

1
2
3
4 **New Castle Town Council Meeting**
5 **Tuesday, May 17, 2016, 7:00 p.m.**
6

7 **Call to Order**

8 Mayor Riddile called the meeting to order at 7:00 p.m.
9

10 **Pledge of Allegiance**

11
12 **Roll Call**

13 Present	Councilor Mary Metzger
14	Councilor Grady Hazelton
15	Mayor Art Riddile
16	Councilor Bruce Leland
17	Councilor Graham Riddile
18 Absent	Councilor Frank Breslin

19

20 Also present at the meeting were Town Administrator Tom Baker, Town Clerk
21 Melody Harrison, Town Planner Tim Cain, Town Attorney David McConaughy and
22 members of the public.
23

24 **Meeting Notice**

25 Town Clerk Melody Harrison verified that her office gave notice of the meeting in
26 accordance with Resolution TC-2016-1.
27

28 **Conflicts of Interest**

29 There were no conflicts of interest.
30

31 **Agenda Changes**

32 Mayor A Riddile suggested combining agenda items E: MOU between BLM and the
33 Town, and K: Funding Request, BLM Cultural Clearances, because he felt they
34 related to one another.

35 Clerk Harrison said there were several additional agenda changes. First, she asked
36 that items H and J be moved to the beginning of the agenda. She said that Attorney
37 McConaughy was recovering from an illness, and staff felt that moving the two
38 items done early could allow him to go home. Second she said there was an
39 additional proclamation for School Counselor Kristen Greenstreet who was a long
40 time employee with Garfield RE-2. The proclamation could be added to the end of
41 the agenda. Last she said that there was an additional funding request from the
42 Chamber for the town-wide garage sale that could be added to item D. The council
43 agreed to the changes. Administrator Baker asked to add a discussion to the end of
44 the agenda regarding the 4th of July celebration. The council agreed to all the
45 changes.
46

47 **Citizen Comments on Items not on the Agenda**

48 John Lee – 320 Whitehorse – Mr. Lee presented a replica of the Pyro Memorial
49 statue to the council. He said they intended to set the memorial in Grand River Park

1 on Labor Day 2016. He said they had raised over \$65k, and had commitments for
2 \$85k. Mr. Lee thanked the council for jumpstarting the program. Mayor A Riddile
3 asked when more Pyro hot sauce would be available. Mr. Lee was not certain, but
4 said it was selling quickly.

5 Mayor A Riddile said that Garfield County had donated \$5k to the memorial and had
6 received their replica the previous morning.

7 Mr. Lee told the council and audience the website was www.pyromemorial.org and
8 left some flyers for those who were interested.

9 Garfield County Commissioner Mike Samson offered his congratulations to the
10 councilors who had been recently elected. He noted that there were two of his
11 former students on the council.

12 Commissioner Sampson thanked the council for the kindness they had shown him
13 in the past two months during his illness. He also thanked the staff at Grand River
14 and Valley View hospitals for their great care of him.

15 Commissioner Samson offered his assistance if the town needed anything. Mayor A
16 Riddile said he thought the relationship between the county and town in the last
17 few years was the best it had ever been, and he thanked Commissioner Samson.

18 Commissioner Samson invited Mayor A Riddile to the quarterly Mayor's meeting.
19

20 **Items for Consideration**

21 **Proclamation Honoring Lee Price**

22 Mayor Art Riddile read the proclamation into the record. The council thanked Lee
23 Price for his service to the New Castle community.
24
25

26 **Sylvia Duchscher Thank you**

27 Mayor A Riddile introduced himself to Miss Sylvia Duchscher, and asked her to
28 explain why she was present. Miss Duchscher said it was because she did a clean-
29 up. Mayor A Riddile told the council and audience that six-year-old Miss Duchscher
30 had organized a clean-up of Alder Park Trail, but that there had been so many
31 volunteers, they were able to do the park as well. He presented a stuffed animal
32 and card with movie tickets to Miss Duchscher, and thanked her for a great job.
33 Miss Duchscher's mother, Stacey Duchscher, thanked Public Works Director John
34 Wenzel and the entire town for their assistance. She said that at the very first
35 phone call the town said yes, and sponsored the clean-up by provided trash bags
36 and grabbers, printing flyers and disposing of the garbage.
37

38 **Discussion/Decision: Waste & Recycling Contract**

39 Town Planner Tim Cain described the two RFPs that were received, one from Waste
40 Management and one from Mountain Waste. He noted some of the things that still
41 needed to be included, but ultimately, recommended that the council award the
42 contract to Mountain Waste.

43 Councilor Leland said that the Climate Action Advisory Commission had
44 recommended items to be part of the waste and recycling contract, three of which
45 he agreed with. The first was that Mountain Waste should bear the cost of putting a
46 brochure in the town utility bill. Second was to expand the education outreach
47 regarding recycling as well as information about extra and special pick-ups. Third
48 was to provide information for the town newsletter.

1 Councilor Leland said that Planner Cain recommended a three-year contract with
2 two renewals, rather than the five-year contract proposed by the company.

3 **MOTION: Councilor Leland made a motion to offer a three-year contract to**
4 **Mountain Waste, renewable for two one-year periods thereafter. Councilor**
5 **Metzger seconded the motion and it passed on a roll call vote: Councilor**
6 **Metzger: yes; Mayor A Riddile: yes; Councilor Hazelton: yes; Councilor G**
7 **Riddile: yes; and Councilor Leland: yes.**

8 Attorney McConaughy said that staff would prepare the contract. The actual
9 contract would be on the consent agenda at the next council meeting. Attorney
10 McConaughy disclosed that Mountain Waste was his client on unrelated matters and
11 that they had waived any conflict and understood that he was representing the
12 town only to prepare the contract.

13 14 **Discussion Regarding Council Seat Appointment Process**

15 Administrator Baker said there was a June 1 deadline for interested persons to
16 submit their letters of interest for the open council seat. The June 7 meeting will
17 begin at 6:00 p.m. so the council had time to interview each of the applicants.

18 Councilor Leland said he and Mayor A Riddile had been speaking with Administrator
19 Baker and Clerk Harrison about how the selection process should be conducted.

20 There will be six councilors voting. If there are two applicants, the process will be
21 simple. If there are four or more applicants, it will become more complicated. The
22 successful candidate must receive four votes. The process will be as follows:

23 Three or fewer applicants, each councilor will vote by ballot, the ballots, which have
24 each councilors name on it, will be handed to the town clerk who will then read
25 aloud the number of votes for each applicant. If there are four or more applicants,
26 each councilor will vote for two applicants, and the top two from that vote will be
27 the finalists.

28 Attorney McConaughy said that the method outlined by Councilor Leland worked,
29 and if anyone got four votes, then the voting would be over. If no one applicant got
30 four, then the process would narrow down who the top contenders were. Someone
31 on the council could also make a motion and if there were four in favor, that
32 worked as well. Councilor Leland clarified that someone could be appointed to the
33 council seat by motion or by ballot, and Attorney McConaughy agreed.

34 35 36 **Consider Authorizing Mayor to Sign Letter to Governor Regarding HB1309**

37 Attorney McConaughy told the council that the letter was requesting the governor
38 to veto house bill 1309 that required municipal courts to have public defenders
39 standing by at first appearance situations. It was an unfunded mandate from the
40 state that would require significant expense, and he did not believe it was
41 constitutionally required. The Colorado Municipal League was suggesting that
42 municipalities write letters to the governor asking for a veto.

43 **MOTION: Mayor A Riddile made a motion to authorize the mayor to sign**
44 **the letter to the governor regarding HB1309. Councilor Metzger seconded**
45 **the motion.**

46 Discussion: Councilor Leland said that he had learned that requests for public
47 defenders in the New Castle court was so rare that the expense would be
48 extraordinary if the town had to have a public defender on standby. Because court
49 was held monthly, if a person needed a public defender the case could be continued

1 to the following month, which gave the town time to have a public defender
2 present. Mayor A Riddile said that serious cases went to district court anyhow.
3 **The motion passed unanimously.**

4
5
6
7 **Consider Request for Funding from Chamber of Commerce for Movie Night**
8 **and Town-Wide Garage Sale.**

9 Administrator Baker said that Ms. Terri Knob had been resurrecting the Chamber
10 for more than a year, and she was making progress. The town had been embarking
11 creating more events for community involvement and Ms. Knob had two more she
12 would explain. He also said that the money would pay for a projector and screen for
13 the movies.

14 Terri Knob, New Castle Chamber of Commerce board member, previously she was
15 the Chamber President. Ms. Terri Knob told the council that she had a great
16 volunteer group for community events and the movie nights that had put on
17 previously had been very successful. They had ordered a larger screen to
18 accommodate more attendees, and the first event would be on July 4, 2016. The
19 next events will be at Elk Creek Elementary school in August and September. The
20 movie will be free, but they will sell concessions to fund speakers and other
21 equipment that they would borrow until they can afford to purchase their own.
22 Administrator Baker asked Ms. Knob to explain the garage sale.

23 Ms. Knob said the chamber had done a town-wide garage sale in 2015 that was
24 very successful. One of the things they had done was work with the Thrift Store
25 across the river, and they encouraged people to donate left over items to the thrift
26 store. Last year a trucking company donated semis to each of the thrift stores in
27 the county, and items that could not be sold were shipped to Denver. The trucking
28 company removed all their semis several weeks earlier. The majority of items left
29 at the thrift store the year before was garbage, so they are considering a dumpster.
30 The cost of a dumpster is \$400.00. They tried to get Mountain Waste to donate the
31 dumpster but they would not. Administrator Baker suggested that the council
32 consider adding special events to the new waste and recycling contract. Mayor A
33 Riddile asked if staff could contact Mountain Waste and ask for a reduction in the
34 cost of the dumpster. Administrator Baker said a motion to approve up to \$400
35 would be good, and staff would try to get the cost reduced or eliminated.

36 Councilor Leland said the chamber events were great and he supported them. He
37 said he although the events were wonderful, but felt that the chamber should focus
38 the town businesses.

39 **MOTION: Councilor G Riddile made a motion to approve a \$400.00**
40 **contribution to the family movie night, and up to \$400.00 for a dumpster**
41 **for the garage sale. The funds to come out of the special events line item.**
42 **Councilor Hazelton seconded the motion and it passed unanimously.**

43
44
45 **Consider Approving Memorandum of Understanding (MOU) between the**
46 **Town of New Castle and the Bureau of Land Management (BLM)**

47
48 **Consider Funding Request: BLM Environmental and Cultural Clearances**

1 Administrator Baker told the council that the discussion was a follow-up of the April
2 19 item regarding a partnership between the BLM, Castle Valley Ranch, Roaring
3 Fork Mountain Bike Association (RFMBA) and New Castle Trails.
4 Administrator Baker said that north of the Colorow Trail, there were approximately
5 400 acres with unapproved soft trails that the BLM would not consider formalizing
6 until cultural and environmental surveys had been completed. He said the BLM did
7 the survey work themselves, but their budgets for 2015, 2016 and 2017 were
8 already done, and the earliest budget monies would be available for the surveys
9 would be 2018. On average, the surveys cost \$50 per acre, or \$20k. The surveys
10 could be done during the winter of 2016-2017. He said that the entire 400 acres
11 may not need to be surveyed, and that New Castle Trails will look closer at it.
12 Administrator Baker told the council that there were several requests. First, that the
13 council authorize a partnership to fund the cultural and environmental clearance
14 surveys in partnership with New Castle Trails and RFMBA, who would donate
15 \$2,500.00 with the town contributing \$17,500.00. Castle Valley Ranch HOA agreed
16 to donate \$3,750.00 in 2016 and \$3,750.00 in 2017 to do actual trail work or to
17 provide signage, either for parking or on the trails themselves, which is critical to
18 the BLMs requirements. The funds could also be used as match money for a
19 LiveWell mini-grant for trail signs, which was how the town recently afforded 20
20 new trail signs.
21 Mayor A Riddile felt that the efforts to improve the trails systems were great
22 economic enhancers for the town and he was excited about the possibilities.
23 Administrator Baker said that Jen and Kit Axelson were part of the group of
24 homeowners that assisted in the realignment of the Alder Park open space trail the
25 week before. Administrator Baker said he wanted to state for the record that the
26 town was committed to it.
27 Councilor Leland verified that RFMBA believed that once the Lakota access was
28 available, it was likely the mountain bikers would use that access rather than the
29 Alder Park access, so there would be less traffic at Alder Park.
30 Mayor A Riddile asked where the \$17,500.00 would come from. Administrator Baker
31 said that Finance Director Layton had suggested creating a Trail Planning &
32 Construction line item because the town was beginning to have more trail
33 expenditures, and a line item would help the council to budget it for next year, but
34 for 2016 it was not budgeted. He said it was possible that there could not be
35 enough savings in the 2016 budget to cover the \$17.5k, but there was \$750K in
36 reserves. He said that the funds would need to be dispersed in late spring, early
37 summer. He also said that if the BLM's contract surveyor could not complete the
38 work during the summer, Attorney McConaughy knew someone who could complete
39 the cultural and environmental surveys.
40 Councilor Hazelton asked what the urgency was for the bandit trails on the BLM
41 when there were trails in New Castle that the town was working on, and the BLM
42 would do the surveys in three or four years. Administrator Baker said that there
43 was no guarantee the BLM would complete the surveys in a few years. In addition,
44 it was an economic development opportunity, and there was a community of people
45 willing to help build the trails. It was taking advantage of an opportunity that
46 presented itself. Councilor Hazelton asked if they believed the opportunity would be
47 available in four years, and Administrator Baker and Councilor G Riddile said there
48 was no guarantee it would be. Councilor G Riddile said by contributing the \$20k, it
49 made a statement to the BLM that the town was committed.

1 Bronwyn Rittner, 111 N 3rd Street. Ms. Rittner said that the trails were already
2 existing, and being bandit or illegal trails, they were not necessarily up to the
3 appropriate standard for soft trails. The trails were unmanaged, and she felt that
4 was something that should be addressed. She felt was an opportunity for the BLM
5 to accept a managed trail system where the citizens on both sides of the issue
6 could speak. She felt that a managed trail program would make people on both
7 sides happy. Unmanaged, the trails could be shut down by the BLM completely, and
8 she did not feel that was something anyone truly wanted. It was an opportunity for
9 the town to show the BLM that they were interested in proper management of the
10 trails, and since the trails were there anyhow, it was time to make a statement that
11 it was the right time to partner in managing the trails for everyone's benefit.
12 Councilor Hazelton asked Brad Gates, Castle Valley HOA President, why the HOA
13 was willing to earmark money towards the trails, but not towards the research. Mr.
14 Gates said that it was difficult to spend homeowners money on something outside
15 the town, something that does not directly benefit citizens within Castle Valley
16 Ranch(CVR). The HOA Board committed to signage that originates and terminates
17 within CVR.

18 Adam Cornely, 151 Little Bear Peak. Mr. Cornely said he understood Councilor
19 Hazelton's concern, but felt that if the town did not allocate funding and begin the
20 process of legalization right away, then the citizens who use the trails could be
21 prohibited from using them until 2018 or later. Technically, no one was allowed to
22 be up there. He said in his opinion, providing the funding would place New Castle at
23 the forefront of trail development in the county. It would place New Castle on the
24 map.

25 Councilor Hazelton said he was not against the trails, but he was looking at it from
26 a taxpayer's standpoint, and wanted to make certain it was money well spent. He
27 felt everyone had made some valid points and he appreciated the input.

28 Dustin Dodson, 187 Blackhawk Drive. Mr. Dodson felt it was an opportunity for the
29 town and the taxpayers. He said the many people who were present in the
30 audience that were not regular participants in town council meetings which
31 obviously showed the support the people had for trails. He felt each person present
32 represented twenty more people, which would show the taxpayers and other
33 communities what they valued. The town was also pursuing senior housing, which
34 was catching energy as well. The trails met a need for the next generation who
35 would eventually sit on council. He felt it would be a good move for the town. Mr.
36 Dodson said he was not convinced that \$17.5k was too much to ask from the
37 taxpayers considering the cash on hand. He said he would not consider it venture
38 money, it was securing the future and would be symbolic of what the town stands
39 for: Health, wellness, activity, and it would continue the tradition of New Castle as
40 well as push the agenda forward.

41 Councilor Metzger said she had received a letter from Jenny Cornely, but she did
42 not understand if Mrs. Cornely was looking for more bike paths in town or if she
43 referring to something else like paths for kids. Mr. Cornely said that children's
44 riding trails were part of the effort, both in town and in the BLM. He said there was
45 a big vision of trails for everyone, and that the council would be seeing him again.

46 Troy Tritschler, 500 Honeysuckle Drive. Mr. Tritschler said his home was directly
47 adjacent to the Alder Park open space trail as well as directly in front of the parking
48 lot at Alder Park. He said he had spoken to the neighbor across the street who was
49 the only other home closer than he was to the trail. Mr. Tritschler said that the

1 original trail that was put in socially was a fall-line trail, an erosion hazard that
2 sloughed mud onto the street during rain. The fall line trail was also an eyesore,
3 and not very attractive. He felt the new trail had caused a lot of buzz because the
4 mountain bike community that had instigated it. He felt that if the society for
5 wildflowers or dog walkers that had instigated the trail, there would have been less
6 objection. He said that if the old trail was eliminated, the new trail line was much
7 more attractive and easier to maintain. Mr. Tritschler said no one should get hung
8 up on bicycles because they would be there regardless of what is done with the
9 trail. Switchback trails are much easier to maintain, they were more interesting to
10 walk, and they would work to control the speed of bicycles. In addition, it would
11 preclude the occasional motorcycle.

12 Mr. Tritschler said the trails on the BLM were something people wanted, expected
13 and needed, and had taken upon themselves to put in. He felt the BLM trails were
14 high-quality soft trails, but because they were on government land without
15 permission. The other issue was that the trail used to access the BLM was
16 ridiculously steep. Mr. Tritschler felt this was an opportunity to step in and adopt
17 and manage the trails. This created a good product that enhanced people's lives
18 rather than creating a nuisance.

19 Mike Pritchard, Executive Director, Roaring Fork Mountain Bike Association. Mr.
20 Pritchard thanked the council for attending the recent events. There had been a
21 great presentation on better living through trails. Those who had attended the
22 school understood the theory of good trails, and were excited about the future.
23 Mr. Pritchard said that the BLM's national recreation strategy called "Connecting
24 with Communities" and was about partnerships with groups like RFMBA and New
25 Castle Trails and local towns. The acreage that was being considered for the
26 environmental and cultural study was identified by the BLM as an Extensive
27 Recreation Management Area (ERMA) during their recent Resource Management
28 Plan. It will be a focus for recreation. The funds requested was the beginning of a
29 planning process that he was confident the community would support and assist
30 with, and he expected the trails would be used and loved far into the future. Mr.
31 Pritchard said the trails could not be put on a map until they had been cleared. He
32 agreed that there was some risk that they would not be cleared, but he had a group
33 of people with high hopes and willingness to close those trails that were
34 unacceptable. He also expected that the community would respect the wildlife
35 closure of the trails during the winter season. Mr. Pritchard said nothing could be
36 done without the town's support, and the environmental study was the way to get
37 started. He said RFMBA was excited to partner with the town.

38 **MOTION: Councilor Leland made a motion to allow up to 17,500.00 for the**
39 **BLM Environmental and Cultural Clearances; and to direct the Mayor to**
40 **sign a letter to the BLM, making the offer of partnership; and for the**
41 **Memorandum of Understanding to be delivered to the BLM. Mayor A Riddile**
42 **seconded the motion and it passed unanimously.**

43
44 Councilor Leland told the audience that there would be an article about trails in the
45 next town newsletter, and that the town was doing everything they could to make
46 New Castle a trail town.

47 The audience thanked the council for their efforts.

48 Administrator Baker said that Attorney McConaughy had used an MOU from a few
49 years ago and had modified some of the language, but was language the BLM had

1 approved in the past. He told the council that the MOU was neither a fiscal or fund-
2 obligation document, but was something the BLM needed for the environmental
3 assessments. He asked the council for their authorization to send the MOU to the
4 BLM without the Mayor's signature; to allow the BLM to review it and amend it if
5 necessary. He said the MOU would come back to the council for approval.

6 **MOTION: Mayor A Riddile made a motion to approve the MOU between the**
7 **Town of New Castle and the BLM. Councilor G Riddile seconded the motion**
8 **and it passed unanimously.**

9
10
11 **Update: Trails Planning – Greg Russi**

12 Mr. Greg Russi greeted the council. He told them that New Castle Trails had
13 received a \$65k State Trails Planning Grant for a 4.1-mile section of trail from New
14 Castle to the Canyon Creek interchange. Mr. Russi said that New Castle Trails would
15 come back in the summer to talk with the council, community and stakeholders in
16 preparation for a robust public process. He introduced Town Engineer Jeff Simonson
17 who he had been working with to complete the study funded by the grant. Engineer
18 Simonson showed the council maps that indicated three different possible trail
19 alignments, and described in detail the various concerns and possibilities in each.
20 One of the next steps will be to coordinate with Glenwood Springs regarding the
21 portion of the trail they are working on, extending from Glenwood to New Castle.
22 The idea was to connect to the Rio Grande and the Glenwood Canyon Trails. Mr.
23 Russi said he had been working for several years on the trails projects, including
24 supporting Glenwood Springs with a Federal Lands Access Planning (FLAP) Grant
25 money. The project was two pedestrian bridges on the south side of the west end of
26 Glenwood Springs to connect into the canyon. New Castle Trails felt they could pick
27 up the 2-mile section of trail from South Canyon to New Castle, but the cost
28 estimate came that was way out of line with what everyone thought they would be.
29 Nonetheless, Mr. Russi asked that the council still sign the letter of support for the
30 Federal Lands Access Grant.

31 Larry Dragon, LoVa Trail Executive Director. Mr. Dragon said that he had spoken to
32 Glenwood Springs and clarified that they would not have to foot the entire bill for
33 the section of trail, but the \$20m price tag made them back off. Glenwood Springs
34 intended to move forward with the FLAP Grant excluding the two-mile section from
35 South Canyon to Canyon Creek.

36 Mr. Russi said the New Castle section was from New Castle to Canyon Creek, and
37 he believed that they would be shovel-ready in September. Councilor Leland said
38 that once the section to Canyon Creek was complete, it would put pressure on
39 Glenwood to finish their sections.

40 Mr. Russi and the council discussed the various agencies that he expected to be
41 part of a collaborative group who would oversee construction and maintenance of
42 the proposed trails. These included Glenwood Springs, Garfield County, RFTA and
43 New Castle, and likely the other municipalities in the county. New Castle would be
44 responsible for operations and maintenance on the New Castle section, but he
45 expected that other sections of the trail would be cared for by the collaborative or
46 RFTA. There would need to be dedicated funding for the maintenance, perhaps from
47 sales tax, or a bond or a RFTA tax. Mr. Russi said the Rio Grande Trail had 1 ½ full-
48 time employees for forty-two (42) miles of trail. It cost roughly \$100k plus

1 materials for maintenance per year. Mayor A Riddile said RFTA would have their
2 retreat on June 8, and they will be discussing the LoVa Trail.

3 Mr. Russi displayed a planning map regarding accessibility and trail gaps that
4 needed to be addressed. He indicated several areas in New Castle. Mr. Russi, staff
5 and the council discussed each of those gaps and what could or was being done to
6 complete them. The council also discussed how a bike lane could be done on Main
7 Street to make biking safer and more accessible for the citizens.

8 The council thanked Mr. Russi for his hard work on the Trails Group.

9
10
11 **Consider Request for Funding from LoVa Trail – Larry Dragon**

12 Mr. Larry Dragon presented a lengthy power-point show that detailed the LoVa Trail
13 Projects. After the power-point presentation, Mr. Dragon and the council discussed
14 the possible advantages to using existing infrastructure for the trail, such as the
15 Frontage Road in Silt rather than attempting to build a trail around Davis Point. He
16 asked the council to consider a donation of \$4,500.00 towards the LoVa budget.

17 Mayor A Riddile asked what the money would be used for, and how it would benefit
18 the town. Mr. Dragon said the funds would be used for minimal operating expenses
19 such as staff and insurance, travel expenses. He said LoVa had been successful in
20 getting RFTA on board. Additionally, Mr. Dragon felt that LoVa was the driving force
21 behind the 16 in 2016 trails grant. He said LoVa's driving missions were to
22 complete the trail, essentially working themselves out of a job. In the next six
23 months, Mr. Dragon said LoVa would identify grant monies for construction for New
24 Castle and he would be presenting at the RFTA board retreat. He also represented
25 New Castle at the Governor's Inter-Agency Trails Council. Mr. Dragon said that
26 LoVa had lost some funding from other agencies, and their efforts had
27 unfortunately reflected that loss of staff and funding. He said that LoVa would be
28 approaching the City of Rifle for additional funding as well.

29 Mayor A Riddile said that the staff memo recommended approval of a \$4,500.00
30 contribution to LoVa. He asked where the funds would come from. Administrator
31 Baker said it would come from the Trail Construction line item, which was currently
32 unfunded. The account would be used to track expenses. Councilor Leland said the
33 money would have to come from reserves.

34 Councilor G Riddile said that he felt the money would go towards advocacy in 2016,
35 not necessarily planning. Councilor Leland said the council had been supporting
36 LoVa for years.

37 Mayor A Riddile said he was thinking the council could grant the \$4500, but they
38 would not grant any more for a year. He felt the council would need to take a real
39 serious look at progress in a year. He felt that hearing RFTA say they would discuss
40 the LoVa Trail was encouraging.

41 **MOTION: Mayor A Riddile made a motion to approve funding LoVa trails in
42 the amount of \$4,500.00**

43 **Councilor Leland seconded the motion and it passed with Councilors
44 Hazelton and Metzger voting no.**

45
46
47 **Consider Motion to Begin the June 7, 2016 Council Meeting at 6:00 p.m.**

1 **MOTION: Councilor Leland made a motion to begin the June 7, 2016**
2 **council meeting at 6:00 p.m. Councilor Hazelton seconded the motion and**
3 **it passed unanimously.**
4

5 **Proclamation for Kristen Greenstreet**

6 Administrator Baker told the council that Jana Price, Principal at Kathryn Senor
7 Elementary, requested the proclamation. The proclamation was to honor Kristin
8 Greenstreet who had been a school counselor for 25 years.

9 Ms. Price also requested that Mayor A Riddile attend the assembly at the school and
10 award the proclamation.

11 Mayor A Riddile read the proclamation into the record.
12

13 **Request for Funding: Talbotts Freedom Celebration – Fireworks**

14 Administrator Baker told the council that in 2015 the council gave \$6,000.00
15 towards the fireworks for the Talbotts' Freedom Celebration. He said he believed
16 they had been doing the 4th of July celebration for forty years. Russell Talbott had
17 called and requested \$3,000.00 for the 2016 celebration.

18 **MOTION: Mayor A Riddile made a motion to donate \$3,000.00 to the**
19 **Talbotts for the July 4th Fireworks. Councilor Leland seconded the motion**
20 **and it passed unanimously.**
21

22 Councilor G Riddile asked if Finance Director Lyle Layton could provide the council
23 with a report on the budget. Administrator Baker said Director Layton did a
24 quarterly report, so it would be available soon. He also said that the funding
25 requests were quite unusual, but he felt that it was because there were so many
26 events and projects moving forward in New Castle. Mayor A Riddile said he saw
27 some benefit to the local economy with the funding requests.
28

29 **Consent Agenda**

30 Councilor Leland asked about the April 19, 2016 minutes in the packet. Clerk
31 Harrison said that staff had reviewed the minutes, and felt that part of the Trails
32 discussion needed clarification. She said the changes were redlined on pages three
33 and four.

34 Minutes of the April 19, 2016 council meeting

35 Sports Park RFP

36 **MOTION: Councilor Leland made a motion to approve the consent agenda.**
37 **Councilor G Riddile seconded the motion and it passed unanimously.**
38
39
40

41 **Staff Reports**

42 Town Administrator – nothing to report

43 Town Clerk – Clerk Harrison said that she had received a letter of interest for the
44 open P&Z seat that would be on the June 7 agenda. She also said she received a
45 phone call from a woman whose son lived in town and he was disabled. She felt
46 that the council should consider creating a reduced rate for water and sewer
47 serviced for disabled people when they consider changing rates again. Clerk
48 Harrison said she would be out of town Wednesday, Thursday and Friday for state
49 track championships. She also told the council that she had received three letters of

1 interest for the open council seat from Jerry Touslee, Randy Fricke and Larry
2 Dragon.

3 Town Planner – not present

4 Public Works Director – not present

5

6

7 **Commission Reports**

8 Planning & Zoning Commission – Councilor Metzger said P&Z had approved the
9 church applications. Administrator Baker said that applications from the First
10 Baptist Church would come to council at the next meeting.

11 Historic Preservation Commission – Councilor Leland said Dr. Laura Roper, who had
12 spoken to the council previously, had purchased the building next door. She
13 attended the HPC meeting to give the commission a brief look at some of the
14 restorations they were considering. Councilor Leland said HPC had also named one
15 of the hills east of Mt. Medaris, and were still working on names for the other two
16 hills. HPC had also decided to apply for a grant for the residential survey of historic
17 homes in town. Councilor Leland said HPC would likely come to council to request
18 funding for an upgrade to the cemetery webpage, to make the page interactive.

19 Climate Action Advisory Committee – nothing to report

20 Senior Program – Councilor Metzger said that the annual BBQ will be June 21 at
21 noon at Senior Housing, and everyone was invited.

22 RFTA – Mayor A Riddile said LoVa came up a few times at the RFTA meeting. He
23 also said Markey Butler, Director of Hospice of the Valley, said that she had a
24 person look at the Kuersten property, and they determined it would cost more than
25 one million dollars to prep the site.

26 AGNC – nothing to report

27 GCE – nothing to report

28

29 **Council Comments**

30 Councilor Metzger said she had heard that the fire department was putting some
31 properties up for sale – the one on Main Street, New Castle and one in Silt.

32 Councilor Metzger said that the Downtown Group's annual clean-up day would be
33 June 13. The group was considering Roderick Lane as the focus.

34 Councilor Metzger asked when the marketing plan would be at council.

35 Administrator Baker said it would be June 7.

36 Mayor A Riddile said Councilor Metzger had a good idea that at the retreats, the
37 council created goals, but within a few months, they lost sight of those goals.

38 Administrator Baker said that the documents tracked the goals and
39 accomplishments over a period of years, and he offered to provide it to the council.

40 Councilor Leland said that he appreciated the work done by Administrator Baker
41 and Councilor G Riddile in meeting with the residents who were concerned about
42 the Alder Trail. The job they did was great. Councilor Leland also thanked Clerk
43 Harrison for the business cards.

44 Councilor G Riddile said that the RFMBA event had been very successful, and that
45 he appreciated everyone's hard work.

46

47 **MOTION: Councilor A Riddile made a motion to adjourn. Councilor Metzger**
48 **seconded the motion and it passed unanimously.**

49

1 The meeting adjourned at 10:00 p.m.

2

3

4 Respectfully submitted,

5

6

7

8

Mayor Art Riddile

9

10

Town Clerk Melody Harrison, CMC

12

DRAFT

AGREEMENT AND MUTUAL RELEASE

This Agreement is made and entered into this __ day of _____, 2016, by and between the TOWN OF NEW CASTLE, a Colorado home rule municipality (“Town”), RIVERSIDE RV PARK, INC., a Colorado corporation (“RRPI”), and RIVERSIDE PARTNERSHIP, LLC, a Colorado limited liability company (“RP”);

WHEREAS, RP is the owner of certain real property in the Town of New Castle, Colorado, known as Lot 1, Riverside Park PUD, located at 7051 County Road 335 (the “Property”); and

WHEREAS, with the consent of RP, RRPI submitted a land use application to the Town on or about August 4, 2015, seeking approvals necessary for the development of an RV park on the Property (the “Application”); and

WHEREAS, in connection with the Application, RRPI signed an Agreement to Pay Consulting Fees and Expenses (“Reimbursement Agreement”) obligating RRPI to reimburse the Town for consultant costs and other expenses relating to the processing and review of the Application; and

WHEREAS, the Application was denied by the New Castle Town Council, and no further applications for any type of land use approval are pending before the Town as of the date of this Agreement; and

WHEREAS, the Town incurred \$11,232.20 in consultant fees for which it demanded reimbursement from RRPI pursuant to the Reimbursement Agreement; and

WHEREAS, RRPI and the Town are willing to settle and resolve any amounts claimed and other matters relating to the Application as set forth below.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Recitals. The foregoing recitals are incorporated herein as representations and acknowledgments of the parties hereto.

2. Payment. RRPI agrees to pay, and the Town agrees to accept, the sum of \$3000 in full satisfaction of all debts and obligations owed by RRPI or RP relating to the Application or the Reimbursement Agreement. Such amount shall be paid in three (3) equal installments on the first day of each month following the date of mutual execution of this Agreement, payable at New Castle Town Hall, 450 West Main Street, P.O. Box 90, New Castle, Colorado 81647.

3. Release by Town. Subject to receipt of full payment as provided in Paragraph 2 above, the Town agrees to release and discharge RRPI and RP, including all of their respective agents, officers, employees, shareholders, or members, and specifically including Rob Chatmas personally, from any and all claims or liabilities arising out of the Application or the Reimbursement Agreement; provided, however, nothing herein shall release RP from any other obligations that may arise out of its ownership of the Property that are unrelated to the Application,

including but not limited to any liabilities for property taxes or utility charges that may be owed to the Town now or in the future.

4. Release by RRPI and RP. RRPI and RP, on behalf of themselves, their successors, assigns, officers, shareholders, and members, including Rob Chatmas personally, do hereby release the Town and its past and present Mayor, Town Council Members, Planning Commission, staff, employees, agents, consultants, planners, engineers, and attorneys from any and all claims arising out of the processing or denial of the Application, including but not limited to any claims that could have been asserted pursuant to Rule 106 of the Colorado Rules of Civil Procedure or arising under any statute or constitutional provision of the State of Colorado or the United States of America or under the common law of the United States. This release is intended to include any claims that may exist as of the date of this Agreement whether known or unknown or whether previously asserted or not.

5. No Admissions. The parties are entering into this Agreement as a compromise and settlement of disputed matters, and nothing herein shall be construed as an admission of any liability or wrongdoing by any party hereto. Nothing herein shall be construed as a waiver of the Town's governmental immunity.

6. Miscellaneous. This is the entire agreement of the parties regarding the subject matter hereof and supersedes all prior agreements or communications, written or verbal. This agreement shall not be modified except in writing signed by all parties hereto. In the event any provision is declared invalid, all remaining provisions shall remain in effect. This agreement shall be governed by Colorado law, and the exclusive venue for any dispute shall be the state courts of Garfield County, Colorado, WITH A WAIVER OF ANY RIGHT TO A TRIAL BY JURY. This agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto.

SO AGREED as of the date first written above.

TOWN OF NEW CASTLE, COLORADO

By: _____
Mayor

Town Clerk

RIVERSIDE RV PARK, INC.

RIVERSIDE PARTNERSHIP, LLC

By: _____
Rob Chatmas, President

By: _____

Town of New Castle Publication Protocols

Adopted by Town Council June 21, 2016

New Castle News outlets

Channel 10 (Public Service Channel)

Quarterly Newsletter

Weekly e-newsletter

Town Web

Visit New Castle Facebook page

- I. The Town's news outlets will keep citizens informed of local news and events.
 - 1) Announce local public events
 - 2) Announce local public meetings
 - 3) Publicize town policies as appropriate
 - 4) Announce volunteer activities
 - 5) Post announcements for service organizations
 - 6) Encourage tourism and citizen participation
 - 7) Share information about area (outside New Castle) events or news of particular local interest.

- II. It is also appropriate for the public news outlets to support local businesses, so long as it is done impartially and fairly.
 - 1) Provide lists of all businesses or subgroups of businesses
 - 2) Announce new business openings
 - 3) Announce public service activities hosted by a business
 - 4) Announce singular events (for example, New Castle Diner's car show)
 - 5) List businesses who sponsor town events (such as Burning Mountain Festival)

- III. The News Outlets will not
 - 1) Use copyrighted images without permission
 - 2) Advertise commercial businesses, except when:
 - a) A business is hosting a public service activity or singular event on site (e.g. Vaccination Clinic).
 - b) All businesses in a category are listed (e.g. local restaurants)
 - c) A new business in town is announced
 - d) a post on a businesses' Facebook page is reposted on Visit New Castle. Visit New Castle will occasionally repost advertising for local businesses on a rotating basis.

- 3) Endorse or advertise political candidates or issues, except to announce elections and non-partisan events (e.g. Candidates' Forums)
- 4) Print or link to editorial or opinion articles commenting on a controversial issue
- 4) Advertise sectarian religious events except
 - a) Events of historical interest (e.g. St John's anniversary)
 - b) Non-religious public service (e.g. Salvation Army charitable fundraising)
- 5) Post material in violation of any federal, state or town law

IV. It is the responsibility of event sponsors/organizers to send information to the Town Clerk for posting on channel 10. Content on posters may be reformatted to fit the limitations of the TV screen.

**CORPORATION, LIMITED LIABILITY
 COMPANY AND PARTNERSHIP
 Liquor and 3.2 Beer Licenses**

(2355) LLC/PARTNERSHIP
 (2350) CORPORATION

SEE INSTRUCTIONS AND
 FEE SCHEDULE ON PAGE 2

1. Corporate/L.L.C./Partnership Name Hacienda El Patron, LLC		2. State Tax Account Number 27975927		3. State Liquor License Number 4701962	
4. Trade Name DBA 2 Coronas		5. Telephone Number (970) 984-0351			
6. Address of Licensed Premises 201 W. Main St.		City New Castle		State ZIP Code Co 81647	
7. Mailing Address if different than above P.O. Box 109		City New Castle		State ZIP Code Co 81647	

8. LIST ALL officers, directors (corporation) or Managing Members (L.L.C.) or General Partner(s). Each Officer, Director, Managing Member or Partner MUST FILL OUT a DR 8404-I (Individual History Record).

Position Held	Names	Home Address	DOB	Replaces
President	Samuel Garcia	222 S.E. Ave New Castle, Co	8/20/57	n/a
Vice President	Salvador Corona Sauza	5033 Cty Road 335 New Castle, Co	10/31/77	n/a

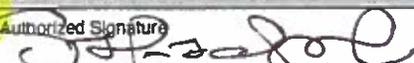
9. LIST ALL 10% (or more) Stockholders or 10% (or more) Members or 10% (or more) Limited Partners. Each person listed Must Fill out a DR 8404-I (Individual History Record)

Stockholders/Members/Partners owning 10% (or more) of business	% Owned	Home Address	DOB	Replaces
Samuel Garcia	50%	222 SE Ave New Castle, Co	8/20/57	n/a
Salvador Corona Sauza	50%	5033 Cty Rd 335 New Castle, Co	10/31/77	n/a

10. Registered Agent Abel Esteban Gomez	Address For Service 401 27th St, Ste 225 Glenwood Spgs, Co 81601
---	--

OATH OF APPLICANT

I declare under penalty of perjury in the second degree that this application and all attachments are true, correct, and complete to the best of my knowledge.

11. Authorized Signature 	Title Vice President	Date 4-26-16
---	--------------------------------	------------------------

REPORT OF LOCAL LICENSING AUTHORITY

The foregoing changes have been received and examined by the Local Licensing Authority.

12. Local Licensing Authority For			<input type="checkbox"/> County	<input type="checkbox"/> Town/City
Signature	Title	Date		
Attest		Date		

DO NOT WRITE IN THIS SPACE - FOR DEPARTMENT OF REVENUE USE ONLY

LIABILITY INFORMATION

License Account Number	Period	Cash Fund	TOTAL
		-100 (999)	

INSTRUCTIONS

CORPORATION, LIMITED LIABILITY COMPANY OR PARTNERSHIP REPORT of CHANGES

NOTE: ENCLOSE A CHECK PAYABLE TO THE AUTHORITY WHERE THIS APPLICATION WILL BE FILED FOR \$100.00 FOR EACH PERSON LISTED IN SECTIONS 8 AND 9 ON THE APPLICATION. MASTERFILE APPLICANTS MUST INCLUDE A FEE OF \$250.00 FOR EACH PERSON LISTED PAYABLE TO THE COLORADO DEPARTMENT OF REVENUE. (Application filed directly to the state)

NOTE: If you are a Limited Liability Company (LLC), or a Partnership (Limited, General, or Husband and Wife) check box 2355. For Corporations check box 2350.

Attach the following supporting documents to the Report of Changes Application:

- Certificate of Incorporation (or) Date stamped Articles or, Partnership Agreement (Limited and General Partnerships)
- Certificate of Good Standing dated within the last two years
- Certificate of Authority (only if a foreign corporation)
- Copies of minutes of meetings by the Corporation, Limited Liability Company or Partnership supporting the changes reflected on the front of this application. This includes letters of resignation, or appointment of any officers, or directors of a Corporation, or any managing member or members of a Limited Liability Company, or any general or limited partner in a Partnership (including husband and wife partnerships).
- NOTE: If the Licensee as listed on Line 1 has a sole stockholder that is a Corporation, or LLC, or Partnership, attach a letter designating one officer, or managing member or the general partner to be the "principal person" for the applicant. This person MUST ALSO fill out a DR8404-I (Individual History Record) and submit fingerprints for background investigation.

This application and all supporting documents must FIRST BE FILED WITH, AND APPROVED BY, THE LOCAL LICENSING AUTHORITY (CITY, TOWN, COUNTY). Applications will not be accepted unless all applicable questions are fully answered, all supporting documents correspond exactly with the name of the applicant.

1. List the name of the Corporation or Limited Liability Company or Partnership
2. List the State Sales Tax Number.
3. List the Applicant's State Liquor License Number.
4. List the Trade name of the business.
5. List the area code and telephone number of the business.
6. List the complete address, City, State and Zip Code, of the licensed premises.
7. List your mailing address if different than number 6 above.
8. List all officers, directors of a corporation, or all managing members of the LLC, or General Partners of Limited or General Partnerships. List the person's Position, Home Address, Date of Birth and the name of the person being replaced (if applicable).
9. List all 10% (or more) stockholders or members or Partners, and indicate ownership percentage, Home Address, Date of Birth, and the name of the person they purchased ownership interest from (if applicable).
10. List the name and address for service of the Registered Agent.
11. A person authorized to sign on behalf of the Applicant must sign the application, list their title, and the date the application was signed.
12. **To be filled out by the local licensing authority only. List the name of the authority and indicate if the authority is a county, town/city. Then sign the application, list your title and attest the city/county officials signature and date the application.**

INCORPORATED ON April 25, 2016 IN THE STATE OF COLORADO

No. 0002

500,000 Shares

HACIENDA EL PATRON LLC

A Corporation

Common Stock
(1,000,000 total shares outstanding)

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED AS AN INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY APPLICABLE STATE SECURITIES LAWS. THEREFORE, NOTWITHSTANDING ANY OTHER PROVISIONS CONTAINED HEREIN, NO TRANSFER OF THE SHARES REPRESENTED BY THIS CERTIFICATE MAY BE MADE IN THE ABSENCE OF SUCH REGISTRATION UNLESS AN OPINION OF COUNSEL IS OBTAINED TO THE EFFECT THAT REGISTRATION UNDER THE SECURITIES ACT OF 1933 HAS BEEN ACCOMPLISHED OR THAT AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE, OTHER THAN THE HOLDER HEREOF AS IDENTIFIED HEREIN SHALL BE VALID.

This share certificate shall certify that SALVADOR CORONA SAUZA, of 5033 COUNTY RD 335, TRLR 147, NEW CASTLE, CO 81647 is the shareholder of 500,000 shares of Common Stock of HACIENDA EL PATRON LLC. The HACIENDA EL PATRON LLC shares of Common Stock owned by SALVADOR CORONA SAUZA as represented by this share certificate shall be transferable only on the corporate books of HACIENDA EL PATRON LLC, in person or by authorized agent, upon surrender of this certificate properly endorsed. Transfer of the shares of Common Stock represented by this certificate is subject to restrictions as detailed in the Bylaws. Upon written request, a copy of the full statement of restrictions on transferability will be provided by the corporation to any shareholder of record, without charge.

All shares of the Common Stock of HACIENDA EL PATRON LLC are subject to the rights of the owners of Preferred stock as detailed in the Bylaws.

In witness of, the Corporation has caused this certificate to be signed by the duly authorized officers of HACIENDA EL PATRON LLC on April 25th, 2016.



SAMUEL P. GARCIA, President, Secretary

Minutes of Shareholders' Meeting

The shareholders of HACIENDA EL PATRON LLC, a Colorado corporation doing business as DOS CORONAS, held a special meeting on April 25, 2016 at 201 W. Main St, New Castle, CO 81647. The meeting began at 9:00 a.m. and ended at 11:00 a.m.

1. Notice

The shareholders acknowledged that by participating in the meeting, they waived notice thereof.

2. Call of Meeting

The meeting was called by SAMUEL P. GARCIA.

3. Quorum

The following persons, constituting a quorum, were present in person or by proxy:

- SAMUEL P. GARCIA
- SALVADOR CORONA SAUZA

4. Actions Taken

The shareholders took the following actions:

Conversion of entity from a LLC Sole proprietorship to a Corporation.

Deliver of the Stock Certificated with 500,000 shares of Common Stock of Hacienda el Patron LLC to Salvador Corona Sauza.

Permit application changes and report of changes to the State of Colorado and Town of New Castle for licenses and permits.

Dated: 4-27-2016

By: Samuel P Garcia

SAMUEL P. GARCIA

Secretary

Corporate Bylaws

These are the bylaws of HACIENDA EL PATRON LLC, a Colorado corporation.

Article I: Meetings of Shareholders

1. The annual meeting of shareholders will be held on second monday of December. The annual meeting of shareholders will begin at 2:00 p.m. and will take place at the principal office of the corporation.
2. At the annual meeting, the shareholders will elect a board of two directors and may take any other shareholder action permitted by state law.
3. A special meeting of the shareholders may be called at any time by:
 - one or more shareholders, or
 - the president.
4. At least 15 days before an annual or special meeting, the secretary will send a notice of the meeting to each shareholder. The notice must be sent by first class mail and must state the time and place of the meeting. For a special meeting, the notice must also include the purposes of the meeting; no action can be taken at a special meeting except as stated in the notice, unless all shareholders consent.
5. Shareholders may attend a meeting either in person or by proxy. A quorum of shareholders at any shareholders meeting will consist of the owners of a majority of the shares outstanding. If a quorum is present, the shareholders may adjourn from day to day as they see fit, and no notice of such adjournment need be given. If a quorum is not present, the shareholders present in person or by proxy may adjourn to such future time as they agree upon; notice of such adjournment must be mailed to each shareholder at least 15 days before such adjourned meeting.
6. Each shareholder, whether represented in person or by proxy, is entitled to one vote for each share of stock standing in his or her name on the books of the company.
7. Proxies must be in writing.
8. Shareholders' actions require the assent of a majority of the corporate shares that have been issued, but if state law requires a greater number of votes, that law will prevail.
9. Shareholders may, by written consent, take any action required or permitted to be taken at an annual or special meeting of shareholders. Such action may be taken without prior notice to shareholders. The written consent must:

- state the action taken, and
- be signed and dated by the owners of shares having at least the number of votes that would be needed to take such action at a meeting.

If the written consent is not signed by all shareholders, the secretary will within three days send a copy of the written consent to the shareholders who did not sign it.

Article II: Stock

1. Stock certificates must be signed by the president and secretary of the corporation.
2. The name of the person owning shares represented by a stock certificate, the number of shares owned and the date of issue will be entered in the corporation's books.
3. All stock certificates transferred by endorsement must be surrendered for cancellation. New certificates will be issued to the purchaser or assignee.
4. Shares of stock can be transferred only on the books of the corporation and only by the secretary.

Article III: Board of Directors

1. The board of directors will manage the business of the corporation and will exercise all of the powers that may be exercised by the corporation under the statutes of the State of Colorado, the articles of incorporation or the corporate bylaws.
2. A vacancy on the board of directors by reason of death, resignation or other causes may be filled by the remaining directors, or the board may leave the position unfilled, in which case it will be filled by a vote of the shareholders at a special meeting or at the next annual meeting. During periods when there is an unfilled vacancy on the board of directors, actions taken by the remaining directors will constitute actions of the board.
3. The board of directors will meet annually, immediately following the annual meeting of shareholders. The board of directors may also hold other regular meetings, at times and places to be fixed by unanimous agreement of the board. At annual or regular meetings, the board may take any actions allowed by law or these bylaws. Special meetings may be called by the president giving 15 days' written notice to all directors. A notice of a special meeting must be sent by first class mail, and must state the time, place and purposes of the meeting; no action can be taken at a special meeting of directors except as stated in the notice, unless all directors consent.
4. A quorum for a meeting will consist of a majority of directors.
5. Directors will act only by unanimous assent of the directors.

6. The directors will not be compensated for serving as such. A director may, however, serve in other capacities with the corporation and receive compensation for such service.

7. Directors may, by written consent, take any action required or permitted to be taken at a directors' meeting. Such action may be taken without prior notice to the directors. The written consent must:

- state the action taken, and
- be signed and dated by at least the number of directors whose votes would be needed to take such action at a meeting.

If the written consent is not signed by all directors, the secretary will within three days send a copy of the written consent to the directors who did not sign it.

8. Directors may meet or participate in meetings by telephone or other electronic means as long as all directors are continuously able to communicate with one another.

Article IV: Officers

1. The officers of the corporation will consist of:

- a president
- a vice president
- a secretary
- a treasurer

and any other officers that the board of directors may appoint.

2. The president will preside at all meetings of the directors and shareholders, and will have general charge of the business of the corporation, subject to approval of the board of directors.

3. In case of the death, disability or absence of the president, the vice president will perform and be vested with all the duties and powers of the president.

4. The secretary will keep the corporate records, including minutes of shareholders' and directors' meetings and consent resolutions. The secretary will give notice, as required in these bylaws, of shareholders' and directors' meetings.

5. The treasurer will keep accounts of all moneys of the corporation received or disbursed, and will deposit all moneys and valuables in the name of the corporation in the banks and depositories that the directors designate. Checks against company accounts will be signed as directed by the board of directors.

6. The salaries of all officers will be fixed by the board of directors and may be changed

from time to time by the board of directors.

Article V: Fiscal

1. The books of the corporation will be closed at a date to be selected by the directors prior to the filing of the first income tax return due from the corporation. The books will be kept on a cash basis.
2. Within 75 days after the corporation's fiscal year ends, the treasurer will provide each shareholder with a financial statement for the corporation.

Article VI: Amendments

Any of these bylaws may be amended or repealed by a majority vote of the shareholders at any annual meeting or at any special meeting called for that purpose.

Adopted by the shareholders of HACIENDA EL PATRON LLC
on: _____

By:  _____
SAMUEL P. GARCIA

By:  _____
SALVADOR CORONA SAUZA

OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO

CERTIFICATE OF FACT OF GOOD STANDING

I, Wayne W. Williams, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

HACIENDA EL PATRON LLC

is a

Corporation

formed or registered on 04/18/2013 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20131238396 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 04/25/2016 that have been posted, and by documents delivered to this office electronically through 04/26/2016 @ 09:29:46 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 04/26/2016 @ 09:29:46 in accordance with applicable law. This certificate is assigned Confirmation Number 9619237 .



A handwritten signature in cursive script that reads 'Wayne W. Williams'.

Secretary of State of the State of Colorado

*****End of Certificate*****

Notice: A certificate issued electronically from the Colorado Secretary of State's Web site is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's Web site, <http://www.sos.state.co.us/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our Web site, <http://www.sos.state.co.us/> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."



Document must be filed electronically.
 Paper documents are not accepted.
 Fees & forms are subject to change.
 For more information or to print copies
 of filed documents, visit www.sos.state.co.us.

Colorado Secretary of State
 Date and Time: 04/25/2016 06:14 PM
 ID Number: 20131238396
 Document number: 20161291619
 Amount Paid: \$100.00

ABOVE SPACE FOR OFFICE USE ONLY

Statement of Conversion

filed pursuant to § 7-90-201.7 (3) of the Colorado Revised Statutes (C.R.S.)

1. For the converting entity, its ID number (if applicable), entity name or true name, form of entity, jurisdiction under the law of which it is formed, and principal address are

ID number	<u>20131238396</u> <i>(Colorado Secretary of State ID number)</i>		
Entity name or true name	<u>HACIENDA EL PATRON LLC</u>		
Form of entity	<u>Limited Liability Company</u>		
Jurisdiction	<u>Colorado</u>		
Street address	<u>201 WEST MAIN ST.</u> <i>(Street number and name)</i>		
	<u>NEW CASTLE</u> <i>(City)</i>	<u>CO</u> <i>(State)</i>	<u>81647</u> <i>(ZIP/Postal Code)</i>
	<u></u> <i>(Province – if applicable)</i>	<u>United States</u> <i>(Country)</i>	
Mailing address (leave blank if same as street address)	<u>PO BOX 109</u> <i>(Street number and name or Post Office Box information)</i>		
	<u>NEW CASTLE</u> <i>(City)</i>	<u>CO</u> <i>(State)</i>	<u>81647</u> <i>(ZIP/Postal Code)</i>
	<u></u> <i>(Province – if applicable)</i>	<u>United States</u> <i>(Country)</i>	

2. The entity name of the resulting entity is HACIENDA EL PATRON LLC
(Caution: The use of certain terms or abbreviations are restricted by law. Read instructions for more information.)

3. The converting entity has been converted into the resulting entity pursuant to section 7-90-201.7, C.R.S.

4. *(If applicable, adopt the following statement by marking the box and include an attachment.)*

This document contains additional information as provided by law.

5. *(Caution: Leave blank if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read instructions before entering a date.)*

(If the following statement applies, adopt the statement by entering a date and, if applicable, time using the required format.)

The delayed effective date and, if applicable, time of this document are _____
(mm/dd/yyyy hour:minute am/pm)

Notice:

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that such document is

such individual's act and deed, or that such individual in good faith believes such document is the act and deed of the person on whose behalf such individual is causing such document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S. and, if applicable, the constituent documents and the organic statutes, and that such individual in good faith believes the facts stated in such document are true and such document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is identified in this document as one who has caused it to be delivered.

6. The true name and mailing address of the individual causing this document to be delivered for filing are

ESTEBAN GOMEZ ABEL			
<small>(Last)</small>	<small>(First)</small>	<small>(Middle)</small>	<small>(Suffix)</small>
401 27TH STREET STE 225			
<small>(Street number and name or Post Office Box information)</small>			
<hr/>			
GLENWOOD SPRINGS		CO	81601
<small>(City)</small>	<small>(State)</small>	<small>(ZIP/Postal Code)</small>	
<hr/>		United States	
<small>(Province - if applicable)</small>		<small>(Country)</small>	

(If applicable, adopt the following statement by marking the box and include an attachment.)

- This document contains the true name and mailing address of one or more additional individuals causing the document to be delivered for filing.

Disclaimer:

This form/cover sheet, and any related instructions, are not intended to provide legal, business or tax advice, and are furnished without representation or warranty. While this form/cover sheet is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form/cover sheet. Questions should be addressed to the user's legal, business or tax advisor(s).



Colorado Secretary of State
 Date and Time: 04/25/2016 06:14 PM
 ID Number: 20131238396
 Document number: 20161291619
 Amount Paid: \$100.00

Document must be filed electronically.
 Paper documents are not accepted.
 Fees & forms are subject to change.
 For more information or to print copies
 of filed documents, visit www.sos.state.co.us.

ABOVE SPACE FOR OFFICE USE ONLY

Articles of Incorporation for a Profit Corporation
 filed pursuant to § 7-102-101 and § 7-102-102 of the Colorado Revised Statutes (C.R.S.)

1. The domestic entity name for the corporation is

HACIENDA EL PATRON LLC

(Caution: The use of certain terms or abbreviations are restricted by law. Read instructions for more information.)

2. The principal office address of the corporation's initial principal office is

Street address 201 WEST MAIN ST
(Street number and name)

NEW CASTLE CO 81647
(City) (State) (ZIP/Postal Code)

United States
(Country)

Mailing address PO BOX 109
(leave blank if same as street address) (Street number and name or Post Office Box information)

NEW CASTLE CO 81647
(City) (State) (ZIP/Postal Code)

United States
(Country)

3. The registered agent name and registered agent address of the corporation's initial registered agent are

Name GARCIA SAMUEL P
(if an individual) (Last) (First) (Middle) (Suffix)

or
 (if an entity)
(Caution: Do not provide both an individual and an entity name.)

Street address 222 SOUTH E STREET
(Street number and name)

NEW CASTLE CO 81647
(City) (State) (ZIP/Postal Code)

Mailing address PO BOX 109
(leave blank if same as street address) (Street number and name or Post Office Box information)

NEW CASTLE CO 81647
(City) (State) (ZIP/Postal Code)

(The following statement is adopted by marking the box.)

The person appointed as registered agent above has consented to being so appointed.

4. The true name and mailing address of the incorporator are

Name
(if an individual) CORONA SAUZA SALVADOR _____
(Last) (First) (Middle) (Suffix)

or

(if an entity)
(Caution: Do not provide both an individual and an entity name.) _____

Mailing address 5033 COUNTY ROAD 335 TRLR 147
(Street number and name or Post Office Box information)

NEW CASTLE CO 81647
(City) (State) (ZIP/Postal Code)
United States
(Province - if applicable) (Country)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

The corporation has one or more additional incorporators and the name and mailing address of each additional incorporator are stated in an attachment.

5. The classes of shares and number of shares of each class that the corporation is authorized to issue are as follows.

The corporation is authorized to issue 1,000,000 common shares that shall have unlimited voting rights and are entitled to receive the net assets of the corporation upon dissolution.

Information regarding shares as required by section 7-106-101, C.R.S., is included in an attachment.

6. (If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains additional information as provided by law.

7. (Caution: Leave blank if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read instructions before entering a date.)

(If the following statement applies, adopt the statement by entering a date and, if applicable, time using the required format.)

The delayed effective date and, if applicable, time of this document is/are _____
(mm/dd/yyyy hour:minute am/pm)

Notice:

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is named in the document as one who has caused it to be delivered.

8. The true name and mailing address of the individual causing the document to be delivered for filing are

ESTEBAN GOMEZ ABEL _____
(Last) (First) (Middle) (Suffix)
401 27TH STREET STE 225
(Street number and name or Post Office Box information)

GLENWOOD SPRINGS CO 81601
(City) (State) (ZIP/Postal Code)
United States
(Province – if applicable) (Country)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

- This document contains the true name and mailing address of one or more additional individuals causing the document to be delivered for filing.

Disclaimer:

This form/cover sheet, and any related instructions, are not intended to provide legal, business or tax advice, and are furnished without representation or warranty. While this form/cover sheet is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form/cover sheet. Questions should be addressed to the user's legal, business or tax advisor(s).

MEMBERS AND SHAREHOLDERS

SALVADOR CORONA SAUZA

5033 COUNTY ROAD 335, TRLR 147

NEW CASTLE, CO 81647

SAMUEL P. GARCIA

222 SOUTH E. AVE

NEW CASTLE, CO 81647

PERMIT APPLICATION AND REPORT OF CHANGES

CURRENT LICENSE NUMBER 4701962
ALL ANSWERS MUST BE PRINTED IN BLACK INK OR TYPEWRITTEN
LOCAL LICENSE FEE \$ _____
APPLICANT SHOULD OBTAIN A COLORADO LIQUOR & BEER CODE BOOK TO ORDER CALL (303) 370-2165

1. Applicant is a <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Limited Liability Company	PRESENT LICENSE NUMBER 4701962.
---	--

2. Name of Licensee Hacienda El Patron LLC	3. Trade Name DBA 2 Coronas.
--	--

4. Location Address
201 W. Main St

City New Castle	County Garfield.	ZIP 81647
---	--	---

SELECT THE APPROPRIATE SECTION BELOW AND PROCEED TO THE INSTRUCTIONS ON PAGE 2.

Section A – Manager reg/change	Section C
• License Account No. <u>4701962</u> 1983-750 (999) <input checked="" type="checkbox"/> Manager's Registration (Hotel & Restr.) \$75.00 2012-750 (999) <input type="checkbox"/> Manager's Registration (Tavern) \$75.00 <input type="checkbox"/> Change of Manager (Other Licenses) NO FEE	2210-100 (999) <input type="checkbox"/> Retail Warehouse Storage Permit (ea) \$100.00 2200-100 (999) <input type="checkbox"/> Wholesale Branch House Permit (ea) 100.00 2260-100 (999) <input checked="" type="checkbox"/> Change Corp. or Trade Name Permit (ea) .50.00 2230-100 (999) <input type="checkbox"/> Change Location Permit (ea) 150.00 2280-100 (999) <input type="checkbox"/> Change, Alter or Modify Premises \$150.00 x _____ Total Fee _____
Section B – Duplicate License	
• Liquor License No. _____ 2270-100 (999) <input type="checkbox"/> Duplicate License \$50.00	2220-100 (999) <input type="checkbox"/> Addition of Optional Premises to Existing H/R \$100.00 x _____ Total Fee _____ 1988-100 (999) <input type="checkbox"/> Addition of Related Facility to Resort Complex \$75.00 x _____ Total Fee _____

DO NOT WRITE IN THIS SPACE – FOR DEPARTMENT OF REVENUE USE ONLY

DATE LICENSE ISSUED	LICENSE ACCOUNT NUMBER	PERIOD
-750 (999)	-100 (999)	TOTAL AMOUNT DUE \$ _____ .00

The State may convert your check to a one time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your bank account electronically.

INSTRUCTION SHEET

FOR ALL SECTIONS, COMPLETE QUESTIONS 1-4 LOCATED ON PAGE 1

Section A

To Register or Change Managers, check the appropriate box in section A and complete question 8 on page 4. Proceed to the Oath of Applicant for signature (Please note: Hotel, Restaurant, and Tavern licensees are required to register their managers).

Section B

For a Duplicate license, be sure to include the liquor license number in section B on page 1 and proceed to page 4 for Oath of Applicant signature.

Section C

Check the appropriate box in section C and proceed below.

- 1) *For a Retail Warehouse Storage Permit*, go to page 3 complete question 5 (be sure to check the appropriate box). Submit the necessary information and proceed to page 4 for Oath of Applicant signature.
- 2) *For a Wholesale Branch House Permit*, go to page 3 and complete question 5 (be sure to check the appropriate box). Submit the necessary information and proceed to page 4 for Oath of Applicant signature.
- 3) *To Change Trade Name or Corporation Name*, go to page 3 and complete question 6 (be sure to check the appropriate box). Submit the necessary information and proceed to page 4 for Oath of Applicant signature.
- 4) *To modify Premise*, go to page 4 and complete question 9. Submit the necessary information and proceed to page 4 for Oath of Applicant signature.
- 5) *For Optional Premises or Related Facilities* go to page 4 and complete question 9. Submit the necessary information and proceed to page 4 for Oath of Applicant signature.
- 6) *To Change Location*, go to page 3 and complete question 7. Submit the necessary information and proceed to page 4 for Oath of Applicant signature.

STORAGE PERMIT

5. Retail Warehouse Storage Permit or a Wholesalers Branch House Permit

Retail Warehouse Permit for:

- On-Premises Licensee (Taverns, Restaurants etc.)
- Off-Premises Licensee (Liquor stores)

Wholesalers Branch House Permit

Address of storage premise: _____

City _____, County _____, Zip _____

Attach a deed/ lease or rental agreement for the storage premises.
 Attach a detailed diagram of the storage premises.

CHANGE TRADE NAME OR CORPORATE NAME

6. Change of Trade Name or Corporation Name

- Change of Trade name / DBA only
- Corporate Name Change (Attach the following supporting documents)

1. Certificate of Amendment filed with the Secretary of State, or
2. Statement of Change filed with the Secretary of State, and
3. Minutes of Corporate meeting, Limited Liability Members meeting, Partnership agreement.

Old Trade Name <i>Hacienda El Patron</i>	New Trade Name <i>DBA 2 Coronas.</i>
Old Corporate Name <i>Hacienda El Patron LLC</i>	New Corporate Name <i>Hacienda El Patron LLC.</i>

CHANGE OF LOCATION

7. Change of Location

NOTE TO RETAIL LICENSEES: An application to change location has a local application fee of \$750 payable to your local licensing authority. You may only change location within the same jurisdiction as the original license that was issued. Pursuant to 12-47-311 (1) C.R.S. Your application must be on file with the local authority thirty (30) days before a public hearing can be held.

Date filed with Local Authority _____ Date of Hearing _____

(a) Address of current premises _____

City _____ County _____ Zip _____

(b) Address of proposed New Premises (Attach copy of the deed or lease that establishes possession of the premises by the licensee)

Address _____

City _____ County _____ Zip _____

(c) New mailing address if applicable.

Address _____

City _____ County _____ State _____ Zip _____

(d) Attach detailed diagram of the premises showing where the alcohol beverages will be stored, served, possessed or consumed. Include kitchen area(s) for hotel and restaurants.

CHANGE OF MANAGER

8. Change of Manager or to Register the Manager of a Tavern or a Hotel and Restaurant liquor license.

(a) Change of Manager (attach Individual History DR 8404-I H/R and Tavern only)

Former manager's name _____

New manager's name _____

(b) Date of Employment _____

Has manager ever managed a liquor licensed establishment?..... Yes No

Does manager have a financial interest in any other liquor licensed establishment?..... Yes No

If yes, give name and location of establishment _____

MODIFY PREMISES OR ADDITION OF OPTIONAL PREMISES OR RELATED FACILITY

9. Modification of Premises, Addition of an Optional Premises, or Addition of Related Facility

NOTE: Licensees may not modify or add to their licensed premises until approved by state and local authorities.

(a) Describe change proposed _____

(b) If the modification is temporary, when will the proposed change:

Start _____ (mo/day/year) End _____ (mo/day/year)

NOTE: THE TOTAL STATE FEE FOR TEMPORARY MODIFICATION IS \$300.00

(c) Will the proposed change result in the licensed premises now being located within 500 feet of any public or private school that meets compulsory education requirements of Colorado law, or the principal campus of any college, university or seminary?

(If yes, explain in detail and describe any exemptions that apply) Yes No

(d) Is the proposed change in compliance with local building and zoning laws?..... Yes No

(e) If this modification is for an additional Hotel and Restaurant Optional Premises or Resort Complex Related Facility, has the local authority authorized by resolution or ordinance the issuance of optional premises?

..... Yes No

(f) Attach a diagram of the current licensed premises and a diagram of the proposed changes for the licensed premises.

(g) Attach any existing lease that is revised due to the modification.

OATH OF APPLICANT

I declare under penalty of perjury in the second degree that I have read the foregoing application and all attachments thereto and that all information therein is true, correct, and complete to the best of my knowledge.

Signature 	Title Vice President	Date 4-26-16
--	-------------------------	-----------------

REPORT AND APPROVAL OF LOCAL LICENSING AUTHORITY (CITY / COUNTY)

The foregoing application has been examined and the premises, business conducted and character of the applicant is satisfactory, and we do report that such permit, if granted, will comply with the applicable provisions of Title 12, Articles 46 and 47, C.R.S., as amended. **THEREFORE, THIS APPLICATION IS APPROVED.**

Local Licensing Authority (City or County)	Date filed with Local Authority
--	---------------------------------

Signature	Title	Date
-----------	-------	------

REPORT OF STATE LICENSING AUTHORITY

The foregoing has been examined and complies with the filing requirements of Title 12, Article 47, C.R.S., as amended

Signature	Title	Date
-----------	-------	------

OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO

CERTIFICATE OF FACT OF TRADE NAME

I, Wayne W. Williams, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office, a Statement of Trade Name for:

2 CORONAS

(Entity ID # 20161293104)

was filed in this office on 04/26/2016 with an effective date of 04/26/2016 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 04/22/2016 that have been posted, and by documents delivered to this office electronically through 04/26/2016 @ 09:08:46 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 04/26/2016 @ 09:08:46 in accordance with applicable law. This certificate is assigned Confirmation Number 9619134 .



A handwritten signature in cursive script that reads "Wayne W. Williams".

Secretary of State of the State of Colorado

*****End of Certificate*****
Notice: A certificate issued electronically from the Colorado Secretary of State's Web site is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's Web site, <http://www.sos.state.co.us/biz/CertificateSearchCriteria> do entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our Web site, <http://www.sos.state.co.us/> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."



Document must be filed electronically.
 Paper documents are not accepted.
 Fees & forms are subject to change.
 For more information or to print copies
 of filed documents, visit www.sos.state.co.us.

Colorado Secretary of State
 Date and Time: 04/26/2016 09:07 AM
 ID Number: 20161293104
 Document number: 20161293104
 Amount Paid: \$20.00

ABOVE SPACE FOR OFFICE USE ONLY

Statement of Trade Name of a Reporting Entity
 filed pursuant to §7-71-103 and §7-71-107 of the Colorado Revised Statutes (C.R.S)

1. For the reporting entity delivering this statement, its ID number, true name, form of entity and the jurisdiction under the law of which it is formed are

ID Number	<u>20131238396</u> <i>(Colorado Secretary of State ID number)</i>
True name	<u>HACIENDA EL PATRON LLC</u>
Form of entity	<u>Corporation</u>
Jurisdiction	<u>Colorado</u>

2. The trade name under which such entity transacts business or conducts activities or contemplates transacting business or conducting activities in this state is

2 CORONAS

3. A brief description of the kind of business transacted or activities conducted or contemplated to be transacted or conducted in this state under such trade name is

FULL SERVICE RESTAURANT

4. *(If the following statement applies, adopt the statement by marking the box and include an attachment.)*

This document contains additional information as provided by law.

5. *(Caution: Leave blank if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read instructions before entering a date.)*

(If the following statement applies, adopt the statement by entering a date and, if applicable, time using the required format.)

The delayed effective date and, if applicable, time of this document are _____
(mm/dd/yyyy hour:minute am/pm)

Notice:

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that such document is such individual's act and deed, or that such individual in good faith believes such document is the act and deed of the person on whose behalf such individual is causing such document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S. and, if applicable, the constituent documents and the organic statutes, and that such individual in good faith believes the facts stated in such document are true and such document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is identified in this document as one who has caused it to be delivered.

6. The true name and mailing address of the individual causing this document to be delivered for filing are

ESTEBAN GOMEZ ABEL
(Last) (First) (Middle) (Suffix)
401 27TH STREET STE 225
(Street number and name or Post Office Box information)

GLENWOOD SPRINGS CO 81601
(City) (State) (Postal/Zip Code)
GLENWOOD SPRINGS United States
(Province – if applicable) (Country – if not US)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

- This document contains the true name and mailing address of one or more additional individuals causing the document to be delivered for filing.

Disclaimer:

This form/cover sheet, and any related instructions, are not intended to provide legal, business or tax advice, and are furnished without representation or warranty. While this form/cover sheet is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form/cover sheet. Questions should be addressed to the user's legal, business or tax advisor(s).

REAL ESTATE LEASE

This Lease Agreement (this "Lease") is dated May 01, 2016 by and between SAMUEL, LETICA GARCIA ("Landlord"), and SALVADOR CORONA SAUZA, HACIENDA EL PATRON LLC, D.B.A. 2 CORONAS ("Tenant"). The parties agree as follows.

PREMISES. Landlord, in consideration of the lease payments provided in this Lease, leases to Tenant 2500 square foot restaurant purposes (the "Premises") located at 201 W Main St, New Castle, Colorado 81647.

TERM. The lease term will begin on May 01st, 2016 and will terminate on May 31st, 2021. It is understood that either party must provide written notification to the other thirty (30) days in advance of intent to vacate the Premises. Termination must occur at the end of the calendar month. Upon vacating the Premises, Tenant hereby agrees to return same in as good repair and "Broom Cleaned" conditions as of the commencement date of the Lease, acceptable to Landlord's designated representative.

TRIPLE NET LEASE. This Lease is what is commonly referred to as a "Triple Net Lease", it being the intention of the parties that Landlord shall not have any responsibility of any kind or nature whatsoever to maintain, repair, improve, alter or in any way incur any expense in connection with the Property, and that the rent and any other payments to be made by Tenant to or on behalf of Landlord under the terms hereof, are to be free and clear of any impositions, expenses or setoffs of any kind or nature whatsoever, including without limitation, any taxes, charges or expenses in connection with the ownership, maintenance, repair and operation of the Property, all such expenses, charges and taxes to be paid by Tenant as provided herein.

Tenant shall pay for all water, gas, heat, light, power, telephone and other utilities and services supplied to the Premises, together with any taxes thereon and proportionate share of real property taxes, all risk and earthquake insurance, and common area maintenance expenses. If any such services are not separately metered to Tenant, Tenant shall pay a reasonable, proportionate share as determinate by Landlord of all charges jointly metered with other Premises.

LEASE PAYMENTS. Tenant shall pay to Landlord monthly \$2,250.00 payable in advance on the first day of each month, for a total lease payment \$135,000.00 Lease payments shall be made to the Landlord at WELLS FARGO BANK. BK INVESTMENT LLC acct# 1952875340, Colorado _____, which address may be changed from time to time by the Landlord.

ESTIMATED PAYMENTS. Tenant shall be notified by Landlord of Estimated Payments for taxes, insurance, maintenance of the landscaping and parking lot, and landscaping and parking lot utilities and services from time to time. The Estimated Payments shall be paid by Tenant together with rent, on the first day of each month throughout the Term. The Estimated payments may be

Such addresses may be changed from time to time by either party by providing notice as set forth above. Notices mailed in accordance with the above provisions shall be deemed received on the third day after posting.

GOVERNING LAW. This Lease shall be construed in accordance with the laws of State of Colorado.

ENTIRE AGREEMENT/AMENDMENT. This Lease Agreement contains the entire agreement of the parties and there are no other promises, conditions, understanding or other agreements, whether oral or written, relating to the subject matter of this Lease. This Lease may be modified or amended in writing, if the writing is signed by the party obligated under the amendment.

SEVERABILITY. If any portion of this Lease shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Lease is invalid or unenforceable, but that by limiting such provision, it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

WAIVER . The failure of either party to enforce any provisions of this Lease shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Lease.

BINDING EFFECT. The provisions of this Lease shall be binding upon a inure to the benefit of both parties and their respective legal representatives, successors and assigns.

SIGNATURES AND NOTICE. This Lease shall be signed by the followings parties. No notice under this Lease shall be deemed valid unless given or served in writing and forwarded by mail, postage prepaid, addressed to the parties below:

LANDLORD:

SAMUEL, LETICIA GARCIA
P.O. BOX 109
NEW CASTLE, Colorado 81647

TENANT:

SALVADOR CORONA SAUZA
HACIENDA EL PATRON LLC, D.B.A. 2 CORONAS

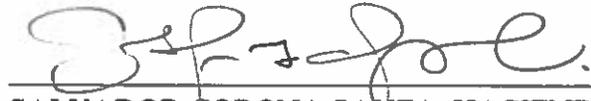
LANDLORD:



SAMUEL, LETICIA GARCIA

Date: April 28, 2016

TENANT:



SALVADOR CORONA SAUZA, HACIENDA EL PATRON LLC, D.B.A. 2 CORONAS

Date April 28, 2016

PERMIT APPLICATION AND REPORT OF CHANGES

CURRENT LICENSE NUMBER _____
ALL ANSWERS MUST BE PRINTED IN BLACK INK OR TYPEWRITTEN
LOCAL LICENSE FEE \$ _____
APPLICANT SHOULD OBTAIN A COLORADO LIQUOR & BEER CODE BOOK TO ORDER CALL (303) 370-2165

1. Applicant is a <input type="checkbox"/> Corporation <input type="checkbox"/> Individual <input type="checkbox"/> Partnership..... <input checked="" type="checkbox"/> Limited Liability Company		PRESENT LICENSE NUMBER 4701962
2. Name of Licensee Hacienda El Patron LLC	3. Trade Name Hacienda el Patron inc	
4. Location Address 201 W. Main St.		
City New Castle	County Garfield	ZIP 81647

SELECT THE APPROPRIATE SECTION BELOW AND PROCEED TO THE INSTRUCTIONS ON PAGE 2.

Section A – Manager reg/change	Section C
<ul style="list-style-type: none"> • License Account No. _____ 1983-750 (999) <input type="checkbox"/> Manager's Registration (Hotel & Restr.)..\$75.00 2012-750 (999) <input type="checkbox"/> Manager's Registration (Tavern).....\$75.00 <li style="padding-left: 20px;"><input type="checkbox"/> Change of Manager (Other Licenses) NO FEE 	<ul style="list-style-type: none"> 2210-100 (999) <input type="checkbox"/> Retail Warehouse Storage Permit (ea) \$100.00 2200-100 (999) <input type="checkbox"/> Wholesale Branch House Permit (ea).... 100.00 2260-100 (999) <input checked="" type="checkbox"/> Change Corp. or Trade Name Permit (ea) . 50.00 2230-100 (999) <input type="checkbox"/> Change Location Permit (ea)..... 150.00 2280-100 (999) <input type="checkbox"/> Change, Alter or Modify Premises \$150.00 x _____ Total Fee _____ 2220-100 (999) <input type="checkbox"/> Addition of Optional Premises to Existing H/R \$100.00 x _____ Total Fee _____ 1988-100 (999) <input type="checkbox"/> Addition of Related Facility to Resort Complex \$75.00 x _____ Total Fee _____
Section B – Duplicate License	
<ul style="list-style-type: none"> • Liquor License No. _____ 2270-100 (999) <input type="checkbox"/> Duplicate License\$50.00 	

DO NOT WRITE IN THIS SPACE – FOR DEPARTMENT OF REVENUE USE ONLY

DATE LICENSE ISSUED	LICENSE ACCOUNT NUMBER	PERIOD
-750 (999)	-100 (999)	TOTAL AMOUNT DUE \$ _____ .00

The State may convert your check to a one time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your bank account electronically.

INSTRUCTION SHEET

FOR ALL SECTIONS, COMPLETE QUESTIONS 1-4 LOCATED ON PAGE 1

Section A

To Register or Change Managers, check the appropriate box in section A and complete question 8 on page 4. Proceed to the Oath of Applicant for signature (Please note: Hotel, Restaurant, and Tavern licensees are required to register their managers).

Section B

For a Duplicate license, be sure to include the liquor license number in section B on page 1 and proceed to page 4 for Oath of Applicant signature.

Section C

Check the appropriate box in section C and proceed below.

- 1) *For a Retail Warehouse Storage Permit*, go to page 3 complete question 5 (be sure to check the appropriate box). Submit the necessary information and proceed to page 4 for Oath of Applicant signature.
- 2) *For a Wholesale Branch House Permit*, go to page 3 and complete question 5 (be sure to check the appropriate box). Submit the necessary information and proceed to page 4 for Oath of Applicant signature.
- 3) *To Change Trade Name or Corporation Name*, go to page 3 and complete question 6 (be sure to check the appropriate box). Submit the necessary information and proceed to page 4 for Oath of Applicant signature.
- 4) *To modify Premise*, go to page 4 and complete question 9. Submit the necessary information and proceed to page 4 for Oath of Applicant signature.
- 5) *For Optional Premises or Related Facilities* go to page 4 and complete question 9. Submit the necessary information and proceed to page 4 for Oath of Applicant signature.
- 6) *To Change Location*, go to page 3 and complete question 7. Submit the necessary information and proceed to page 4 for Oath of Applicant signature.

STORAGE PERMIT

5. Retail Warehouse Storage Permit or a Wholesalers Branch House Permit

Retail Warehouse Permit for:

On-Premises Licensee (Taverns, Restaurants etc.)

Off-Premises Licensee (Liquor stores)

Wholesalers Branch House Permit

Address of storage premise: _____

City _____, County _____, Zip _____

Attach a deed/ lease or rental agreement for the storage premises.
Attach a detailed diagram of the storage premises.

CHANGE TRADE NAME OR CORPORATE NAME

6. Change of Trade Name or Corporation Name

Change of Trade name / DBA only

Corporate Name Change (Attach the following supporting documents)

1. Certificate of Amendment filed with the Secretary of State, or
2. Statement of Change filed with the Secretary of State, and
3. Minutes of Corporate meeting, Limited Liability Members meeting, Partnership agreement.

Old Trade Name	New Trade Name
Old Corporate Name	New Corporate Name

CHANGE OF LOCATION

7. Change of Location

NOTE TO RETAIL LICENSEES: An application to change location has a local application fee of \$750 payable to your local licensing authority. You may only change location within the same jurisdiction as the original license that was issued. Pursuant to 12-47-311 (1) C.R.S. Your application must be on file with the local authority thirty (30) days before a public hearing can be held.

Date filed with Local Authority _____ Date of Hearing _____

(a) Address of current premises _____

City _____ County _____ Zip _____

(b) Address of proposed New Premises (Attach copy of the deed or lease that establishes possession of the premises by the licensee)

Address _____

City _____ County _____ Zip _____

(c) New mailing address if applicable.

Address _____

City _____ County _____ State _____ Zip _____

(d) Attach detailed diagram of the premises showing where the alcohol beverages will be stored, served, possessed or consumed. Include kitchen area(s) for hotel and restaurants.

CHANGE OF MANAGER	<p>8. Change of Manager or to Register the Manager of a Tavern or a Hotel and Restaurant liquor license.</p> <p>(a) Change of Manager (attach Individual History DR 8404-I H/R and Tavern only)</p> <p>Former manager's name _____</p> <p>New manager's name _____</p> <p>(b) Date of Employment _____</p> <p>Has manager ever managed a liquor licensed establishment?..... Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Does manager have a financial interest in any other liquor licensed establishment?..... Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>If yes, give name and location of establishment _____</p>
-------------------	---

MODIFY PREMISES OR ADDITION OF OPTIONAL PREMISES OR RELATED FACILITY	<p>9. Modification of Premises, Addition of an Optional Premises, or Addition of Related Facility</p> <p>NOTE: Licensees may not modify or add to their licensed premises until approved by state and local authorities.</p> <p>(a) Describe change proposed _____</p> <p>_____</p> <p>_____</p> <p>(b) If the modification is temporary, when will the proposed change:</p> <p>Start _____ (mo/day/year) End _____ (mo/day/year)</p> <p>NOTE: THE TOTAL STATE FEE FOR TEMPORARY MODIFICATION IS \$300.00</p> <p>(c) Will the proposed change result in the licensed premises now being located within 500 feet of any public or private school that meets compulsory education requirements of Colorado law, or the principal campus of any college, university or seminary?</p> <p>(If yes, explain in detail and describe any exemptions that apply) Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>(d) Is the proposed change in compliance with local building and zoning laws?..... Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>(e) If this modification is for an additional Hotel and Restaurant Optional Premises or Resort Complex Related Facility, has the local authority authorized by resolution or ordinance the issuance of optional premises? Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>(f) Attach a diagram of the current licensed premises and a diagram of the proposed changes for the licensed premises.</p> <p>(g) Attach any existing lease that is revised due to the modification.</p>
--	--

OATH OF APPLICANT

I declare under penalty of perjury in the second degree that I have read the foregoing application and all attachments thereto, and that all information therein is true, correct, and complete to the best of my knowledge.

Signature <i>Samuel P. Garcia</i>	Title <i>President</i>	Date <i>4-26-16</i>
--------------------------------------	---------------------------	------------------------

REPORT AND APPROVAL OF LOCAL LICENSING AUTHORITY (CITY / COUNTY)

The foregoing application has been examined and the premises, business conducted and character of the applicant is satisfactory, and we do report that such permit, if granted, will comply with the applicable provisions of Title 12, Articles 46 and 47, C.R.S., as amended. **THEREFORE, THIS APPLICATION IS APPROVED.**

Local Licensing Authority (City or County)	Date filed with Local Authority
Signature	Title
	Date

REPORT OF STATE LICENSING AUTHORITY

The foregoing has been examined and complies with the filing requirements of Title 12, Article 47, C.R.S., as amended.

Signature	Title	Date
-----------	-------	------



Colorado Secretary of State
 Date and Time: 04/25/2016 06:14 PM
 ID Number: 20131238396
 Document number: 20161291619
 Amount Paid: \$100.00

Document must be filed electronically.
 Paper documents are not accepted.
 Fees & forms are subject to change.
 For more information or to print copies
 of filed documents, visit www.sos.state.co.us.

ABOVE SPACE FOR OFFICE USE ONLY

Statement of Conversion

filed pursuant to § 7-90-201.7 (3) of the Colorado Revised Statutes (C.R.S.)

1. For the converting entity, its ID number (if applicable), entity name or true name, form of entity, jurisdiction under the law of which it is formed, and principal address are

ID number	<u>20131238396</u> <i>(Colorado Secretary of State ID number)</i>
Entity name or true name	<u>HACIENDA EL PATRON LLC</u>
Form of entity	<u>Limited Liability Company</u>
Jurisdiction	<u>Colorado</u>
Street address	<u>201 WEST MAIN ST.</u> <i>(Street number and name)</i>
	<u>NEW CASTLE</u> <u>CO</u> <u>81647</u> <i>(City) (State) (ZIP/Postal Code)</i>
	<u>United States</u> <i>(Province - if applicable) (Country)</i>
Mailing address <i>(leave blank if same as street address)</i>	<u>PO BOX 109</u> <i>(Street number and name or Post Office Box information)</i>
	<u>NEW CASTLE</u> <u>CO</u> <u>81647</u> <i>(City) (State) (ZIP/Postal Code)</i>
	<u>United States</u> <i>(Province - if applicable) (Country)</i>

2. The entity name of the resulting entity is HACIENDA EL PATRON LLC
(Caution: The use of certain terms or abbreviations are restricted by law. Read instructions for more information.)

3. The converting entity has been converted into the resulting entity pursuant to section 7-90-201.7, C.R.S.

4. *(If applicable, adopt the following statement by marking the box and include an attachment.)*
 This document contains additional information as provided by law.

5. *(Caution: Leave blank if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read instructions before entering a date.)*

(If the following statement applies, adopt the statement by entering a date and, if applicable, time using the required format.)
 The delayed effective date and, if applicable, time of this document are _____
(mm/dd/yyyy hour:minute am/pm)

Notice:
 Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that such document is

such individual's act and deed, or that such individual in good faith believes such document is the act and deed of the person on whose behalf such individual is causing such document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S. and, if applicable, the constituent documents and the organic statutes, and that such individual in good faith believes the facts stated in such document are true and such document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is identified in this document as one who has caused it to be delivered.

6. The true name and mailing address of the individual causing this document to be delivered for filing are

<u>ESTEBAN GOMEZ ABEL</u>			
<small>(Last)</small>	<small>(First)</small>	<small>(Middle)</small>	<small>(Suffix)</small>
<u>401 27TH STREET STE 225</u>			
<small>(Street number and name or Post Office Box information)</small>			
<hr/>			
<u>GLENWOOD SPRINGS</u>	<u>CO</u>	<u>81601</u>	
<small>(City)</small>	<small>(State)</small>	<small>(ZIP/Postal Code)</small>	
<u>United States</u>			
<small>(Province - if applicable)</small>		<small>(Country)</small>	

(If applicable, adopt the following statement by marking the box and include an attachment.)

- This document contains the true name and mailing address of one or more additional individuals causing the document to be delivered for filing.

Disclaimer:

This form/cover sheet, and any related instructions, are not intended to provide legal, business or tax advice, and are furnished without representation or warranty. While this form/cover sheet is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form/cover sheet. Questions should be addressed to the user's legal, business or tax advisor(s).



Colorado Secretary of State
 Date and Time: 04/25/2016 06:14 PM
 ID Number: 20131238396
 Document number: 20161291619
 Amount Paid: \$100.00

Document must be filed electronically.
 Paper documents are not accepted.
 Fees & forms are subject to change.
 For more information or to print copies
 of filed documents, visit www.sos.state.co.us.

ABOVE SPACE FOR OFFICE USE ONLY

Articles of Incorporation for a Profit Corporation
 filed pursuant to § 7-102-101 and § 7-102-102 of the Colorado Revised Statutes (C.R.S.)

1. The domestic entity name for the corporation is
HACIENDA EL PATRON LLC

(Caution: The use of certain terms or abbreviations are restricted by law. Read instructions for more information.)

2. The principal office address of the corporation's initial principal office is

Street address 201 WEST MAIN ST
(Street number and name)

NEW CASTLE CO 81647
(City) (State) (ZIP/Postal Code)

United States
(Country)

Mailing address PO BOX 109
 (leave blank if same as street address) *(Street number and name or Post Office Box information)*

NEW CASTLE CO 81647
(City) (State) (ZIP/Postal Code)

United States
(Country)

3. The registered agent name and registered agent address of the corporation's initial registered agent are

Name
 (if an individual) GARCIA SAMUEL P
(Last) (First) (Middle) (Suffix)

or

(if an entity)
(Caution: Do not provide both an individual and an entity name.)

Street address 222 SOUTH E STREET
(Street number and name)

NEW CASTLE CO 81647
(City) (State) (ZIP/Postal Code)

Mailing address PO BOX 109
 (leave blank if same as street address) *(Street number and name or Post Office Box information)*

NEW CASTLE CO 81647
(City) (State) (ZIP/Postal Code)

(The following statement is adopted by marking the box.)

The person appointed as registered agent above has consented to being so appointed.

4. The true name and mailing address of the incorporator are

Name
(if an individual) CORONA SAUZA SALVADOR
(Last) (First) (Middle) (Suffix)

or

(if an entity)
(Caution: Do not provide both an individual and an entity name.)

Mailing address 5033 COUNTY ROAD 335 TRLR 147
(Street number and name or Post Office Box information)

NEW CASTLE CO 81647
(City) (State) (ZIP/Postal Code)
United States
(Province - if applicable) (Country)

(If the following statement applies, adopt the statement by marking the box and include an attachment)

The corporation has one or more additional incorporators and the name and mailing address of each additional incorporator are stated in an attachment.

5. The classes of shares and number of shares of each class that the corporation is authorized to issue are as follows.

The corporation is authorized to issue 1,000,000 common shares that shall have unlimited voting rights and are entitled to receive the net assets of the corporation upon dissolution.

Information regarding shares as required by section 7-106-101, C.R.S., is included in an attachment.

6. (If the following statement applies, adopt the statement by marking the box and include an attachment)

This document contains additional information as provided by law.

7. (Caution: Leave blank if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read instructions before entering a date.)

(If the following statement applies, adopt the statement by entering a date and, if applicable, time using the required format.)

The delayed effective date and, if applicable, time of this document is/are _____
(mm/dd/yyyy hour:minute am/pm)

Notice:

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is named in the document as one who has caused it to be delivered.

8. The true name and mailing address of the individual causing the document to be delivered for filing are

ESTEBAN GOMEZ ABEL
(Last) (First) (Middle) (Suffix)
401 27TH STREET STE 225
(Street number and name or Post Office Box information)

GLENWOOD SPRINGS CO 81601
(City) (State) (ZIP/Postal Code)
United States
(Province - if applicable) (Country)

(If the following statement applies, adopt the statement by marking the box and include an attachment)

- This document contains the true name and mailing address of one or more additional individuals causing the document to be delivered for filing.

Disclaimer:

This form/cover sheet, and any related instructions, are not intended to provide legal, business or tax advice, and are furnished without representation or warranty. While this form/cover sheet is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form/cover sheet. Questions should be addressed to the user's legal, business or tax advisor(s).

MEMBERS AND SHAREHOLDERS

SALVADOR CORONA SAUZA

5033 COUNTY ROAD 335, TRLR 147

NEW CASTLE, CO 81647

SAMUEL P. GARCIA

222 SOUTH E. AVE

NEW CASTLE, CO 81647

Minutes of Shareholders' Meeting

The shareholders of HACIENDA EL PATRON LLC, a Colorado corporation doing business as DOS CORONAS, held a special meeting on April 25, 2016 at 201 W. Main St, New Castle, CO 81647. The meeting began at 9:00 a.m. and ended at 11:00 a.m.

1. Notice

The shareholders acknowledged that by participating in the meeting, they waived notice thereof.

2. Call of Meeting

The meeting was called by SAMUEL P. GARCIA.

3. Quorum

The following persons, constituting a quorum, were present in person or by proxy:

- SAMUEL P. GARCIA
- SALVADOR CORONA SAUZA

4. Actions Taken

The shareholders took the following actions:

Conversion of entity from a LLC Sole proprietorship to a Corporation.

Deliver of the Stock Certificated with 500,000 shares of Common Stock of Hacienda el Patron LLC to Salvador Corona Sauza.

Permit application changes and report of changes to the State of Colorado and Town of New Castle for licenses and permits.

Dated: 4-27-2016

By: 
SAMUEL P. GARCIA
Secretary

Memorandum

To: Mayor and Council
From: Tom Baker, Town Administrator
Date: June 21, 2016
Re: D Ave Retaining Wall Contract

Purpose: To authorize the Mayor to sign the contract to stabilize the D Avenue retaining wall, alley and D Avenue.

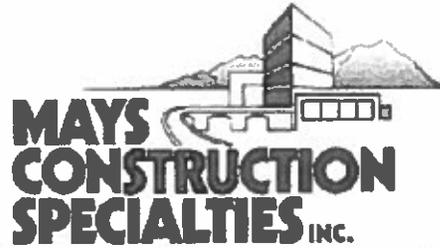
Background: Last fall staff and council became aware of a problem with the D Avenue area. The retaining wall was settling on the west end and there was apparent soil movement that likely caused some utility lines to separate. This shifting soil caused drainage patterns to change and now directs water to the retaining wall, making the problem worse, rather than to Main Street.

Staff reviewed the problem with Jeff Simonson and determined that permeation grouting was the best approach to this particular problem. Only limited firms are capable of doing this work and Jeff needed to go to Grand Junction to locate a firm that specializes in this work. Both Jeff Simonson and John Wenzel reviewed the contract and agree that this is the appropriate scope-of-work.

In late April I signed the contract in order to get on Mays' work schedule. They gave us a late May date to begin work. About this time we had a building permit issued for the property just below the D Avenue retaining wall and Mays must now wait until the foundation is backfilled before they can begin their work – perhaps as late as August.

As I researched code and charter issues last week regarding Council voting with only five members, I read the procurement section and realized that the Mayor needed to sign the Mays contract because it was over \$25,000.

I request that Council authorize the Mayor to sign the contract. We expect work to begin and be complete in August.



2399 Riverside Parkway, P.O. Box 4229, Grand Junction, CO 81502, Phone (970) 245-0834, Fax (970) 254-8957, Email: info@mays-mcsi.com

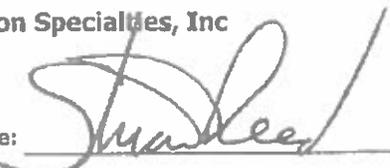
To: SGM	Contact: Jeffrey Simonson PE
Address: 118 W Sixth St, Suite 200 Glenwood Springs, CO 81601	Phone: (970) 245-2571
	Fax:
Project Name: New Castle Wall Stabilization	Bid Number: PG-16-512
Project Location: D Avenue In New Castle, New Castle, CO	Bid Date: 4/18/2016

Item #	Item Description	Estimated Quantity	Unit
1	Provide Equipment, Labor, And Material Up To Quantities Listed Below To Permeation Grout The Soils Above The Redi-Rock Wall (25' X 19')-(25' X 12') And (80' X 16') Up To 250 Bags Of Material. Compaction Grout Under The Redi-Rock Wall 60' X 5' Up To 20 Yards Of Material To Help Strengthen Weak Soil Zones As Stated In Site Plan Email 3/21/16.	1.00	UNIT

Total Bid Price: \$30,800.00

Notes:

- Scheduling of all work shall be by mutual agreement between Owner/General Contractor and MCSI. Prior scheduling commitments and seasonal inclement weather may delay prosecution of the work. Such non-performance shall not be deemed a default by MCSI.
- Standard working hours and times are Monday through Friday from 7:00am to 6:00pm including weekly mobilization time. This proposal does not include overtime (over 40 hours/person per week) including mobilization time. If required by Owner/General Contractor, all overtime may be billed in addition to the prices stated in this proposal.
- Owner/ General Contractor shall provide: Potable and pressurized water (hose bib) within 100' of work areas; Electricity, 110v power (standard outlet) within 100' of work areas; Trash disposal and containment bin for construction debris; Removal of all personal items, furniture, plants, etc. from work areas prior to MCSI's arrival; Removal and/or replacement of concrete; On site area for cleanup of tools and equipment
- Not included in this proposal, which if required, must be provided by others or by change order: Clear access to work areas; Weather protection (i.e., blankets or heating); Sealers or caulking; Plumbing or electrical; Welding; Removal & replacement of landscaping, shrubs, and trees; Stormwater Management plan or implementation; Erosion control; Surveying; Elevations or offset pins; Forming; Concrete removal; wash out area for equipment and excess concrete material on site; Area on site for materials & equipment storage; Waterproofing; Insulation; Testing of materials; Engineering; Permits or fees; Traffic or pedestrian control; Dewatering; Underground drainage pipes; Rock excavation: Over excavation; Imported fill; Utility relocations (pot holing if needed); Temporary sanitation on site; Structural or cosmetic repairs; Drawings or blueprints; As built drawings; Special Inspections; Temporary shoring; Masonry work; Void forms or block outs; Geotechnical investigations, borings or reports; Embed Items; Special finishes, colors or coatings; Bonding or special insurance coverage's; and any items not specifically included in scope of work above
- This proposal is tendered under the terms and conditions of ConsensusDocs 200.
- This Agreement is expressly subject to all the Terms and Conditions attached to this proposal, including but not limited to the warranty provisions. By acceptance of this proposal, Owner/Contractor acknowledges having read, understood, and agreed to such terms and conditions. Any Contract provisions requiring notice of cancellation concerning Mays Construction Specialties, Inc.'s insurance program, shall be deleted. In the event Owner, General Contractor, Subcontractor, or other contacting party requires notice of cancellation, such party may obtain an endorsement requiring notice of cancellation at \$250.00 per notice of cancellation.
- All work to be completed in a workmanlike manner and according to standard practices.
- Add 1.5% if bonding is required
- Down payment of 30% due upon signing this proposal. Remainder due upon invoice (net 20).

<p>ACCEPTED: The above prices, specifications and conditions are satisfactory and are hereby accepted.</p> <p>Buyer: _____</p> <p>Signature: _____</p> <p>Date of Acceptance: _____</p>	<p>CONFIRMED: Mays Construction Specialties, Inc</p> <p>Authorized Signature: </p> <p>Estimator: Stuart Reed 9702450834 sreed@mays-mcsi.com</p>
---	--

TERMS AND CONDITIONS

1. **Payment Terms.** The Owner/Contractor agrees to pay Mays Construction Specialties, Inc. (MCSI) for all amounts due for work performed under this Agreement. Owner/Contractor agrees to pay a **FINANCE CHARGE OF 2% PER MONTH / 24% PER ANNUM**, on all sums due and owing per proposal for the work under this Agreement. Owner/Contractor shall also be required to pay to MCSI all attorney fees and costs incurred to collect sums due to MCSI under the terms of this Agreement, whether actual litigation is commenced or not. No warranty work shall be performed by MCSI until Owner/Contractor has paid all amounts due under this Agreement. Failure to pay all amounts due under this Agreement in a timely manner shall void the express warranty provided below. The Owner/Contractor acknowledges that payment for work performed under this Agreement is due when complete, and MCSI is under no obligation to await payment from any insurance company obligated to reimburse Owner/Contractor for the work performed under this Agreement.
2. **Work Performed.** Owner/Contractor acknowledges that the anticipated work involves uncertainties regarding the exact work to be performed. MCSI may encounter unexpected and unanticipated conditions underground and under existing concrete sidewalks, slabs and foundations. Owner/Contractor hereby agrees to pay for all labor, materials and costs which are required to complete the anticipated work and to pay for all additional labor, materials and costs resulting from unexpected conditions. MCSI, however, shall, as soon as reasonably possible, advise Owner/Contractor of all unexpected and unanticipated conditions encountered and shall, if possible, provide Owner/Contractor with a summary of such conditions and an estimate of the additional labor, materials and costs. A written change order signed by both parties shall be required to approve changes to the work, additions thereto and costs associated with the changes. Owner/Contractor may terminate this Agreement upon Owner/Contractor's review of MCSI's estimate of extra labor, materials and costs needed to complete the work, provided that Owner/Contractor shall pay MCSI for all labor, materials and costs originally agreed to under this Agreement, plus actual labor, materials and costs incurred in excess of the originally estimated amount, through the date on which Owner/Contractor gives MCSI written notice to stop work under this Agreement.
3. **Warranty and Disclaimers.** Owner/Contractor acknowledges that unknown soil, underground conditions and other unknown conditions involving existing concrete and other improvements in the vicinity of the anticipated work can and probably will affect and be effected by the anticipated work. Because of these unknown conditions, the parties agree that MCSI shall not be responsible for damages, including cracks, heaving, swelling or settling in floors or walls, which might appear in any improvements in the vicinity of the anticipated work. MCSI shall also not be responsible for any damage to existing utilities, or other damage which occur as a consequence of the work. **MCSI expressly warrants that the work performed under this Agreement shall be free of defects in materials and workmanship for a period of ninety (90) days from the date work under this Agreement is complete. This warranty and any damages arising from the work performed under this Agreement shall be limited to the dollar amount paid by Owner/Contractor to MCSI under this Agreement. The warranty shall be solely for the benefit of Owner/Contractor and shall not be transferable or for the benefit to any third party. MCSI expressly disclaims and Owner/Contractor expressly waives and releases MCSI from all claims for any express or implied warranties of any kind or nature concerning the work, including but not limited to any express or implied warranty of habitability, workmanlike construction and compliance with applicable building codes, except to the extent of and subject to the provisions of the express warranty set forth in this Agreement. The above Express Warranty is expressly intended to be in derogation of any other express or implied warranty. Owner/Contractor expressly waives any claim to and MCSI shall not be liable for any special, consequential or indirect damages arising from the work under this Agreement. All warranty rights are in consideration of your timely and full payment of all sums due under this contract, and such timely and full payment to MCSI is an express condition precedent to MCSI obligation to honor warranty claims.**
4. **Insurance.** Owner/Contractor shall maintain fire, hazard, accident and other liability insurance, upon the premises where the work is being performed, which is acceptable to MCSI, and shall provide copies of such policies and certificates of insurance, if requested. MCSI shall maintain workers' compensation and liability insurance.
5. **Damage to Improvements:** MCSI shall not be responsible for any damage to or destruction of flooring materials, sidewalks, curbing, landscaping, plantings or other improvements that may be removed or which must be disturbed in order to allow MCSI to perform the work contemplated by this Agreement, and MCSI shall not be obligated to replace or reinstall such improvements unless provided in this Agreement.
6. **Force Majeure:** Owner/Contractor shall not be required to perform any term, condition or covenant in this Agreement so long as such performance is delayed or prevented by force majeure, which shall mean Acts of God, strikes, lockouts, material or labor restrictions by any governmental authority, civil riot, floods and any other cause not reasonably within the control of MCSI or Owner/Contractor, and which, by the exercise of due diligence, MCSI or Owner/Contractor is unable, wholly or in part, to prevent or overcome.
7. **Authority.** Owner/Contractor, by executing this Agreement, confirms that Owner/Contractor has full power and authority to agree to the terms of this Agreement on behalf of all Owners of the property as owner's agent and further agrees to pay all amounts due in the event of non-payment by Owner(s) pursuant to the terms of this Agreement.

These Terms and Conditions are an integral part of **Proposal #PG-16-512 dated 4-18-16** as shown on the front page of the Proposal.

Owner/Contractor Initials _____ Date _____

MCSI Initials  _____