](mailto:noboadvocacygroup@gmail.com)> wrote:  
Hi Doug,

Friday, April 19 at 11:00am works fine for me. I'll see you, David, and Sam at the new NoBo branch. Thank you!

Best,  
Julie

On Mon, Apr 8, 2024 at 10:30 AM Doug Hamilton <[hamiltond@boulderlibrary.org](mailto:hamiltond@boulderlibrary.org)> wrote:  
Hi Julie,

Sam, David, and I will be happy to meet with you. Would you be available to meet on April 19<sup>th</sup> from 11-12 at the NEW NoBO library location?

Thanks...Doug Hamilton, Trustee

---

**From:** Joni Teter <[teterj@boulderlibrary.org](mailto:teterj@boulderlibrary.org)>  
**Sent:** Tuesday, March 26, 2024 2:14 PM  
**To:** [noboadvocacygroup@gmail.com](mailto:noboadvocacygroup@gmail.com) <[noboadvocacygroup@gmail.com](mailto:noboadvocacygroup@gmail.com)>  
**Cc:** [trustees@boulderlibrary.org](mailto:trustees@boulderlibrary.org) <[trustees@boulderlibrary.org](mailto:trustees@boulderlibrary.org)>; David Farnan <[farnand@boulderlibrary.org](mailto:farnand@boulderlibrary.org)>; Jennifer Phares <[pharesj@boulderlibrary.org](mailto:pharesj@boulderlibrary.org)>; Celia Seaton <[seatonc@boulderlibrary.org](mailto:seatonc@boulderlibrary.org)>  
**Subject:** NoBo Branch library

Hi, Julie -

Thank you for your questions about plans for the NoBo branch library. The dedicated funding provided through the library district vote has made it possible to have security people present in all branches (which was not the case before). A security person is included in the budget for the NoBo branch.

Public libraries are available to all, so entry will not be tied to a library card access key. Thank you for reaching out with your concerns.

Library staff have been working closely with city staff from multiple departments through all phases of the NoBo branch's design and construction, and that close collaboration continues now that we are a district. I know that there has been discussion about the importance of public access through the Rosewood underpass, especially for children accessing the library from the west side of Broadway, but I don't know if any specific plans have yet been made.

The only property that will be managed by the library is the land immediately surrounding the branch, including the play area. The plaza, bike path, underpass, and park are all City of Boulder property and will be under the City's jurisdiction. That said, City staff and

Boulder police have been very cooperative in working with library staff on issues in the Civic Area and around Main, and we anticipate that these cooperative relationships will continue at NoBo.

I will share your request for a meeting with Trustees at our next Board meeting (April 2nd) and we will get back to you after that meeting with a response.

Joni Teter, President  
Boulder Public Library District Board of Trustees



## **Meeting Boulder Public Library District and North Boulder Alliance**

Date: April 19, 2024

Attendees Doug Hamilton (Library Trustee), Sam Fuqua (Library Trustee), and David Farnan (Library Director) and NBA - Marianne Gatten, Julie Ireland, and Nick Callais

The group toured the new facility. Grand opening is scheduled for June 29, 2024. Hours of operation: M-H 9:00 am to 7:00 pm, F 9:00 am to 6:00 pm, Sat 10:00 am – 5:00 pm, Sun 12:00 pm – 5:00 pm. NOBO library Branch Manager is Celine Cooper – cooperc@boulderlibrary.org

### **THINGS WE LEARNED:**

Overall, it's a beautiful and well thought out space that is modern, bright, and open. It has a maker's space that will host a resident artist and workshops, a dedicated Boulder Reads room, meeting rooms for the community to reserve, a sound wall and ramp to the second level, a playground with a large slide, etc. Spanish speakers will be on site.

- 3 entrances to library (main level North, upper-level North, and playground main level south)
- Building is leased from the city including the parking lot and playground.
- They anticipate friction between the unhoused community, residents, and staff. Calls to BPD will probably be a regular occurrence.
- Offered to create a space in the library for a police substation but could not meet space requirements.
- Asking the neighborhood residents to claim the space by using it regularly.
- Gated (with lock) access for Boulder Meadows. BM asked to be able to lock the gate as needed to stop people from entering their neighborhood.

### **Safety Designs and Protocols Reviewed for NOBO Library (safety feature – response)**

- Card entry: No card required to enter the building.
- Security: There will be a security guard there during library hours and the staff is trained to handle difficult situations. There will be cameras all over the property. There will be no nighttime security patrols or social workers.
- Keyed access to the bathrooms. Yes, keyed access for one person at a time, family bathroom is for parents and children only, monitoring alert system to detect vaping, more than one person, drug use, etc.
- Children's area and playground: They considered a fence around the playground but decided not to install one. The children's library area is open with no barrier to the main space.
- Outdoor property cleaning: The property will be cleaned daily.
- Bike racks: Plan to install 10 -12 of the integral bike locking system. Also, there will be bike locks available to check out if someone forgets to bring one and the locking system is full.
- Computer access: Time limit is 90 minutes, and the open layout is designed to keep the monitors in view of the staff.
- Personal item restriction: Personal item restrictions are in place, no carts or wheelchairs that function as carts will be allowed.
- Patron suspensions and bans: Suspension and ban procedures are in place and there are classifications associated with timeframes.
- Safety metrics (# of police calls/interaction tracking log): Not discussed.
- Rosewood underpass: The library staff will monitor the underpass and call Inquire Boulder as needed. This area is the City's responsibility.

**OPPORTUNITIES:**

- Reconsider a fence around the playground to keep non-parents out and stop the children from running into the bike path or to the creek.
- Consider a half wall barrier between the children's and main area (the exit is very close and this could minimize children wandering outside).
- Partner to ask for a police sub-station in NoBo.
- Partner to require the City (SAMPS) and BPD to prioritize the Rosewood underpass and library property, implement a zero-tolerance encampment and immediate removal policy, keep the creek bed clean of debris, and have regular night time patrols.
- Help with neighborhood (residents) community engagement efforts.
- Hold NBA meetings at the NOBO library and continue engagement with Branch Manager

---

**MEMORANDUM**

TO: Boulder Public Library District

FROM: Seter, Vander Wall & Mielke, P.C.; Kim J. Seter, Esq.

DATE: April 26, 2024

RE: Legal Status Report for the April 30, 2024 Trustees' Meeting

---

**Executive Session Regarding Personnel Matter and Real Estate**

**Task:** We have been asked to prepare the notice and motion for an executive session on a personnel matter and real estate discussions.

**Status:** Proposed Motion:

*I move the Board move into executive session to discuss personnel matters as allowed by Section 24-6-402 (4) (f) and contract negotiations as allowed by Section 24-6-402 (4) (e); and negotiations concerning real estate matters as allowed by Section 24-6-402 (4) (a) regarding the Gunbarrel branch library.*

The board may enter executive session upon approval of 2/3 of the Trustees present.

**Action:** No additional action required.

---

**Gunbarrel Branch Library Lease**

**Task:** Review and revise Gunbarrel Lease.

**Status:** See attached redraft that was sent to the Landlord's attorney April 16. There is still a lot in it that I would like to delete but I'll let you know how discussions with the attorney proceed. Also, the TABLE OF CONTENTS has not been changed to reflect the current content.

{00729773}

**Action:** The final lease will be brought to you when it is ready.

---

### **New Executive Director Contract**

**Task:** Prepare new executive director contract.

**Status:** I listened to the executive session tape and noted that no changes were required to the Director Contract. I changed the term and addressed some other comments that were made in the executive session. A clean copy is attached.

There was a discussion of paragraph D. 8. Employment Recommendations. Contrary to the premise of your discussions, the statutes state that the Director "recommends individuals for employment" but they are employed by the Board. Typically, the Director will provide a list of new hires and the Board simply ratifies it.

**Action:** As determined by the Board.

---

### **Transition Process for Administrative Work-Ongoing Matter**

**Task:** Transition minutes, notices, agenda preparation, records management etc. to BPLD personnel.

**Status:** Archives and other matters will be transitioned as capacity warrants.

**Action:** None required.

---

### **Additional Projects Underway**

- a. Policy and procedure regarding 1st Amendment Audit matters.
- c. Policy and procedure regarding limited public forum matters.

BOULDER LIBRARY BUILDING LEASE

BY AND BETWEEN

BNR Farms LLC,  
by Midwest Trust Company, as Manager  
("Landlord")

AND

BOULDER PUBLIC LIBRARY DISTRICT  
("Tenant")

**TABLE OF CONTENTS**

<b>ARTICLE NO.</b>		<b>Page No.</b>
	<b>BASIC LEASE PROVISIONS</b> .....	<b>1</b>
<b>ARTICLE I</b>	<b>DESCRIPTION OF LEASED PROPERTY AND USE</b> .....	<b>2</b>
Section A.	Premises .....	2
Section B.	Use of Premises .....	2
Section C.	Delivery and Acceptance of Premises.....	3
<b>ARTICLE II</b>	<b>TERM</b> .....	<b>3</b>
Section A.	Primary Term .....	3
Section B.	Renewal Term and Rent .....	3
<b>ARTICLE III</b>	<b>BASE RENT; OPERATING COSTS; AND LATE RENT PAYMENT</b> .....	<b>4</b>
Section		
A. Section	Base Rent.....	4
B. Section	Operating Costs .....	4
C. Section	Late Rent Payment .....	5
D	Security Deposit .....	5
<b>ARTICLE IV</b>	<b>REAL ESTATE TAXES</b> .....	<b>6</b>
<b>ARTICLE V</b>	<b>UTILITIES</b> .....	<b>6</b>
<b>ARTICLE VI</b>	<b>INSURANCE</b> .....	<b>7</b>
Section A.	Building Insurance .....	7
Section B.	Premises Insurance.....	7
Section C.	Landlord's Representations, Covenants.....	7
Section D.	Hazardous Materials.....	8
Section E.	Hold Harmless.....	8
<b>ARTICLE VII</b>	<b>MAINTENANCE OF THE BUILDING AND REPAIRS</b> .....	<b>9</b>
Section A.	Tenant's Maintenance and Repair Obligations--Building .....	9
Section B.	Tenant's Maintenance and Repair Obligations--Premises .....	9
<b>ARTICLE VIII</b>	<b>PARKING AND COMMON AREAS</b> .....	<b>9</b>
Section A.	Parking .....	9
Section B.	Common Areas .....	9
<b>ARTICLE IX</b>	<b>CARE OF PREMISES</b> .....	<b>10</b>
<b>ARTICLE X</b>	<b>SIGNS AND ADVERTISING</b> .....	<b>10</b>
<b>ARTICLE XI</b>	<b>ALTERATIONS AND ADDITIONS</b> .....	<b>11</b>

<b>ARTICLE XII</b>	<b>WAIVER OF SUBROGATION.....</b>	<b>12</b>
<b>ARTICLE XIII</b>	<b>DESTRUCTION OF OR DAMAGE TO PREMISES.....</b>	<b>12</b>
Section A.	Total Destruction .....	12
Section B.	Partial Destruction .....	12
<b>ARTICLE XIV</b>	<b>EMINENT DOMAIN.....</b>	<b>14</b>
<b>ARTICLE XV</b>	<b>INDEMNIFICATION.....</b>	<b>15</b>
<b>ARTICLE XVI</b>	<b>ASSIGNMENT AND SUBLETTING.....</b>	<b>16</b>
<b>ARTICLE XVII</b>	<b>LANDLORD'S SALE OR TRANSFER/NOTICE TO TENANT.....</b>	<b>17</b>
<b>ARTICLE XVIII</b>	<b>DEFAULT .....</b>	<b>18</b>
Section A.		
Section B.	Rent Payments .....	18
Section C.	Non-Monetary Events.....	18
Section D.	Bankruptcy.....	18
Section E.	Abandonment.....	18
	Remedies .....	18
<b>ARTICLE XIX</b>	<b>REMOVAL OF PERSONALTY AND FORFEITURE OF PERSONALTY.....</b>	<b>19</b>
<b>ARTICLE XX</b>	<b>NON-DISTURBANCE AND SUBORDINATION.....</b>	<b>20</b>
<b>ARTICLE XXI</b>	<b>NOTICES.....</b>	<b>20</b>
<b>ARTICLE XXII</b>	<b>MISCELLANEOUS.....</b>	<b>21</b>
Section A.		
Section B.	Covenant Dependency.....	21
Section C.	Liens .....	21
Section D.	Relationship Parties.....	21
Section E.	Representations.....	21
Section F.	Amendments, Modifications and/or Assignment .....	21
Section G.	Grammatical Changes.....	21
Section H.	Section Headings.....	22
Section I.	Binding Effect .....	22
Section J.	Force Majeure .....	22
Section K.	Personal Property Taxes .....	22
Section L.	Non-Waiver .....	22
Section M.	Reimbursement of Attorneys Fees and Costs.....	23
Section N.	Recording of Lease or Memorandum of Lease.....	23
Section O	Status Statement of Leases .....	23
Section P	Easements.....	23
Section Q.	Holding Over.....	23
Section R.	Time of the Essence .....	23
	Unenforceability .....	24

Section S.	
Section T.	
Section U.	
Section V.	
Section W.	
Section X.	
Section Y.	
Section Z.	
	<b>Rights and Remedies</b> ..... 24
	Limited Liability Company Authority/Corporate Authority ..... 24
	Interpretation and Venue.....24
	Exhibits and Addenda ..... 24
	Landlord/Tenant Representations .....24
	ADA.....25
	Tenant Waiver of Trial by Jury..... 25
	OFA Certification ..... 25

**EXHIBITS**

Exhibit A	Preliminary Floor Plan
Exhibit B	Rules and Regulations
Exhibit C	Tenant Estoppel and Latent Statement of Lease



## BASIC LEASE PROVISIONS

**THIS SUMMARY OF BASIC LEASE PROVISIONS** (the "Basic Lease Provisions") is set forth for the convenience of the Parties. In the event of any conflict, inconsistency or ambiguity between the Basic Lease Provisions and the attached Office Building Lease ("Lease"), the attached Lease shall govern.

**A. Landlord:** "Landlord" means BNR Farms, LLC by Midwest Trust Company as Manager which will hereinafter be referred to as BNR Farms.

**Landlord's Address for Notice:**

BNR Farms, LLC  
c/o Midwest Trust Company  
507 Canyon Blvd., suite 100  
Boulder, Colorado 80302

**Copy to:**

Russell Bean  
Russell K Bean PC, LLC  
16890 E. Alameda Pkwy, #471985  
Aurora, CO 80047

**B. Tenant:** "Tenant" means Boulder Public Library District

**Tenant's Address for Notice:**

Boulder Public Library District  
1001 Arapahoe Avenue  
Boulder, CO 80302  
Attn: David Farman, Director

**Copy to:**

Seter, Vander Wall & Mielke, PC  
7400 E. Orchard Road, Suite 3300  
Greenwood Village, CO 8011  
Attn: Kim J. Seter, Esq.

**C. Premises:** The Premises are described in Article I, Section A of the Lease. It includes the two lots, a vacant former bank building and the right to use access ways for ingress and egress.

**D. Lease Term:** The "Lease Term" is sixty (60) full calendar months, with one (1) option to renew for five (5) years, as more particularly described in Article II Term.

**E. Rent:** "Base Rent" is \$150,000.00 annually, due in monthly installments of \$12,500.00 on the first day of each month and is exclusive of additional rent and other sums and charges to be paid by Tenant under this Lease.

**F. Security Deposit:** The Security Deposit is \$25,000.00 and is equal to two month's Base Rent.

- G. Personal Property:** Furniture and other personal property currently located in the Premises shall remain for the use of Tenant during the Lease Term.
- H. Rent Commencement Date** is the earlier of (i) one business week from the day Tenant is issued a Certificate of Occupancy from the City of Boulder, or (ii) 30 days from the Possession Date.

**LIBRARY LEASE**  
(Triple Net)

THIS LEASE (the "**Lease**"), is effective \_\_\_\_\_, 2024 (the "**Effective Date**") by and between BNR Farms, LLC by Midwest Trust Company as Manager ("**Landlord**") and Boulder Public Library District, a quasi-municipal corporation and political subdivision of the state of Colorado ("**Tenant**").

In consideration of the premises, the mutual covenants hereinafter contained, and every act to be performed hereunder by them, Landlord and Tenant enter this Lease.

**ARTICLE I**  
**DESCRIPTION OF PREMISES AND USE**

**A. Property, Building and Premises.** Landlord hereby lets and demises to Tenant, and Tenant hereby leases from Landlord, for the Lease Term described in Article II, the Premises located in the Boulder County, Colorado, more fully described as:

6500 Lookout Road (Assessor Parcel 146311203006); and

0 Lookout Road (Assessor Parcel 146311203008)

Gunbarrel, Colorado 80301 (the "**Real Property**"),

including the former bank building (the "**Building**"), and all parking, paved, and landscaped grounds on the Property; and, the right to use and allow its licensees and invitees to use, in common with others entitled thereto, the access drives to and from Lookout Road; and to and from Spine Road through and across 5365 Spine Road (Assessor Parcel 146311203009) subject to the terms and conditions of this Lease (Collectively, the "**Premises**"). A depiction of the Property, the Building and the Premises is attached as **Exhibit A**.

**B. Delivery and Acceptance of Premises.** The Landlord will deliver possession of the Premises to the Tenant the later of \_\_\_\_\_, 2024 or the date the lease is executed (the "**Possession Date**"). Tenant agrees to accept delivery of the Premises in their "as is" condition subject to all the terms of this Lease on the Possession Date. Landlord has no obligation to make any improvements to the Premises.

**C. Use of Premises.** Tenant will use the Premises for a public library with all attendant uses and services that public library facilities typically provide, and shall not use or permit the Premises to be used for any other purpose without the prior written consent of Landlord, which consent to a change in use shall not be unreasonably withheld or delayed.

1. Tenant shall not do or permit anything to be done in or about the Premises nor bring or keep anything therein that may increase the existing rate of or affect any fire or other insurance covering the Building or any of its contents, or cause cancellation of any insurance policy covering said Building.

2. Tenant shall not allow the Premises to be used for any unlawful purposes, nor shall Tenant cause, maintain or permit any nuisance in, on, or about the Premises as defined by the City of Boulder Municipal Code.

3. Tenant shall not permit employees, customers, or visitors to smoke inside the Building.
4. Tenant shall not store any waste in or upon the Premises except as normal in the operations of a public library.
5. Tenant may install signage on the Building identifying the library, may construct monument signs identifying the library on the Property and directional signage at the entrances at Spine Road and Lookout Road. Except for temporary signs or banners advertising library activities, events or programs, Tenant shall not place any other signage on the Premises.
6. Tenant may from time-to-time conduct used book sales or other library related sales on the Premises but shall not conduct any auction, distress, fire sale, bankruptcy, liquidation, or going-out-of-business sale thereon without the Landlord's prior written consent.
7. Tenant may make tenant improvements within and without the Building and on the Property to make them suitable for Tenants purposes, including modifications to the bank drive up window, provided no structural changes are made to the Building without prior written consent of the Landlord.
8. Tenant shall not use the Premises or permit anything to be done in or about the Premises that will conflict with any law, statute, ordinance or governmental rule or regulation related to the Premises and the use thereof now in force or which may hereafter be enacted or promulgated, including, without limitation, environmental laws. Tenant shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations, or requirements of any board of insurance underwriters or similar bodies now in force or which may hereafter be in force, relating to or affecting the condition, use or occupancy of the Premises.

## ARTICLE II TERM

A. **Primary Term.** The Lease Term is sixty (60) months beginning twelve o'clock noon on the "Rent Commencement Date" (as defined below) and extending until twelve o'clock noon sixty (60) months thereafter. The "Rent Commencement Date" shall be (i) one business week from the day Tenant is issued a Certificate of Occupancy from the City of Boulder, or (ii) 30 days from the Possession Date whichever is earlier.

B. **Extended Term.** Tenant may, at Tenant's sole option, extend the Lease for one (1) additional five (5) year period ("Extended Term"), upon the same terms and conditions, except for Base Rent, which will increase by three percent (3%) in the first year, and three percent 3% each year thereafter. To exercise its option, Tenant must give Landlord written notice of such election at least one hundred eighty (180) days before the end of the Lease Term and may only do so if Tenant (i) is not then in default; and (ii) has not been in default on two (2) or more separate occasions during the Lease Term.

## ARTICLE III BASE RENT, ADDITIONAL RENT AND SECURITY DEPOSIT

A. **Base Rent.** Tenant will pay Base Rent of \$150,000 annually in monthly installments of \$12,500, without setoff or deduction, without notice or demand, in advance, on or before the first day of each month during the Lease Term at the address of Landlord set forth in the Basic Lease

Provisions or at such other address or addresses as Landlord may hereafter provide in writing. For the purposes of this Lease, the term "Lease Year" shall mean twelve (12) consecutive months starting with the first day of the Rent Commencement Date. Base Rent for any fractional month during the Lease Term will be adjusted pro rata on a per diem basis.

**B. Additional Rent.** The Parties intend this Lease to be a "Triple Net Lease." All costs and expenses attributable to the Premises will be paid by Tenant as "Additional Rent." Tenant will pay Additional Rent directly to third parties providing services or materials, or government services and not to Landlord. Additional Rent includes but is not limited to all costs and expenses related to Tenant Improvements and operation, maintenance and management of the Premises, including, without limitation: all services provided to the Building and the Premises, including HVAC services, water, sewer, other utilities, janitorial, electrical, trash, and general maintenance; all real estate taxes for the Premises, premiums for insurance required or permitted to be carried by Tenant, all charges for utilities, all costs for maintenance and repairs, and all other costs and expenses of operating, maintaining, repairing, lighting, replacing, cleaning, exterior window cleaning, painting, striping, removing of snow, ice and debris, conducting efficiency studies used in the operation and maintenance of the Premises, including heating, air conditioning and ventilating equipment, and personal property taxes and other charges incurred in connection with such equipment; costs and expenses of maintaining, repairing and replanting and replacing flowers and shrubbery and planters, as reasonably necessary; sprinkler maintenance costs; labor and administrative costs of operating and maintaining the Premises. Notwithstanding the forgoing, Operating Costs shall not include the cost of correcting any construction defects or making any structural changes, advertising the Premises for sale or lease, lease commissions or brokerage fees incurred by Landlord in connection with the lease, sale or financing of the Premises, costs or expenses reimbursed by insurance, Landlord's net income taxes, income tax accounting, interest, depreciation and general corporate overhead.

**C. Rent Default.** Tenant will be in Default on payment of Base Rent and/or Additional Rent if not timely made within 10 days after written notice from Landlord of a failure to make a payment.

**D. Late Rent Payment.** Any payment of Base Rent, Additional Rent, or obligation hereof which may be satisfied by the payment of money will, as of the date of Default:

1. Include a late fee of five percent (5%) of such amount that represents a fair and reasonable estimate of the costs that Landlord will incur by reason of late payment by Tenant; and,
2. Will bear interest at the rate of 10 % *per annum* ("**Default Rate**") until paid in full.

**E. Security Deposit.** Tenant will deposit with Landlord a Security Deposit of \$25,000.00 (the "**Deposit**") upon execution of this Lease. The Deposit may be applied by Landlord to pay losses or costs, damage or expense including reasonable attorney's fees sustained by Landlord by reason of failure of Tenant to comply with any provision in this Lease. To the extent not applied to a loss, cost, damage or expense, the Deposit, without interest thereon, will be returned to Tenant within 60 days after expiration or termination of the Lease. The Deposit is not an advance payment of rent or any measure of the loss, cost, damage, or expense that is or may be suffered by Landlord. In the event all or any portion of the Deposit is applied by Landlord to pay any loss, cost, damage or expense, Tenant shall, within 20 days after written demand, deposit with Landlord amounts necessary to replenish the Deposit.

-]

## **ARTICLE IV TENANT IMPROVEMENTS**

Tenant shall not, under any circumstances, make alterations or additions to the exterior of the Building except for a library identification sign. Tenant shall make no structural changes to the Premises, including equipment or appliances installed in connection with the transmission or delivery of the utilities without first procuring Landlord's written consent, which consent shall not be unreasonably withheld or delayed, after delivering to Landlord the plans and specifications.

Tenant may remodel the interior of the Building for Tenant's purposes including the removal of existing and construction of new non-loadbearing walls. Tenant may hang pictures, artwork and other wall hangings, without Landlord's prior written permission, and may repaint and install wall coverings, without the necessity for Landlord's consent. All new carpet and flooring must be approved in advance by Landlord, and must be of grade and quality commensurate with that originally installed in the Premises and must conform to existing building standards.

Tenant may With Landlord's written consent, make landscaping and xeroscaping improvements to the Premises.

Tenant is a public entity and its projects may not be the subject of mechanics or materialmen's liens under Colorado law. Nevertheless, Tenant will promptly pay for the costs associated with any such alterations or additions, and shall indemnify, to the extent permitted by law, Landlord against liens, costs, damages and expenses incurred by Landlord in connection therewith, including any reasonable attorney's fees incurred by Landlord, if Landlord shall be joined in any action or proceeding involving such work. Landlord may, at its option, pay sums due to release any liens, in which event any such sums paid by Landlord shall be due to Landlord by Tenant upon written demand and shall accrue interest at the Default Rate from the date incurred by Landlord. Under no circumstances shall Tenant commence any such work until Landlord has been provided with certificates evidencing that all the contractors and subcontractors performing such work have in full force and effect adequate worker's compensation insurance as required by the laws of the State of Colorado, public liability and builder's risk insurance in such amounts and according to terms satisfactory to Landlord. Landlord shall at all times have the right to post or keep posted on the Premises, or in the immediate vicinity thereof, any notices of non-responsibility for any construction, alteration or repair of the Premises by Tenant, and Tenant hereby agrees to give Landlord at least ten (10) business days prior written notice of Tenant's plans to commence such work so as to enable Landlord an opportunity to post such notices, and Tenant shall ensure that such notices remain posted, continuously, throughout the period of construction.

All alterations, additions, improvements and fixtures, including but not by way of limitation, lighting fixtures, ducts, controls, diffusers, counters and work stations, filters or other equipment for distribution of heating and cooling, plumbing, electrical and telephone, and other personal property which may be made or installed by, for and on behalf of Tenant, upon the Premises, and which are permanently attached to the floors, walls, or ceilings so as to become fixtures ( except Tenant's computers and Tenant's telephone system, custom cabinets, and any trade fixtures or trade equipment used by Tenant within the Premises, which equipment shall be removed upon the request of the Landlord) shall become the property of Landlord at the time of installation, and shall remain upon and be surrendered with the Premises at the time of termination of this Lease as a part of the Premises, without disturbance, molestation or injury. Any tile, linoleum or floor covering of similar character which may be cemented or otherwise adhesively affixed to the floor of the Premises shall be and become the property of Landlord absolutely upon installation. During the Lease Term Tenant shall not remove or damage the above described items and fixtures without the written consent of Landlord. Tenant shall promptly repair any damage to the Premises occasioned by the installation or removal of

Tenant's trade fixtures, alterations, furnishings, equipment, computers and telephone system.

## **ARTICLE V INSURANCE**

**A. Building Insurance.** Commencing with the Lease Commencement Date and continuing throughout the Lease Term, and any extensions thereof, Tenant shall maintain or cause to be maintained (i) special causes of loss, or its equivalent, casualty insurance policy, insuring the Building and all improvements of the Building and the Premises in an amount not less than one hundred percent (100%) of their replacement value; (ii) commercial general liability insurance to the extent required by the Colorado Governmental Immunity Act; and (iii) other policies of insurance which Landlord requires to be kept in force. The insurance coverage amounts shall be determined by Landlord, in Landlord's reasonable discretion. Unless this Lease is terminated as a result of damages to the Premises, any insurance proceeds received by Landlord as a result of damage to the Building shall to the extent not payable to any lender, be applied to the extent reasonably necessary by Landlord to repair such damage.

**B. Premises Insurance.** Commencing with the Lease Commencement Date and continuing throughout the Lease Term, and any extensions thereof, Tenant shall maintain or cause to be maintained, at its sole cost and expense: (i) fire and extended coverage insurance insuring all alterations and additions made by Tenant to the Premises and all of its fixtures, inventory, furniture and equipment in an amount not less than the full replacement value thereof with the broadest possible coverage ("special causes of loss, or its equivalent") on a one hundred percent (100%) co-insurance form insuring against all risks of direct physical loss; and (ii) public liability, bodily injury and property damage commercial general insurance coverage (or its equivalent) insuring against claims of any and all personal injury, death or damage occurring in or about the Premises in amounts required by the Colorado Governmental Immunity Act.

Each of the foregoing insurance policies to be carried by Tenant shall name Landlord as an additional insured, and shall be payable to Landlord and Tenant as their interests may appear. In addition, all such policies shall contain waivers of subrogation and, if required by Landlord, a loss payable endorsement in favor of the holder of any first mortgage on the Property or portion thereof. All such policies shall provide that no cancellation or termination thereof or any material modification thereof shall be effective, except on twenty (20) days prior written notice to Landlord, and, if applicable, said Mortgagee. Certificates evidencing such insurance shall be delivered to Landlord upon the Lease Commencement Date and each anniversary thereof.

**C. Landlord's Representations, Covenants.** Landlord represents that, to Landlord's knowledge there is no soil contamination, on or under the Premises and further represents that Landlord knows of no asbestos or other toxic or hazardous substances having been on the Premises. If Tenant finds any existing asbestos or other contamination or hazardous substance that existed on the Lease Execution Date, the Landlord will remove, or pay for the removal of such soil contamination, asbestos or other toxic or hazardous substance. If Landlord is unable to remove or pay for the removal of such substance, Tenant may terminate this Lease.

**D. Hazardous Materials.** Except as necessary in the ordinary course of conducting Tenant's general business practices, Tenant shall not carry any stock of goods, store any Hazardous Materials in violation of any Federal, State or local laws, statutes, ordinances, rules or regulations pertaining to the same (hereinafter, "Environmental Regulations"), or do anything in or about the Premises that would in any way tend to increase insurance rates or invalidate any policy on the Premises or the Building. For purposes of this Lease, Hazardous Materials shall include, without limitation, substances defined as

"hazardous substances" or "hazardous materials" or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601, et seq. ("CERCLA"), the Hazardous Materials Transportation Act, 49 U.S.C. § 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et seq. ("RCRA") or any other Federal, State or Local laws or statutes and in any regulations adopted and publications promulgated pursuant to said laws. If Tenant fails to use, handle or dispose of Hazardous Materials as required by applicable Federal and State law and such failure causes an increase in insurance premium to Landlord, Tenant agrees to pay as Additional Rent any such increase in premiums therefor resulting from such failure by Tenant. If Tenant installs any electrical equipment that overloads the power lines to the Building, Tenant shall at its own expense make whatever changes are necessary to comply with the requirements of insurance underwriters and insurance rating bureaus and governmental authorities having jurisdiction.

Tenant shall, at Tenant's sole cost and expense, fully, diligently and in a timely manner, comply with all laws, rules, regulations, ordinances, directives, covenants, and restrictions of record, relating in any manner to the Tenants use of the Premises (including but not limited to environmental conditions and the use, generation, manufacture, production, installation, maintenance, removal, transportation, storage, spill, or release of any Hazardous Materials) now in effect or which may hereafter come into effect. Tenant shall comply with all requirements concerning the handling and disposal of all waste.

**E. Hold Harmless.** To the extent permitted by law, Tenant shall indemnify, protect, defend and hold Landlord, its managers, members, officers, directors, agents, employees, lenders and the Premises, harmless from and against any and all damages, liabilities, judgments, costs, claims, liens, expenses, penalties, loss of permits and attorneys' and consultants' fees arising out of or involving any Hazardous Materials brought onto the Premises by or at the direction of Tenant or by anyone under Tenant's control to the extent permitted by law. The indemnification set forth above shall survive the expiration or termination of this Lease.

## ARTICLE VI MAINTENANCE OF THE BUILDING AND REPAIRS

**A. Tenant's Maintenance and Repair Obligations--Building.** Tenant shall at its sole cost and expense, keep the Building in good condition and repair, ordinary wear and tear excepted, including, without limitation, all heating, ventilating and other mechanical appurtenances and equipment; In connection with all such maintenance, Tenant may enter into (i) contracts for the maintenance, inspection and service of the Building and the equipment within the Building, and (ii) contracts for the cleaning of all windows in the Building and for sweeping of and removal of snow from sidewalks adjacent to the Premises, the costs of which, together with all costs of any replacements or repairs resulting from determinations made by the inspection service, shall be included in and comprise a portion of Operating Costs.

**B. Tenant's Maintenance and Repair Obligations--Premises.** Tenant shall, at its sole cost and expense, maintain, replace, repair and keep all parts of the interior of the Premises (which include but are not limited to, interior wall surfaces, doors, door hardware, and mechanical equipment within the Premises), in good order, operating condition and repair. Tenant shall also keep the Premises in a clean, sanitary and safe condition in accordance with all applicable directions, rules and regulations of any health officers, building inspectors or other proper officers of the governmental agencies having jurisdiction over the Premises. Tenant shall comply with all requirements of laws, ordinances and other rules and regulations that affect the Premises. Tenant shall permit no injury to the Building or Premises. At the expiration of the Lease Term, Tenant shall surrender the Premises broom clean in as good order as the same is on the day Tenant first opened the Premises for business, ordinary wear and tear, damage, and loss from the elements, loss caused by fire or other casualty, repairs to be made by Landlord, and



other occurrences beyond the control of Tenant excepted.

**C. No Capital Improvements.** Notwithstanding the foregoing, the Tenant's Maintenance and Repair Obligations – Building and Premises shall not include and obligation to perform maintenance and repairs to the Building or Premises that would be considered capital improvements, as generally understood by the IRS code. Capital improvement maintenance and repair obligations shall be the sole and exclusive responsibility of the Landlord, the costs for which shall be Net as described above to the Tenant as additional rent. For the avoidance of any doubt issues such as replacement of HVAC Systems, water, sewer, and electrical lines, roofs, structural repairs, and parking lot replacement or resurfacing shall be considered capital improvements.

## **ARTICLE VII SIGNS AND ADVERTISING**

Tenant shall have the right to install a standard exterior sign on the Building, may utilize the existing on Premises Signs after and may install monument signage after obtaining Landlord's written approval as to the location, color, design, composition and size, not to be unreasonably withheld or delayed.

## **ARTICLE VII WAIVER OF SUBROGATION**

Landlord and Tenant agree that, if the property or interests on which they are required to obtain insurance in connection with the transaction contemplated by this Lease shall be damaged or destroyed during the Lease Term by a peril insured under the policies of insurance, and whether or not such damage or destruction was caused by the neglect of the other party, neither party shall have any liability to the other or to any insurer of the other for, or in respect of, such damage or destruction, to the extent covered by such insurance; and each party shall insure that the policies of insurance required herein are endorsed with a provision in and by which the insurer shall waive its right of subrogation against the other. The waiver of subrogation hereby required shall extend only to the risks insured by the policies required by this Lease.

## **ARTICLE VIII DESTRUCTION OF OR DAMAGE TO PREMISES**

**A. Total Destruction.** In case the Premises or the Building in which the Premises are situated shall be destroyed by fire or other peril insurable under the policies of insurance so as to become partially or totally untenable, the same shall be repaired as speedily as possible at the expense of Landlord, to the extent of insurance proceeds available, unless (i) Landlord shall elect not to rebuild as hereinafter provided; or (ii) the remainder of the Lease Term at the time of such damage or destruction is less than twelve (12) months, in which event Landlord shall not be required to rebuild if either Landlord or Tenant shall elect, upon written notice to the other party sent within fifteen (15) days of the date of the damage or destruction to terminate the Lease effective as of the date of receipt of the notice. No rent shall be due while the Premises is untenable.

**B. Partial Destruction.** In case the Premises or the Building in which the Premises are situated shall be damaged by fire or other peril insurable under the policies of insurance so as to render a portion of said Building untenable, or in the Tenant's reasonable and good faith judgment prevents the operation of Tenant's business, Tenant may, at its election by notice given to the other not more than 30 days after the occurrence of the damage, terminate this Lease. In the event Tenant elects not to terminate, Landlord shall, as speedily as possible, repair, rebuild or restore any such damage suffered

in the Building or the Premises as set forth above, provided, however, that Landlord shall only be required to use building standard materials, and in the event Tenant desires the use of materials which are not building standard, Tenant shall pay any increased cost with respect to such materials, together with any costs incurred by Landlord as a result of delays in construction resulting from such materials not being available for use and installation at the time when Landlord is ready to install such materials. Subject to the receipt of required building permits issued by applicable governmental authorities, and subject to other factors of "force majeure," the Premises shall be repaired within 120 days of the date of the occurrence of the damage or destruction. In the event the Premises are not repaired within such 120-day period, Tenant may give notice of default and opportunity to cure. If the Premises are not repaired as provided herein by the date which is fifteen (15) days after the Landlord's receipt of such written notice and opportunity to cure, Tenant may terminate this Lease. The deadlines set forth herein shall be tolled during any periods of delay pending receipt of building permits from pertinent governmental authorities, and during any period in which construction and progress is delayed due to the unavailability of materials selected by Tenant and during the period of any force majeure event.

**C. Uninsured Loss.** In case of casualty to the Premises resulting in damage or destruction which casualty is not insured against, Landlord shall be under no obligation to restore, replace, or rebuild the Premises, and this Lease shall be deemed terminated and of no further force or effect as of the date of such casualty, unless Landlord elects in its sole and absolute discretion to restore, repair, replace and rebuild the Premises and so notifies Tenant in writing within thirty (30) days after such casualty. In the event Landlord so elects to restore, repair, replace and rebuild the Premises, then this Lease shall continue in full force and effect during the period of such restoration, repairing, replacing, or rebuilding, with the rent abated.

## **ARTICLE IX EMINENT DOMAIN**

If the whole of the Premises shall be acquired or condemned by eminent domain for any public or quasi-public use or purpose, then the Lease Term shall cease and terminate as of the date of title vesting in such proceeding, all rent shall be paid up to that date, and Tenant shall have no claim against Landlord for the value of any unexpired Lease Term; however, the provisions of this Article shall in no way be construed or interpreted as a waiver of Tenant's right against the condemning authority.

If the whole of the parking areas for the Property shall be acquired or condemned by eminent domain for any public or quasi-public use or purpose, then the Lease Term shall cease and terminate as of the date of title vesting, unless Landlord, at its own expense should elect to take immediate steps to provide other parking facilities within a reasonable distance from the Building and reasonably acceptable to Tenant so as to allow parking space ratios between the parking areas and the gross area of the buildings on the Property to be sufficient to satisfy Tenant and applicable governmental authorities.

If a part of the Premises shall be acquired or condemned by eminent domain for any public or quasi-public use or purpose, and in the event that such partial taking shall be so extensive that Tenant is unable to continue to operate its business in the remainder of the Premises, then for a period of thirty (30) days following such taking, Tenant shall have the right to either terminate this Lease and declare the same null and void by giving written notice thereof to Landlord or, alternatively, to continue in the possession of the remainder of the Premises under the terms herein provided, except that the Minimum Rent and Tenant's Pro Rata Share of Operating Costs shall be reduced in such proportion as the nature, value and extent of the part so taken bears to the whole of the Premises.

If a part of the parking area of the Property should be acquired or condemned by eminent domain for any public or quasi-public use or purpose, no rights under this Lease shall be affected, so long as the remaining number of parking spaces satisfy the requirements of applicable governmental authorities and the needs of the Tenant. If the remaining number of parking spaces do not so conform as set forth above, or if ingress or egress to and from the Building or the Premises is materially impaired, Landlord may, at its election, take immediate steps to provide substitute additional parking facilities within a reasonable distance from the Building and acceptable to Tenant, to allow parking space ratios sufficient to satisfy applicable governmental authorities and the needs of the Tenant.

In the event Tenant terminates this Lease as provided hereinabove, such termination shall be as of the date of Tenant's written notice (but rent shall be due until Tenant's surrender of the Premises), and Tenant shall have no claim against Landlord for the value of the unexpired Lease Term, or for damages of any kind. In addition, in the event this Lease otherwise terminates or is terminated by Landlord pursuant to this Article, Landlord shall have no claim against Tenant for the value of the unexpired Lease Term, or for damages of any kind.

In the event of a partial taking which is not extensive enough to render the Premises unsuitable for the business of Tenant as set forth above, then Landlord shall as speedily as possible restore the Premises to a condition comparable to its condition at the time of such taking, less the portion lost in the taking, and this Lease shall continue in full force and effect except that the Minimum Rent and Tenant's Pro Rata Share of Operating Costs shall be reduced in the manner provided above.

As regards any obligations of Landlord described in this Article, in no event shall Landlord be required to spend an amount in excess of the amount available to Landlord from the award for any part of the Premises or parking area taken.

In the event of any condemnation or taking as aforesaid, whether in whole or in part, Tenant shall not be entitled to any part of the award paid to Landlord for such condemnation. Although all damages in the event of any condemnation or taking of the fee interest are to belong to Landlord, provided that Landlord's award is not diminished, Tenant shall have the right to claim and recover from the condemning authority, but not from Landlord, such compensation as may be separately awarded or recoverable by Tenant in Tenant's own right on account of loss of the leasehold and any and all damage to Tenant's business by reason of condemnation.

## **ARTICLE X INDEMNIFICATION**

Tenant shall to the extent permitted by Colorado Law, indemnify, protect, defend and hold harmless Landlord, Landlord's mortgagee, Landlord's beneficiaries and their respective partners, members, agents and employees (each referred to herein as an "indemnified party") against and from any and all claims, damages, liabilities, obligations, losses, causes of action, costs and expenses (including, but not limited to, reasonable attorneys' fees and court costs and loss of rentals payable by Tenant or other tenants in the event of loss caused by any negligent act or willful omission of Tenant unless such loss is covered by Landlord's rent abatement insurance) suffered or incurred by any or all of the indemnified parties and arising from or as a result of (a) any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease; or (b) any willful act or negligence of Tenant, or any officer, agent, employee of Tenant, and in case any action or proceeding be brought against any or all of the indemnified parties by reason of (a) or (b) above, then Tenant, upon notice from an indemnified party, shall to the extent permitted by law, defend the same at Tenant's expense by counsel reasonably satisfactory to Landlord; provided, that such indemnity shall not apply to any loss suffered as a result of Landlord's negligence or willful misconduct. Tenant, as a material

part of the consideration to Landlord, hereby assumes all risk of damage to property or injury to persons in, upon or about the Premises and the Building from any attributable to Tenant, and Tenant hereby waives all claims in respect thereof against Landlord. Tenant shall give prompt notice to Landlord in case of casualty or accidents in or about the Premises or the Building.

Landlord shall, and does hereby, indemnify, protect, defend and hold harmless Tenant, Tenant's beneficiaries and their respective partners, members, agents and employees against and from any and all claims, damages, liabilities, obligations, losses, causes of action, costs and expenses (including, but not limited to, attorneys' fees and court costs) suffered or incurred by any of the indemnified parties in connection with loss of life, personal injury or property damage arising from or as a result of (a) any breach or default in the performance of any obligation on Landlord's part to be performed under the terms of this Lease or (b) any willful act or negligence of the Landlord, its officers, agents, or employees; provided that such indemnity shall not apply to any loss suffered as a result of the Tenant's negligence or willful misconduct.

#### **ARTICLE XI ASSIGNMENT AND SUBLETTING**

Tenant shall not assign, sell, pledge, mortgage, encumber or in any manner transfer this Lease or any interest therein, nor sublet the Premises or any part or parts thereof, nor permit occupancy by anyone with, through or under it without the prior written consent of Landlord, which consent will not be unreasonably withheld or delayed but which is in Landlord's sole discretion. Tenant shall have the right to assign or sublease the premises to a related affiliate without prior written consent.

No interest in this Lease shall pass to any trustee or receiver in bankruptcy, to any estate of Tenant, to any assignee of Tenant for the benefit of creditors, or to any other party by operation of law or otherwise without Landlord's consent.

No consent to assignment or subletting shall be granted if an Event of Default under this Lease exists and is continuing.

#### **ARTICLE XII LANDLORD'S SALE OR TRANSFER RIGHT OF FIRST OFFER AND FIRST REFUSAL**

If Landlord determines to list the Premises or Building for sale, Landlord will provide Tenant written notice of such intention at least thirty days prior to listing the property for sale and provide Tenant with the opportunity to make an offer to purchase the property. Landlord has 15 business days to accept or reject the offer. If an offer is made by a third party to purchase the Premises, Tenant shall have the right of first refusal to purchase the Premises on the same or similar terms.

**ARTICLE XIII  
EVENTS OF DEFAULT**

This Lease is made on the condition also that, if any one or more of the following events (herein referred to as an "Event of Default") shall happen, Tenant shall be in default of its obligations under this Lease.

**A. Rent Payments.** Tenant shall default in the timely payment of the Base Rent, Additional Rent or any other amounts payable hereunder as described in Article III; or

**B. Non-Monetary Events.** Tenant shall neglect or fail to perform or observe any of the other covenants herein contained on Tenant's part to be performed or observed, and Tenant shall fail to remedy the same within thirty (30) days after Landlord shall have given to Tenant notice specifying such neglect or failure (or within such period, if any, as may be reasonably required to cure such default, if the nature of such default is such that it cannot be cured within said thirty (30) day period, provided that Tenant shall have commenced to effect such cure and shall proceed with due diligence to complete such cure within such additional period of time as may be commercially reasonable); or

**C. Bankruptcy.** Tenant shall (i) be adjudicated a bankrupt or insolvent, or (ii) file or threaten to file a petition in bankruptcy or for reorganization or for the adoption of an arrangement under the Bankruptcy Act (as now or in the future amended), or (iii) make an assignment of its property for the benefit of its creditors; or

**D. Abandonment.** Tenant shall abandon or fail to take possession of the Premises without payment of rent due hereunder.

**E. Remedies.** If Tenant fails to perform any of its affirmative duties or obligations, within thirty (30) days after written notice (or in case of an emergency, without notice), Landlord may at its option, perform such duty or obligation on Tenant's behalf, including but not limited to the obtaining of reasonably required insurance policies, or governmental licenses, permits or approvals. The costs and expenses of any such performance by Landlord shall be due and payable by Tenant upon receipt of invoice therefor. If any check given to Landlord by Tenant shall not be honored by the bank upon which it's drawn, Landlord, at its option, may require all future payments to be made by Tenant to be by cashier's check. In the event of an Event of Default, Landlord may, upon notice or demand, and without limiting Landlord in the exercise of any right or remedy which Landlord may have by reason of such Event of Default:

(a) Terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession to Landlord. In such event Landlord shall be entitled to recover from Tenant: (i) the unpaid Rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent would have been earned after the termination until the time of award exceeds the market rent; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the market rent; and (iv) the cost

Of recovering possession of the Premises, expenses including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any leasing commission paid by Landlord in connection with this Lease applicable to the unexpired terms of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of the District within which the Premises are located at the time of award plus one percent (1%). Efforts by Landlord to mitigate damages caused by Tenant's defaults under this Lease shall not waive Landlord's rights to damages. If termination of this Lease is obtained through the remedy of unlawful detainer, Landlord shall have the right to recover in such proceeding any unpaid rent and damages as are recoverable therein, or Landlord may reserve the right to recover all or part thereof in a separate suit; continue the Lease and Tenant's right to possession and recover the rent as it becomes due. Acts of maintenance, efforts to relet, and/or the appointment of a receiver to protect the Landlord's interests, shall not constitute a termination of the Tenant's right to possession; and

(b) Pursue any other remedy now or hereafter available under the laws or judicial decisions of the State of Colorado; and

(c) Landlord shall be entitled to recover the reasonable attorney's fees incurred by Landlord in pursuing Landlord's rights and remedies under this Lease.

#### **ARTICLE XIV REMOVAL OF PERSONALTY AND FORFEITURE OF PERSONALTY**

Tenant agrees that on or before expiration of the Lease Term or repossession of the Premises by Landlord without termination, whichever first occurs, by way of default or otherwise Tenant shall remove all personal property for which it has the right to ownership. Any and all such property of Tenant not removed within twenty (20) days after written notice shall irrevocably become the sole property of Landlord. Tenant waives all rights to notice and all common law and statutory claims and causes of action, which it may have against Landlord after said time period as regards the storage, destruction, damage, loss of use and ownership of the personal property affected by the terms of this paragraph. Tenant acknowledges Landlord's need to relet the Premises upon termination of this Lease or repossession of the Premises, and understands that the forfeitures and waivers provided herein are necessary to aid said reletting and to allow Landlord the opportunity to mitigate damages.

#### **ARTICLE XIII NON-DISTURBANCE AND SUBORDINATION**

This Lease shall be subject and subordinate to the lien of any first mortgage or other mortgage in favor of the beneficiary of said first mortgage, which Landlord may now or hereafter place upon the Premises and the Building, and to all terms, conditions and provisions thereof, to all advances made, and to any renewals, extensions, modifications or replacements thereof; provided, however, that if this Lease is in full force and effect, the right of possession of Tenant to the Premises and Tenant's rights arising out of this Lease shall not be affected or disturbed by the Mortgagee in the exercise of any of its rights under the mortgage or the note secured thereby, nor shall Tenant be named as a party defendant to any foreclosure of the lien of mortgage, nor in any other way be deprived of its rights under this Lease. In the event that the Mortgagee shall agree to the sale of the Premises pursuant to the exercise of any rights and remedies under the mortgage, or otherwise, such sale shall be made subject to this Lease and the rights of Tenant hereunder.

## NOTICES

All notices to be given hereunder by either of the parties shall be in writing. Notices may be given personally by delivering the same to the address set forth in the Basic Lease Provisions, or, if the Tenant, to the Premises. Either party may change the address to which notices may be sent by delivering a copy thereof to the other party in the manner aforesaid.

## ARTICLE XV MISCELLANEOUS

**A. Covenant Dependency.** Except as otherwise expressly provided herein, the obligation of Tenant to pay rent hereunder is independent of every other covenant, duty or obligation of Landlord herein, and is not subject to deduction or offset.

**B. Liens.** Tenant shall not cause or permit any mechanic's or other lien to be filed against the Premises, the Building or any portion of the Project by reason of, or due to, or as a result of, any work, labor, services, or materials performed at, or furnished to, the Premises, to Tenant, or to anyone holding the Premises through or under Tenant. If any such mechanic's lien shall at any time be filed, Tenant shall immediately cause the same to be discharged of record by payment, bond, order of a court of competent jurisdiction or otherwise; provided, however, that Tenant shall have the right to contest any and all such liens provided security which is satisfactory to Landlord, in its sole discretion, is deposited with Landlord or the court having jurisdiction over such matter, and such lien is released from the Premises, the Building and the Project within fifteen ( 15) days from the filing date of said lien. Subject to the immediately preceding sentence, in the event that Tenant fails to cause any such lien to be discharged within fifteen (15) days after being notified of the filing thereof and before judgment or sale thereunder, then, in addition to any other right or remedy of Landlord, Landlord may, but shall not be obligated to, discharge the same by paying the amount claimed to be due, or by bonding or other proceeding deemed appropriate by Landlord, and the amount so paid by Landlord, together with all costs and expenses (including, but not limited to, reasonable attorney's fees), incurred by Landlord in procuring the discharge of such lien, shall be deemed to be Additional Rent and shall immediately become due and payable by Tenant to Landlord on the first day of the next following month.

**C. Relationship of Parties.** Nothing contained herein shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or a partnership or a joint venture between the parties hereto, it being agreed that neither the method of computation of rents or any other provisions set forth herein nor any acts of the parties herein shall be deemed to create any relationship between the parties hereto other than the relationship of Landlord and Tenant.

**D. Representations.** Landlord and Tenant each hereby acknowledge and agree that they have not relied upon any statements, representations, agreements or warranties, except such as are expressed in this Lease.

**E. Amendments, Modifications and/or Assignment.** No amendment or modification of this Lease or any approvals or permissions of Landlord required under this Lease shall be valid or binding unless reduced to writing and executed by the parties hereto in the same manner as the execution of this Lease.

**F. Grammatical Changes.** Wherever the words "Landlord" and "Tenant" are used in this Lease, they shall include "Landlords" and "Tenants" and shall apply to persons, men and women, companies, partnerships, and corporations. Wherever the words "mortgage" or

"mortgages" are used herein the same shall be deemed to include a deed of trust or trust deed, and the word "lender" shall include a Mortgagee of a mortgage or a beneficiary of a deed of trust or trust deed. For purposes of this Lease, the term "rent" shall be deemed to mean any Base Rent, Additional Rent or other monetary obligations of Tenant hereunder. All references to the Lease Term shall include any extension of the Lease Term, except as otherwise provided. All references to Tenant shall include Tenant's guarantors, assignees or sublessee. All reference to the singular shall include the plural, and vice versa.

**G. Section Headings.** The section headings are inserted herein only for convenience of reference and shall in no way define, limit or describe the scope or intent of any provisions of this Lease.

**H. Binding Effect.** Subject to the provisions hereof, the benefits of this Lease and the burdens hereunder shall respectively inure to and be binding upon the heirs, successors, personal representatives and assigns of the parties.

**I. Personal Property Taxes.** Tenant is a governmental entity that does not pay personal or real property taxes. It will pay property taxes for the Premises to the extent required by this Lease or the state law. Tenant will ensure that personal and real property taxes for items that are the subject of this Triple-Net lease are not assessed against or paid by Landlord.

**J. Non-Waiver.** No waiver of condition or covenant of this Lease by either party hereto shall be deemed to imply or constitute a further waiver by such party of the same or any other condition or covenant. No act or thing done by Landlord or Landlord's agents during the Lease Term shall be deemed an acceptance of a surrender of the Premises, and no agreement to accept such surrender shall be valid unless signed in writing by Landlord. The delivery of Tenant's keys to any employee or agent of Landlord shall not constitute a termination of this Lease unless a written agreement has been entered into with Landlord to this effect. No payment by Tenant, nor receipt from Landlord, of a lesser amount than the Minimum Rent herein stipulated shall be deemed to be other than on an account of the earliest stipulated rent, nor shall any endorsement or statement on any check or any letter accompanying any check, or payment as rent, be deemed an accord and satisfaction, and Landlord shall accept such check for payment without prejudice to Landlord's right to recover the balance of such rent or pursue any other remedy available to Landlord. If this Lease be assigned, or if the Premises or any part thereof be sublet or occupied by anyone other than Tenant, Landlord may collect rent from the assignee, subtenant or occupant and apply the net amount collected to the rent herein reserved, but no such collection shall be deemed a waiver of the covenant herein against assignment and subletting, or the acceptance of the assignee, subtenant or occupant as tenant, or a release of Tenant from the complete performance by Tenant of the covenants herein contained on the part of Tenant to be performed.

**L. Reimbursement of Attorneys Fees and Costs.** In the event either party takes legal action against the other to enforce the terms of this Lease, the prevailing party shall recover from the other party its reasonable attorney's fees and costs, together with fees charged by accountants, appraisers and other consultants or experts hired by the prevailing party or its attorneys.

**M. Status Statement of Lease.** Tenant agrees, within an initial five (5) business days of written request by Landlord from time to time, to execute, acknowledge and deliver to Landlord a status statement of Lease generally in the form attached as **Exhibit B**, to the extent that the facts set forth therein are true.

**N. Easements.** Landlord shall have ~~the~~ right to grant any easements on, over, under and above the Premises for such purposes as Landlord determines, provided that such easements will not



materially interfere with Tenant's business.

**P. Holding Over.** In the event that Tenant remains in possession after the expiration of this Lease, without execution of a new Lease and without Landlord's written consent, Tenant shall be deemed to occupy the Premises as a tenant from month to month, subject to all conditions, provisions and obligations set forth herein insofar as the same are applicable to a month-to-month tenancy, except that Minimum Rent shall increase to one hundred fifty percent (150%) of Minimum Rent for the last year of the Lease Term or any Extension Term thereof. In addition, Tenant shall pay any reasonable damages and hold Landlord harmless from any liability incurred in connection with any claims made by any succeeding occupant based on delay of possession.

**R. Time of the Essence.** Time is of the essence hereof, and each party shall perform its obligations and conditions hereunder within the time hereby required.

**S. Unenforceability.** If any clause or provision of this Lease is illegal, invalid or unenforceable under present or future laws effective during the Lease Term, then and in that event it is the intention of the parties hereto that the remainder of this Lease shall not be affected thereby, and it is also the intention of the parties to this Lease that in lieu of each clause or provision of this Lease that is illegal, invalid or unenforceable, there be added as a part of this Lease a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

**T. Rights and Remedies.** The remedies of Landlord and Tenant shall be cumulative, and no one of them shall be construed as exclusive of the other, or any remedy provided by law or equity.

**U. Limited Liability Company Authority/Corporate Authority.** Landlord and Tenant (if a corporation, or limited liability company) each represent and warrant that it has full power and authority to enter into this Lease Agreement and has taken all action necessary to carry out the transaction contemplated hereby, so that when executed this Lease Agreement constitutes a valid and binding obligation enforceable in accordance with its terms. Tenant shall provide Landlord its resolution authorizing execution of the Lease at the time of said execution and said resolution shall be incorporated herein.

**V. Interpretation and Venue.** The terms of this Lease shall be interpreted according to the laws of the State of Colorado. Each party consents to the enforcement by their respective Landlord of Tenant's obligations hereunder in the District Court in and for the County of Boulder, Colorado.

**W. Exhibits and Addenda.** The Exhibits and Addenda attached to this Lease are incorporated herein and made a part hereof by this reference.

**W. Landlord/Tenant Representations.** In the event either Landlord or Tenant is either a corporation and/or limited liability company, the officers executing this Lease on behalf of Tenant hereby covenant that they are duly authorized by the corporation and/or limited liability company to execute this Lease, that the corporation and/or limited liability company is duly organized under the laws of its State of incorporation and that the corporation and/or limited liability company has the full right and authority to enter into this Lease for the full term hereof. In the event Tenant is a general or limited partnership, the general partner(s) executing this Lease on behalf of Tenant hereby covenant(s) that he (they) is (are) duly authorized by the partnership to execute this Lease, that the partnership is duly organized under the laws of the State in which it

was formed and that the partnership has the full right and authority to enter this Lease for the

full term hereof. Landlord further warrants that it is owner of the property and holds title in fee simple.

**X. ADA.** Landlord represents to Tenant that, to the Landlord's knowledge as of the Lease Execution Date, the Building has received no notice of required modification as a result of the Americans with Disabilities Act of 1990, as amended. However, this is an older building, and Tenant shall maintain the Premises in compliance with all applicable laws during the Lease Term, except those items that are the responsibility of Landlord. In the event the Tenant requires any changes, or the Tenant's work in the Building requires any changes to comply with the ADA, any and all costs thereof will be paid by the Tenant.

**Y. OFAC Certification.** Tenant hereby certifies and represents that Tenant, and any of its affiliates, any of their respective partners, members, shareholders or other equity owners, and their respective officers, directors, are (a) not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control; and (b) not engaged in this Lease, directly or indirectly on behalf of, or instigating or facilitating this Lease, directly or indirectly on behalf of, any such person, group, entity or nation. Tenant hereby agrees to defend, indemnify and hold harmless Landlord from and against any and all claims, damages, losses, risks, liabilities and expenses (including attorneys' fees and costs) arising from or related to any breach of the certifications set forth in this paragraph to the extent permitted by law.

**THE PARTIES' SIGNATURES APPEAR ON THE FOLLOWING PAGES**

-25-

-23-

IN WITNESS WHEREOF, the parties hereto have executed this Lease the day and year first above written.

**LANDLORD**

**BNR Farms LLC,**  
by Midwest Trust Company, Manager

By: \_\_\_\_\_

Its: \_\_\_\_\_

**TENANT**

**BOULDER PUBLIC LIBRARY DISTRICT**

\_\_\_\_\_

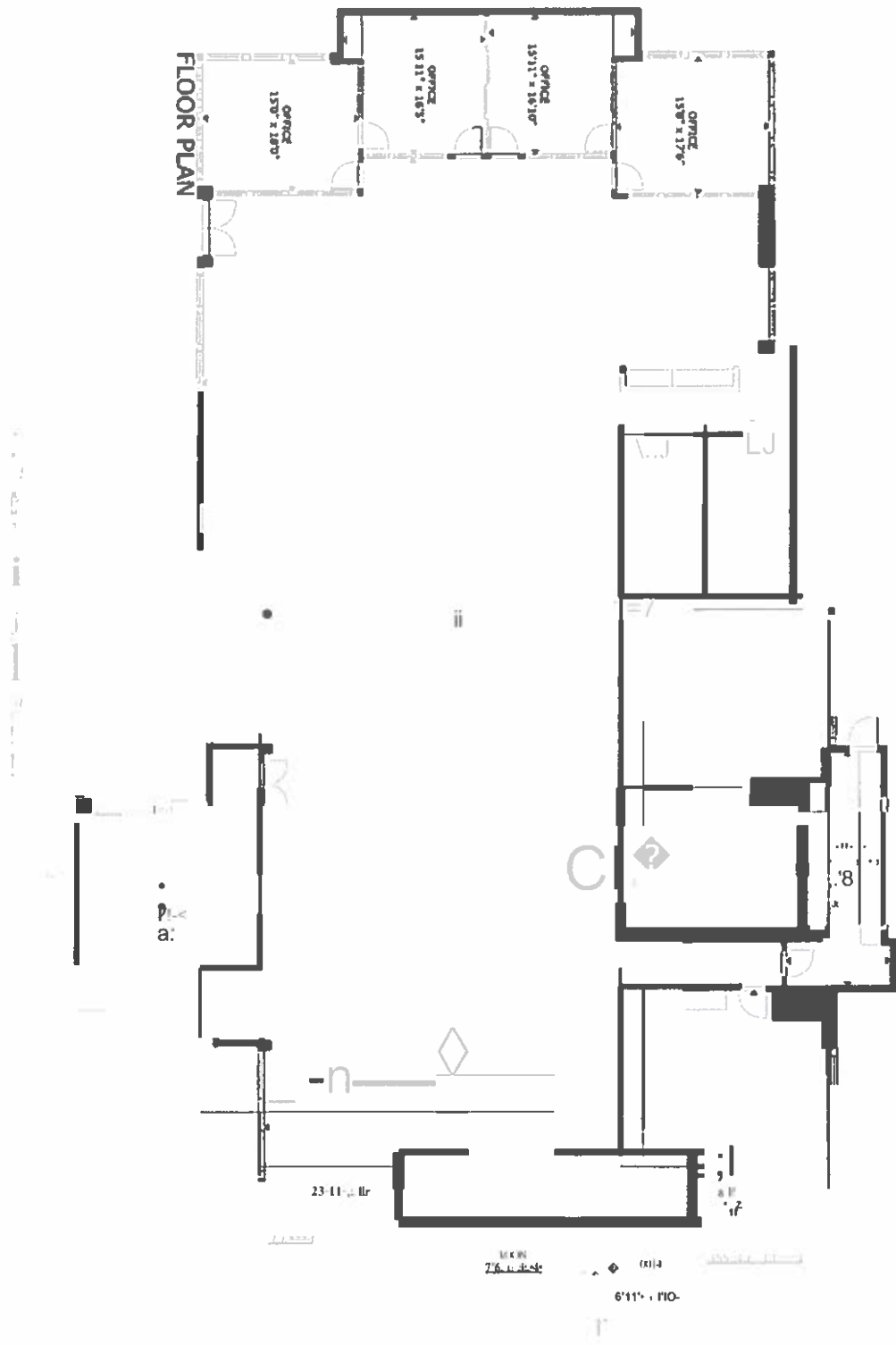
Attest:

\_\_\_\_\_

**EXHIBIT A**  
**Premises**

A-1

### Exhibit A-Building Floor Plan



A-I



**EXHIBIT B**  
**Tenant Estoppel and Status Statement of Lease**

TO:

Re: \_\_\_\_\_ ("Tenant")  
\_\_\_\_\_ (the "Premises")

Gentlemen:

The undersigned is the (check one) Tenant (X) or Guarantors LJ under that certain Lease of the Premises (the "Lease") dated as of \_\_\_\_\_, 2024, covering Suite \_\_\_\_\_ - ( \_\_\_\_\_ - \_\_\_\_\_ ) square feet in the building located at \_\_\_\_\_, \_\_\_\_\_, as the Landlord and record owner of the Property. The undersigned hereby certifies, at the date hereof, as follows:

1. The Lease identified above is the Lease with \_\_\_\_\_ as Landlord. A true, correct and complete copy of the Lease and all amendments, guaranties, security agreements, subleases and other related documents are attached hereto as Schedule "1" and incorporated herein by this reference. Said Schedule "1" consists of the following: (describe documents and set forth number of pages). There are no other documents and understandings, between such Landlord and Tenant and/or Guarantors which relate to the Property.

2. The Lease sets forth the entire agreement between the undersigned Tenant and Landlord with respect to the leasing of the Premises, including but not limited to all understandings and agreements relating to the construction or installation of any leasehold improvements by the Landlord and to the conditions precedent to occupancy of the Premises by the undersigned.

3. Tenant entered into occupancy of the Premises described in the Lease on \_\_\_\_ \_ 2010, and is in possession of and occupies those Premises for purposes permitted under the Lease.

4. The Lease Commencement Date under the Lease is \_\_\_\_ , 2024.

5. The Lease Term will expire on \_\_\_\_\_. Tenant has no rights to renew or extend the Term of the Lease or any expansion rights under the Lease, except those (if any) set forth in the Lease.

6. Tenant has deposited with Landlord the sum of \_\_\_\_\_ Dollars (\$....., (in cash,) as Security Deposit or for other purposes stated in the Lease.

7. No rents or charges have been paid in advance, except for the following rents or charges which have been paid to the date specified: \_\_\_\_\_ Dollars(\$ \_\_\_\_\_ paid to \_\_\_\_\_, 2024.

8. The current Base Rent is \_\_\_\_\_ (\$ \_\_\_\_\_).

B-



9. Landlord has not, as an inducement, assumed any of Tenant's Lease obligations and has made no agreements with Tenant covering free rent, partial rent, rebate of rental payments or any other type of rental concession, except as follows:

---

10. The undersigned certifies that Tenant is required to pay all operating expenses as set forth in the Lease.

11. All Base Rent and other rentals under the Lease including the payment of any taxes, utilities, common area maintenance payments or other charges that are currently due have been paid, except -- -----; all such rentals are being paid on a current basis without any claims for offsets or deductions.

12. The Lease (including all exhibits) and all related agreements and documents listed above are duly authorized, executed and delivered by Tenant and/or Guarantors and are in full force and effect and have not been assigned, modified, supplemented or amended except as indicated in Paragraph 1 above; nor have the undersigned Tenant's rights in or under such Lease been assigned.

13. The Lease and the other agreements listed above represent the entire agreement between the parties as to the Premises.

14. Other than the Landlord and its mortgage lenders, no person or firm other than the undersigned is in possession of the Premises and to the best of the undersigned's knowledge, no person or firm other than the Landlord has a future right to the Premises.

15. The undersigned is not the subject of any pending bankruptcy, insolvency, debtor's relief, reorganization, receivership, or similar proceedings, nor the subject of a ruling with respect to any of the foregoing.

16. Except as may be specifically set forth in the Lease, Tenant does not have any right to renew or extend the Lease Term nor any option or preferential right to purchase all or any part of the Property or all or any part of the building of which the Premises are a part, nor any right, title or interest with respect to the Property other than as Tenant under the Lease.

17. There are no uncured defaults by Landlord under the Lease or any of the related agreements described above, and Tenant knows of no events or conditions which if uncured shall with the passage of time or notice or both, would constitute a default by Landlord under the Lease or any of the related agreements described above. There are no existing defenses or offsets, which the undersigned has against the enforcement of the Lease by Landlord.

18. The undersigned represents that the improvements and space required to be furnished according to the Lease have been duly delivered by the Landlord and accepted by the

Tenant and the Premises are in good condition and not in need of repair as of the date of this Certificate.

19. All conditions of the Lease to be performed by Landlord and necessary to the enforceability of the Lease have, to the undersigned Tenant's knowledge, been satisfied.

20. As of the date hereof, the condition of the Premises is satisfactory and adequate.

21. The undersigned represents that the Landlord has not guaranteed the Lease or any of Tenant's obligations hereunder or otherwise provided Tenant with inducement that the Landlord will pay for Tenant's obligation(s) in the event that Tenant fails to pay any obligation that Tenant is required to pay under the terms of the Lease.

22. Other than in the ordinary course of business, the undersigned has not dumped, spilled or in any other manner deposited any hazardous waste substances on the Property. The undersigned has received no notice of and has no knowledge of any violation or claimed violation of any law, rule or regulation relative to hazardous waste substances. The undersigned has not used, and the undersigned has no knowledge of any use of, the project for the storage of oils, other products of petroleum distillation or other hazardous material.

It is understood that you require this Certificate from the undersigned as a condition to the purchase of the Property from the Landlord, and that you are relying on this Certificate. After receipt of notice from Landlord that the sale has been completed, the undersigned will honor the assignment of Landlord's interest in the Lease, subject to your honoring the undersigned's right to the Premises Tenant's right of non-disturbance and the Project as set forth in the Lease.

Dated the \_\_\_ day of \_\_\_\_\_, 20\_\_\_\_  
Tenant \_\_\_\_\_ Guarantors \_\_\_\_\_ (check one)  
\_\_\_\_\_, a \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF COLORADO )  
CITY/COUNTY OF DENVER ) ss.  
)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_,  
by \_\_\_\_\_

Witness my hand and official seal.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public \_\_\_\_\_



**BOULDER PUBLIC LIBRARY DISTRICT DIRECTOR**

**CONTRACT**

This Boulder Public Library Director Contract (“**Contract**”) is entered into this \_\_\_\_\_ day of June, 2024 by and between the Boulder Public Library District (“**District**”) by its Board of Trustees (the “**Board**”), and David Farnan (“**Farnan**”).

**AGREEMENT**

**ENGAGEMENT AS DIRECTOR OF THE BOULDER PUBLIC LIBRARY DISTRICT**

**A. Effective Date.** The following terms and conditions shall be effective upon approval and execution of this Contract by both parties.

**B. Employment.** Pursuant to its powers under § 24-90-109 (c), C.R.S., the Board of Trustees employs, and Farnan agrees to accept employment, as Director (“**Director**”) of the Library District.

**C. Term.** This Contract is for a term ending June 1 of the subsequent year. Unless otherwise terminated, the Contract will automatically renew on June 1 each year for successive periods of one (1) year each, subject, however, to annual appropriation by the Board of Trustees and potential adjustment of salary and other matters to be agreed. Despite these terms, Farnan serves at the will and pleasure of the Board.

**D. Duties.** Shall lead and direct a program of library services for the residents of the Library District under the direction and review of the Board. Duties under this Contract include:

1. **Leadership:** To be a public presence for the Library District and a partner in community projects, inspiring community support through active involvement in community organizations and activities;
2. **Planning:** To lead a district-wide planning process to establish the mission, goals, and objectives of the Library District;
3. **Policy Development:** To assist the Board in developing policies that pertain to all aspects of Library District operations to promote exemplary service to the public;
4. **Policy Implementation:** To implement policies adopted by the Board with fairness and consistency;
5. **Program Development:** To direct the development and implementation of a variety of contemporary services that meet the diverse needs of public audiences in a friendly and helpful setting;
6. **Collection Development:** To grow and make easily accessible a first-class collection of print and non-print media that encompasses the ethnic and cultural

diversity of the communities served by the Library District and that represents a wide variety of viewpoints;

7. Staffing: To build an organizational culture of service and commitment through selection and development of staff;
8. Employment Recommendations: To recommend individuals for employment by the Board consistent with the policy, staffing, and development needs of the Library District;
9. Finance: To formulate and administer an annual budget, implement investment strategies, and be accountable to taxpayers through regular reports to the Board and the public;
10. Communications and Marketing: To learn the service needs of the public and to provide frequent and on-going information to the public and staff regarding Library District services and operations;
11. Facilities: To maintain attractive, safe, comfortable, and convenient buildings and vehicles to serve the public;
12. Technology: To provide up-to-date technical software, equipment, training, and support for the public and the staff;
13. Foundation and Fundraising: To collaborate with the Boulder Public Library Foundation in establishing goals and priorities and actively participate in fundraising for the benefit of the library;
14. Professional Involvement: To engage the Library District in cooperative activities with other libraries, participate in activities of the State Library, and assume leadership roles in state, regional, and national library organizations;
15. Legislative Involvement: To inform the Board of opportunities to actively engage in advocacy for libraries at all levels of government- local, county, state, and federal;
16. Board Meetings and Reports: To prepare the agenda for each Board meeting, present a monthly report of library activities to the Board, and submit an annual report to the State Library and appropriate local governments;
17. Other: To be responsible for any other reasonable acts or duties, consistent with the foregoing, as may be prescribed by the Board or are necessary for the orderly and efficient management and control of the Library District.

**E. Compensation.** Annual compensation for services under this Contract shall be the amount determined by the Board. The compensation shall be payable in the same manner as the compensation of Library District employees. The Board may from time to time review the compensation to be paid under this Contract and may increase or decrease said compensation as it

deems appropriate. Upon the request of the Board, Director will participate in performance and compensation reviews with the Board or any subcommittee designated for this task.

**F. Vacation, Sick Leave, and Holidays.** The Director shall be entitled to paid vacation leave based on his original date of hire as provided in Library District personnel policies, as amended from time to time.

**G. Insurance Coverage and Retirement Benefits.** Director shall be included in the life and health insurance coverage and retirement benefits available to all full-time salaried employees of the Library District.

**H. Reimbursements.** Director shall be reimbursed by the Library District for the following employment-related expenses upon submission of Library District reimbursement forms and related documentation:

1. Conference attendance for professional organizations, to a maximum per year as set forth in the Library District budget.
2. Registration fees, lodging, and meals for seminar or meeting attendance to a maximum per year as set forth in the Library District budget.
3. Business meals, to a maximum per year as set forth in the Library District budget.
4. Mileage reimbursements at the rate and for the purposes allowed by the Internal Revenue Service.

**I. Termination.**

1. Termination Without Cause. This Contract may be terminated by either party for any or no reason upon not less than one hundred eighty (180) days written notice.
2. Termination for Cause. This Contract may be terminated by either party for cause at any time. In the event of termination for cause, which shall be determined in the Board's sole discretion, Director will be paid accumulated Paid Time Off, if any, as provided in the Personnel Manual for full-time salaried employees.

“Cause” for purposes of this Agreement may be defined as: (i) fraud, misappropriation or embezzlement of District funds or property; (ii) intentional breach of the provisions of this agreement; (iii) repeated willful failure to perform services hereunder; and/or (iv) incapacity; and, (v) articulated reasons deemed appropriate by a majority vote of the Board.

**J. Miscellaneous.**

1. Contract Employee: The Director position is a contract position, is governed entirely by this Contract and is not subject to Library District Personnel Policies except as specifically provided herein.
2. Governing Law: This Contract shall be governed by the laws of the State of Colorado.
3. Acknowledgement of Public Record: Director acknowledges and agrees by his signature below that the amount of salary and benefits paid pursuant to this Contract are a matter of public record, which may be disclosed by the Library District and Board.
4. No Waiver of Right to Enforce: The failure of either party to enforce any of the provisions of this Contract shall not be construed as a waiver of such provisions or terms, nor shall the right of that party thereafter to enforce such terms or provisions be impaired.
5. Delegation of Duties: Director may delegate or assign the duties and obligations set forth in this Contract to the extent authorized by the Board, but no such delegation or assignment shall relieve Director of the responsibility for the delegated obligation or duty.
6. Entire Agreement: This Contract constitutes the entire agreement between the parties hereto, and there are no agreements or understandings relating to the subject matter hereof which are not fully set forth within this Contract. All prior discussions concerning the subject matter hereof are merged herein and superseded hereby. No modification, amendment, or revision of this Contract shall have any force or effect unless set forth in writing and executed by both parties hereto.
7. Notice: All notices required or permitted under this Contract shall be in writing and shall be deemed given when personally served on the Director, the Board of Trustees or the President of the Board of Trustees.

**[THIS AREA INTENTIONALLY LEFT BLANK]**

**IN WITNESS WHEREOF**, the parties have hereunto set their hands as of the day and year first above written.

**Boulder Public Library District**

\_\_\_\_\_  
Doug Hamilton, President

Attest:

\_\_\_\_\_  
David Farnan