



Town of Paonia
214 Grand Avenue
Tuesday, March 24, 2026 6:30 PM
Town Board Agenda

<https://us02web.zoom.us/j/87982959014>

Meeting ID: 879 8295 9014

Public Participation: Please raise your hand and wait to be recognized by the Mayor, come to the podium and state your name and whether you live in town or out of town. Time limit is 3 minutes, one time per item, there are instructions at the podium for the timer light. Please direct all comments to the Mayor. No responses will be made by staff or Board during the meeting.

Please be respectful and help to maintain decorum by not engaging in derogatory and/or demeaning statements or public displays.

A) Roll Call

B) Approval of Agenda

C) Announcements

- 1) There is an open seat on the Zoning Board of Adjustments (ZBA) for a three (3) year term. The ZBA only meets when there is a public hearing before it and you do not have to be an in-town resident to serve on this Board. Please have your applications to the Town Clerk by April 7, 2026 at Noon.

D) Consent Agenda

- 1) March 10, 2026 Regular Meeting Minutes
- 2) March 24, 2026 Disbursements

E) Staff Reports

- 1) March 2026 Department Score Card

F) Actions & Presentations

Public comments must be related to the agenda item, 3-minute time limit.

- 1) Consideration of Setting a Work Session for April 14, 2026 at 5 pm to Discuss Smith Center Operations Agreement - *Town Clerk Vetter*
- 2) Consideration of Lease-Purchase Agreement for New Street Sweeper and Disposal through Trade-In of Existing Street Sweeper - *Town Administrator/ Treasurer Wynn*
- 3) Consideration of Change Order #2 for KLM - *Public Works Director Poulos*
- 4) Consideration of Resolution 04-26_Extending the STR Moratorium - *Town Administrator Wynn*
- 5) Consideration of Agreement for Facilitator for Ad Hoc Short-Term Rental Committee - *Town Administrator Wynn*
- 6) Board Discussion on Short-Term Rental Topics - *Mayor Smith*

7) Consideration of Developing a 'Clean Up Days' Program - *Town Administrator/
Treasurer Wynn*

G) Mayor & Trustee Reports

1) Ad Hoc Short Term Rentals Committee

H) Adjournment

As Adopted by:
Town of Paonia, Colorado
Resolution No. 2017-10 – Amended May 22, 2018

I. Rules of Procedure

Section 1. Schedule of Meetings. Regular Board of Trustees meetings shall be held on the second and fourth Tuesdays of each month, except on legal holidays, or as re-scheduled or amended and posted on the agenda prior to the scheduled meeting.

Section 2. Officiating Officer. The meetings of the Board of Trustees shall be conducted by the Mayor or, in the Mayor's absence, the Mayor Pro-Tem. The Town Clerk or a designee of the Board shall record the minutes of the meetings.

Section 3. Time of Meetings. Regular meetings of the Board of Trustees shall begin at 6:30 p.m. or as scheduled and posted on the agenda. Board Members shall be called to order by the Mayor. The meetings shall open with the presiding officer leading the Board in the Pledge of Allegiance. The Town Clerk shall then proceed to call the roll, note the absences and announce whether a quorum is present. Regular Meetings are scheduled for three hours, and shall be adjourned at 9:30 p.m., unless a majority of the Board votes in the affirmative to extend the meeting, by a specific amount of time.

Section 4. Schedule of Business. If a quorum is present, the Board of Trustees shall proceed with the business before it, which shall be conducted in the following manner. Note that all provided times are estimated:

- (a) Roll Call - (5 minutes)
- (b) Approval of Agenda - (5 minutes)
- (c) Announcements (5 minutes)
- (d) Recognition of Visitors and Guests (10 minutes)
- (e) Consent Agenda including Approval of Prior Meeting Minutes (10 minutes)
- (f) Mayor's Report (10 minutes)
- (g) Staff Reports: (15 minutes)
 - (1) Town Administrator's Report
 - (2) Public Works Reports
 - (3) Police Report
 - (4) Treasurer Report
- (h) Unfinished Business (45 minutes)
- (i) New Business (45 minutes)
- (j) Disbursements (15 minutes)
- (k) Committee Reports (15 minutes)
- (l) Adjournment

* This schedule of business is subject to change and amendment.

Section 5. Priority and Order of Business. Questions relative to the priority of business and order shall be decided by the Mayor without debate, subject in all cases to an appeal to the Board of Trustees.

Section 6. Conduct of Board Members. Town Board Members shall treat other Board Members and the public in a civil and polite manner and shall comply with the Standards of Conduct for Elected Officials of the Town. Board Members shall address Town Staff and the Mayor by his/her title, other Board Members by the title of Trustee or the appropriate honorific (i.e.: Mr., Mrs. or Ms.), and members of the public by the appropriate honorific. Subject to the Mayor's discretion, Board Members shall be limited to speaking two times when debating an item on the agenda. Making a motion,

asking a question or making a suggestion are not counted as speaking in a debate.

Section 7. Presentations to the Board. Items on the agenda presented by individuals, businesses or other organizations shall be given up to 5 minutes to make a presentation. On certain issues, presenters may be given more time, as determined by the Mayor and Town Staff. After the presentation, Trustees shall be given the opportunity to ask questions.

Section 8. Public Comment. After discussion of an agenda item by the Board of Trustees has concluded, the Mayor shall open the floor for comment from members of the public, who shall be allowed the opportunity to comment or ask questions on the agenda item. Each member of the public wishing to address the Town Board shall be recognized by the presiding officer before speaking. Members of the public shall speak from the podium, stating their name, the address of their residence and any group they are representing prior to making comment or asking a question. Comments shall be directed to the Mayor or presiding officer, not to an individual Trustee or Town employee. Comments or questions should be confined to the agenda item or issue(s) under discussion. The speaker should offer factual information and refrain from obscene language and personal attacks.

Section 9. Unacceptable Behavior. Disruptive behavior shall result in expulsion from the meeting.

Section 10. Posting of Rules of Procedure for Paonia Board of Trustees Meetings. These rules of procedure shall be provided in the Town Hall meeting room for each Board of Trustees meeting so that all attendees know how the meeting will be conducted.

II. Consent Agenda

Section 1. Use of Consent Agenda. The Mayor, working with Town Staff, shall place items on the Consent Agenda. By using a Consent Agenda, the Board has consented to the consideration of certain items as a group under one motion. Should a Consent Agenda be used at a meeting, an appropriate amount of discussion time will be allowed to review any item upon request.

Section 2. General Guidelines. Items for consent are those which usually do not require discussion or explanation prior to action by the Board, are non-controversial and/or similar in content, or are those items which have already been discussed or explained and do not require further discussion or explanation. Such agenda items may include ministerial tasks such as, but not limited to, approval of previous meeting minutes, approval of staff reports, addressing routine correspondence, approval of liquor licenses renewals and approval or extension of other Town licenses. Minor changes in the minutes such as non-material Scribner errors may be made without removing the minutes from the Consent Agenda. Should any Trustee feel there is a material error in the minutes, they should request the minutes be removed from the Consent Agenda for Board discussion.

Section 3. Removal of Item from Consent Agenda. One or more items may be removed from the Consent Agenda by a timely request of any Trustee. A request is timely if made prior to the vote on the Consent Agenda. The request does not require a second or a vote by the Board. An item removed from the Consent Agenda will then be discussed and acted on separately either immediately following the consideration of the

Consent Agenda or placed later on the agenda, at the discretion of the Board.

III. Executive Session

Section 1. An executive session may only be called at a regular or special Board meeting where official action may be taken by the Board, not at a work session of the Board. To convene an executive session, the Board shall announce to the public in the open meeting the topic to be discussed in the executive session, including specific citation to the statute authorizing the Board to meet in an executive session and identifying the particular matter to be discussed "in as much detail as possible without compromising the purpose for which the executive session is authorized." In the event the Board plans to discuss more than one of the authorized topics in the executive session, each should be announced, cited and described. Following the announcement of the intent to convene an executive session, a motion must then be made and seconded. In order to go into executive session, there must be the affirmative vote of two thirds (2/3) of Members of the Board.

Section 2. During executive session, minutes or notes of the deliberations should not be taken. Since meeting minutes are subject to inspection under the Colorado Open Records Act, the keeping of minutes would defeat the private nature of executive session. In addition, the deliberations carried out during executive session should not be discussed outside of that session or with individuals not participating in the session. The contents of an executive session are to remain confidential unless a majority of the Trustees vote to disclose the contents of the executive session.

Section 3. Once the deliberations have taken place in executive session, the Board should reconvene in regular session to take any formal action decided upon during the executive session. If you have questions regarding the wording of the motion or whether any other information should be disclosed on the record, it is essential for you to consult with the Town Attorney on these matters.

IV. Subject to Amendment

Section 1. Deviations. The Board may deviate from the procedures set forth in this Resolution, if, in its sole discretion, such deviation is necessary under the circumstances.

Section 2. Amendment. The Board may amend these Rules of Procedures Policy from time to time.

Town of Paonia
214 Grand Avenue
Tuesday, March 10, 2026 6:30 PM
Town Board Meeting Minutes

RECORD OF PROCEEDINGS

Mayor Smith calls the meeting to order at 6:30 PM.

A. Roll Call

Present:

Mayor Smith

Mayor Pro-Tem Stelter

Trustee Heck

Trustee Czech

Trustee Hunter

Trustee Tarnow (via Zoom)

Trustee Mejorado

B. Approval of Agenda

Mayor Smith explained that staff needed more time to conduct research and gather information on the first item under Actions & Presentations - Consideration of USGS Agreement.

Trustee Hunter makes a motion to approve the agenda with the first action item of Consideration of USGS Agreement tabled to the March 24th Board meeting. Seconded by Trustee Czech.

The motion carries unanimously.

C. Announcement

Town Administrator Wynn announced that the Town would soon be posting a job opening for a new position at the Town Hall front counter.

D. Public Comment

None

E. Consent Agenda

Mayor Pro-Tem Stelter makes a motion to approve the consent agenda. Seconded by Trustee Hunter.

The motion carries unanimously.

F. Staff Reports

1) Town Administrator/Treasurer

Town Administrator Wynn's report included reporting that the Town remains in a strong

financial position (~\$6.4M), with funds expected to decrease as capital projects begin, and has secured an additional \$416,000 federal grant for water system improvements. Additionally, the trash can rollout is underway, with public outreach completed and a transition to a standardized, Town-owned system where cans are assigned to each property and used upon delivery. Payroll and Accounting Specialist Ashley Rodarte presented a grant-funded project to improve town aesthetics by restoring welcome signs, adding wayfinding signage and public art, and launching a community banner design contest to engage local artists and refresh aging visuals.

2) Police Chief

Police Chief Laiminger reported that the Police Department reported ongoing training and professional development, including victim assistance coordination and internal training requirements, and is preparing to initiate an RFQ process for the purchase of a new patrol vehicle.

3) Public Works Director

Public Works Director Poulos reported ongoing efforts to improve right-of-way maintenance, including tree removal, rock placement adjustments for efficiency, and general infrastructure upkeep, along with operational updates such as trash service implementation and safety training for trash truck operations.

G. Public Hearing

Public Hearing to consider an application to transfer a Beer & Wine License, from Aspen Yoga, INC dba Louie's Pizza My Heart to Good Love LLC dba Stealy's, for the restaurant premises located at 202 Grand Ave, Paonia CO 81428, by the managing member of Good Love LLC, Abreaze Parra, 14134 Burgess Lane, Paonia CO 81428.

Mayor Smith opens the public hearing at 7:21 PM.

Town Clerk Vetter presents the staff presentation and provides background.

Abreaze Parra, applicant and owner of Good Love LLC, makes the applicant presentation.

Police Chief Laiminger states that the Police Department reported no objections to the liquor license transfer, indicating no public safety concerns.

The Fire Chief recommendations included clearance around electrical panels, installation of a compliant Type I hood and fire suppression system, adherence to all fire safety requirements, and restriction of balcony use unless separately approved.

Public Works Director Poulos also reported no concerns, confirming the site meets utility requirements, with the only caveat being that any future changes, such as patio or right-of-way modifications, would require additional review.

Public Comment:

- E. Sunderman, In-Town Resident, speaks in favor of transfer.

Mayor Smith closes the public hearing at 7:35 PM.

Trustee Hunter makes a motion to approve the application for transfer of ownership for a beer and wine liquor license from Aspen Yoga, Inc., dba Louie's Pizza My Heart to Good Love, LLC dba Stealys, with the following caveats; that there be an amended boundary map that will not include the balcony and the Fire Chief's recommendations are implemented and maintained, as discussed. Seconded by Mayor Pro-Tem Stelter.

Voting Aye:

Mayor Pro-Tem Stelter

Trustee Mejorado

Trustee Czech

Trustee Hunter

Trustee Heck

Trustee Tarnow

Voting Nay:

None

The motion carries.

H. Actions & Presentations

- 1) Consideration of USGS Agreement 26REJFACO111 - *Public Works Director Poulos*

Item moved during agenda approval.

- 2) Consideration of Lease-Purchase of New Street Sweeper and Disposal through Trade-In of Existing Street Sweeper - *Public Works Supervisor Byrge*

Public Works Director Poulos and Public Works Supervisor Byrge discussed with the Board replacing the existing street sweeper due to its age and limited capability, noting it is designed for light-duty use and struggles with the heavier debris found on Town streets. Staff emphasized that the current system is inefficient and labor-intensive, often requiring multiple pieces of equipment and several crew members, while also generating significant dust and public complaints. In contrast, the proposed sweeper would significantly improve efficiency by reducing labor needs, minimizing dust, and allowing more effective cleaning of streets, storm drains, and debris in fewer passes with a single operator.

Public Comment:

- E. Short, In-Town Resident, speaks in favor of purchase.

Mayor Pro-Tem Stelter makes a motion to suspend the purchasing policy in this particular instance. Seconded by Trustee Heck.

The motion carries unanimously.

Board discusses timing, discounts, and board approval for any purchase contract.

Trustee Hunter makes a motion to instruct staff to move forward with entering into an initial contract to come before the Board of Trustees for final approval for a lease purchase agreement

with the disposition of our existing vehicle for trading for a five-year finance lease. Seconded by Mayor Pro-Tem Stelter.

The motion carries unanimously.

- 3) Consideration of Appointing Administrator Wynn as the Town Representative for the Pan American Property Owners' Association Annual Meeting on March 12, 2026 - *Town Administrator/ Treasurer Wynn*

The Board briefly confirmed Administrator Wynn's availability and clarifying that the appointment could include him or his designee. There were no substantive concerns raised, no public comment was received.

Mayor Pro-Tem Stelter makes a motion to appoint Administrator Wynn, or his designee, as the representative for the Town at the Pan American Property Owner Association on March 12, 2026. Seconded by Trustee Heck.

The motion carries unanimously.

Trustee Hunter makes a motion for a 5-minute recess. Seconded by Mayor Pro-Tem Stelter.

The motion carries unanimously.

The Board goes into recess at 8:20 PM.

The Board reconvenes at 8:25 PM.

I. Mayor & Trustee Reports

1) Ad Hoc Short Term Rentals Committee

Mayor Pro-Tem Stelter, reporting for the Ad Hoc Short Term Rental Committee, provided an update indicating they are actively meeting and organizing their efforts, with a focus on gathering information, refining priorities, and preparing to bring more structured recommendations forward to the Board, though no final proposals were presented at this time.

No action taken or motion made.

J. Executive Session

Mayor Pro-Tem Stelter makes a motion to go into Executive Session, pursuant to C.R.S. Sec. 24-6-402(4)(f), to discuss a personnel matter regarding Police Chief Matt Laiminger's 2026 performance review and merit increase, and not involving: any specific employees who have requested discussion of the matter in open session; any member of this body or any elected official; the appointment of any person to fill an office of this body or of an elected official; or personnel policies that do not require the discussion of matters personal to particular employees. Seconded by Trustee Hunter.

The motion carries unanimously.

The Board of Trustees enters the Executive Session at 8:37 PM.

Executive Session concludes at 9:15 PM. Attendees included Mayor Smith, Mayor Pro-Tem Stelter, Trustee Czech, Trustee Heck, Trustee Hunter, Trustee Mejorado, Trustee Tarnow, Town Administrator Wynn, Police Chief Laiminger, and Town Attorney Buchner.

No additional action was taken.

K. Adjournment

Mayor Smith adjourns the meeting at 9:16 PM.

Samira M. Vetter, Town Clerk

Paige Smith, Mayor

DRAFT

WC PS

Town of Paonia

Payment Approval Report - Board of Trustees Disbursement Approval

Report dates: 3/12/2026-3/31/2026

Page: 1

Mar 20, 2026 11:47AM

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Voided	GL Account and Title	GL Period Date
ADP, INC								
715296629								
1352	ADP, INC	715296629	Admin Payroll	03/06/2026	52.93		10-41-20 LEGAL, ENGINEERING & PR	03/31/2026
1352	ADP, INC	715296629	PD Payroll	03/06/2026	62.39		10-42-20 LEGAL, ENGINEERING & PR	03/31/2026
1352	ADP, INC	715296629	WasteWater Payroll	03/06/2026	24.58		70-51-20 LEGAL, ENGINEERING & PR	03/31/2026
1352	ADP, INC	715296629	Water Payroll	03/06/2026	24.58		60-50-20 LEGAL, ENGINEERING & PR	03/31/2026
1352	ADP, INC	715296629	Sanitation Payroll	03/06/2026	24.57		80-52-20 LEGAL, ENGINEERING & PR	03/31/2026
Total 715296629:					189.05			
Total ADP, INC:					189.05			
AFLAC								
021482								
749	AFLAC	021482	AFLAC ACH	03/15/2026	97.08		10-0225 AFLAC COVERAGE	03/31/2026
Total 021482:					97.08			
Total AFLAC:					97.08			
Alpha Plumbing & Heating								
BID TO START HANSON CENTER								
1485	Alpha Plumbing & Heating	BID TO START	BUILDING IMPROVEMENTS	03/18/2026	1,250.00		10-46-73 BUILDING IMPROVEMENTS	03/31/2026
Total BID TO START HANSON CENTER:					1,250.00			
Total Alpha Plumbing & Heating:					1,250.00			
Alpine Fencing & Supplies, Inc								
40425								
573	Alpine Fencing & Supplies, Inc	40425	Park Fence	03/05/2026	340.00		10-46-70 CAPITAL OUTLAY	03/31/2026
Total 40425:					340.00			
Total Alpine Fencing & Supplies, Inc:					340.00			
AXON Enterprise Inc								
INUS429220								
1021	AXON Enterprise Inc	INUS429220	CONTRACT SERVICES	03/15/2026	3,702.07		10-42-42 CONTRACT SERVICES	03/31/2026

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Voided	GL Account and Title	GL Period Date
Total INUS429220:					3,702.07			
INUS429272								
1021	AXON Enterprise Inc	INUS429272	EQUIPMENT	03/15/2026	350.23		10-42-74 MACHINERY & EQUIPMENT	03/31/2026
1021	AXON Enterprise Inc	INUS429272	DUES & SUBSCRIPTIONS	03/15/2026	1,286.37		10-42-31 DUES & SUBSCRIPTIONS	03/31/2026
Total INUS429272:					1,636.60			
Total AXON Enterprise Inc:					5,338.67			
Bachran, Mary								
1-22-26 TO 3-5-26								
1045	Bachran, Mary	1-22-26 TO 3-5	GRANT WRITING	03/12/2026	375.00		70-51-20 LEGAL, ENGINEERING & PR	03/31/2026
Total 1-22-26 TO 3-5-26:					375.00			
Total Bachran, Mary:					375.00			
Bolinger & Queen Inc								
164229/1								
14	Bolinger & Queen Inc	164229/1	2ND & GRAND SHOP REPAIR	03/04/2026	797.68		60-50-22 REPAIRS & MAINTENANCE	03/31/2026
Total 164229/1:					797.68			
Total Bollinger & Queen Inc:					797.68			
Bruin Waste								
1787676								
1307	Bruin Waste	1787676	OPERATING SUPPLIES	03/04/2026	119.75		60-50-16 OPERATING SUPPLIES	03/31/2026
Total 1787676:					119.75			
Total Bruin Waste:					119.75			
CDPHE								
WU261177480								
22	CDPHE	WU261177480	PERMITS	03/15/2026	92.00		70-51-32 FEES & PERMITS	03/31/2026

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Voided	GL Account and Title	GL Period Date
Total WU261177480:					92.00			
Total CDPHE:					92.00			
CEBT								
2026-03								
1320	CEBT	2026-03	Health Insurance	03/04/2026	27,213.00		10-0223 HEALTH/LIFE INSURANCE	03/31/2026
Total 2026-03:					27,213.00			
Total CEBT:					27,213.00			
Cedar Creek Supply LLC								
INV-0741								
1284	Cedar Creek Supply LLC	INV-0741	CHEMICALS	03/04/2026	710.80		70-51-14 CHEMICALS	03/31/2026
Total INV-0741:					710.80			
INV-0742								
1284	Cedar Creek Supply LLC	INV-0742	CHEMICALS	03/04/2026	1,029.80		60-50-14 CHEMICALS	03/31/2026
Total INV-0742:					1,029.80			
Total Cedar Creek Supply LLC:					1,740.60			
CIRSA								
INV1004025								
23	CIRSA	INV1004025	Quarterly Invoice - Insurance Cov	03/18/2026	2,676.62		10-41-27 INSURANCE & BONDS	03/31/2026
23	CIRSA	INV1004025	Quarterly Invoice - Insurance Cov	03/18/2026	13,823.73		10-42-27 INSURANCE & BONDS	03/31/2026
23	CIRSA	INV1004025	Quarterly Invoice - Insurance Cov	03/18/2026	1,589.10		10-45-27 INSURANCE & BONDS	03/31/2026
23	CIRSA	INV1004025	Quarterly Invoice - Insurance Cov	03/18/2026	1,250.04		10-46-27 INSURANCE & BONDS	03/31/2026
23	CIRSA	INV1004025	Quarterly Invoice - Insurance Cov	03/18/2026	4,495.89		60-50-27 INSURANCE & BONDS	03/31/2026
23	CIRSA	INV1004025	Quarterly Invoice - Insurance Cov	03/18/2026	4,491.81		70-51-27 INSURANCE & BONDS	03/31/2026
23	CIRSA	INV1004025	Quarterly Invoice - Insurance Cov	03/18/2026	3,862.80		80-52-27 INSURANCE & BONDS	03/31/2026
Total INV1004025:					32,189.99			
WINV1001113								
23	CIRSA	WINV1001113	Worker's Compensation Coverage	03/18/2026	177.36		10-41-10 WORKMENS COMPENSATIO	03/31/2026

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Voided	GL Account and Title	GL Period Date
23	CIRSA	WINV1001113	Worker's Compensation Coverage	03/18/2026	2,704.66		10-42-10 WORKMENS COMPENSATIO	03/31/2026
23	CIRSA	WINV1001113	Worker's Compensation Coverage	03/18/2026	1,718.43		10-45-10 WORKMENS COMPENSATIO	03/31/2026
23	CIRSA	WINV1001113	Worker's Compensation Coverage	03/18/2026	371.88		10-46-10 WORKMENS COMPENSATIO	03/31/2026
23	CIRSA	WINV1001113	Worker's Compensation Coverage	03/18/2026	666.45		60-50-10 WORKMENS COMPENSATIO	03/31/2026
23	CIRSA	WINV1001113	Worker's Compensation Coverage	03/18/2026	432.67		70-51-10 WORKMENS COMPENSATIO	03/31/2026
23	CIRSA	WINV1001113	Worker's Compensation Coverage	03/18/2026	1,577.69		80-52-10 WORKMEN'S COMP	03/31/2026
Total WINV1001113:					7,649.14			
Total CIRSA:					39,839.13			
City of Delta								
34								
24	City of Delta	34	PROF SERV	03/12/2026	304.00		70-51-20 LEGAL, ENGINEERING & PR	03/31/2026
Total 34:					304.00			
Total City of Delta:					304.00			
City Of Grand Junction								
104882								
673	City Of Grand Junction	104882	PROFESSIONAL SERVICES	03/12/2026	138.00		70-51-20 LEGAL, ENGINEERING & PR	03/31/2026
Total 104882:					138.00			
Total City Of Grand Junction:					138.00			
CivicPlus								
364856								
995	CivicPlus	364856	PROF SERV	02/28/2026	203.36		10-41-20 LEGAL, ENGINEERING & PR	03/31/2026
995	CivicPlus	364856	PROF SERV	02/28/2026	203.36		60-50-20 LEGAL, ENGINEERING & PR	03/31/2026
995	CivicPlus	364856	PROF SERV	02/28/2026	203.36		70-51-20 LEGAL, ENGINEERING & PR	03/31/2026
995	CivicPlus	364856	PROF SERV	02/28/2026	203.35		80-52-20 LEGAL, ENGINEERING & PR	03/31/2026
Total 364856:					813.43			
Total CivicPlus:					813.43			

Clayton M. Buchner Attorney at Law, LLC

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Voided	GL Account and Title	GL Period Date
0913								
1392	Clayton M. Buchner Attorney at La	0913	PROF SERV	03/03/2026	316.80		10-41-20 LEGAL, ENGINEERING & PR	03/31/2026
1392	Clayton M. Buchner Attorney at La	0913	PROF SERV	03/03/2026	316.80		10-42-20 LEGAL, ENGINEERING & PR	03/31/2026
1392	Clayton M. Buchner Attorney at La	0913	PROF SERV	03/03/2026	316.80		60-50-20 LEGAL, ENGINEERING & PR	03/31/2026
1392	Clayton M. Buchner Attorney at La	0913	PROF SERV	03/03/2026	316.80		70-51-20 LEGAL, ENGINEERING & PR	03/31/2026
1392	Clayton M. Buchner Attorney at La	0913	PROF SERV	03/03/2026	316.80		80-52-20 LEGAL, ENGINEERING & PR	03/31/2026
Total 0913:					1,584.00			
Total Clayton M. Buchner Attorney at Law, LLC:					1,584.00			
Consor North America, Inc.								
D253254CO.00-1								
1491	Consor North America, Inc.	D253254CO.00	SAFE ROUTES	03/13/2026	1,062.50		10-45-75 GRANT PROJECTS	03/31/2026
Total D253254CO.00-1:					1,062.50			
Total Consor North America, Inc.:					1,062.50			
Delta County Independent								
8DFD59D8-0134								
1183	Delta County Independent	8DFD59D8-013	PUBLICATION	03/13/2026	21.96		10-41-30 PUBLISHING & ADS	03/31/2026
Total 8DFD59D8-0134:					21.96			
Total Delta County Independent:					21.96			
Delta County Landfill								
FEB 2026 STATEMENT								
56	Delta County Landfill	FEB 2026 STA	Landfill Fee	02/28/2026	2,721.00		80-52-42 LANDFILL FEES	03/31/2026
Total FEB 2026 STATEMENT:					2,721.00			
Total Delta County Landfill:					2,721.00			
Dependable Lumber, Inc.								
FEB 2026 STATEMENT								
46	Dependable Lumber, Inc.	FEB 2026 STA	BUILDING IMPROVEMENTS	03/01/2026	18.20		10-42-73 BUILDING IMPROVEMENTS	03/31/2026
46	Dependable Lumber, Inc.	FEB 2026 STA	OPERATING	03/01/2026	199.97		10-45-16 OPERATING SUPPLIES	03/31/2026
46	Dependable Lumber, Inc.	FEB 2026 STA	OPERATING	03/01/2026	67.74		10-46-16 OPERATING SUPPLIES	03/31/2026

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Voided	GL Account and Title	GL Period Date
46	Dependable Lumber, Inc.	FEB 2026 STA	MAINTENANCE	03/01/2026	84.19		60-50-22 REPAIRS & MAINTENANCE	03/31/2026
46	Dependable Lumber, Inc.	FEB 2026 STA	OPERATING	03/01/2026	19.98		70-51-16 OPERATING SUPPLIES	03/31/2026
46	Dependable Lumber, Inc.	FEB 2026 STA	CAPITAL OUTLAY	03/01/2026	39.75		70-51-70 CAPITAL OUTLAY	03/31/2026
46	Dependable Lumber, Inc.	FEB 2026 STA	OPERATING	03/01/2026	46.57		80-52-16 OPERATING SUPPLIES	03/31/2026
Total FEB 2026 STATEMENT:					476.40			
Total Dependable Lumber, Inc.:					476.40			
Empower Trust Company LLC								
3-20-2026 PAYROLL								
1190	Empower Trust Company LLC	3-20-2026 PAY	Retirement Plan PPE	03/18/2026	3,582.42		10-0220 RETIREMENT PLAN	03/31/2026
Total 3-20-2026 PAYROLL:					3,582.42			
Total Empower Trust Company LLC:					3,582.42			
Fire & Police Pension Assn.								
3-20-2026 PAYROLL								
63	Fire & Police Pension Assn.	3-20-2026 PAY	Payroll Ending	03/18/2026	4,571.30		10-0219 FPPA	03/31/2026
Total 3-20-2026 PAYROLL:					4,571.30			
Total Fire & Police Pension Assn.:					4,571.30			
G.O.A.T. Hat Company								
1822942035								
1490	G.O.A.T. Hat Company	1822942035	UNIFORMS	03/02/2026	678.00		10-45-19 UNIFORMS	03/31/2026
1490	G.O.A.T. Hat Company	1822942035	UNIFORMS	03/02/2026	678.00		10-46-19 UNIFORMS	03/31/2026
1490	G.O.A.T. Hat Company	1822942035	UNIFORMS	03/02/2026	678.00		60-50-19 UNIFORMS	03/31/2026
1490	G.O.A.T. Hat Company	1822942035	UNIFORMS	03/02/2026	678.00		70-51-19 UNIFORMS	03/31/2026
1490	G.O.A.T. Hat Company	1822942035	UNIFORMS	03/02/2026	678.00		80-52-19 UNIFORMS	03/31/2026
Total 1822942035:					3,390.00			
1822942037								
1490	G.O.A.T. Hat Company	1822942037	UNIFORMS	03/11/2026	348.00		10-45-19 UNIFORMS	03/31/2026
1490	G.O.A.T. Hat Company	1822942037	UNIFORMS	03/11/2026	348.00		10-46-19 UNIFORMS	03/31/2026
1490	G.O.A.T. Hat Company	1822942037	UNIFORMS	03/11/2026	348.00		60-50-19 UNIFORMS	03/31/2026
1490	G.O.A.T. Hat Company	1822942037	UNIFORMS	03/11/2026	348.00		70-51-19 UNIFORMS	03/31/2026

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Voided	GL Account and Title	GL Period Date
1490	G.O.A.T. Hat Company	1822942037	UNIFORMS	03/11/2026	348.00		80-52-19 UNIFORMS	03/31/2026
Total 1822942037:					1,740.00			
Total G.O.A.T. Hat Company:					5,130.00			
Grand Junction Winwater								
084086 01								
1304	Grand Junction Winwater	084086 01	OPERATING	03/06/2026	654.78		70-51-16 OPERATING SUPPLIES	03/31/2026
Total 084086 01:					654.78			
Total Grand Junction Winwater:					654.78			
Ira Houseweart Metalworks, LLC								
1539								
719	Ira Houseweart Metalworks, LLC	1539	WAYFINDING GRANT PROJECT	03/20/2026	3,750.00		10-41-75 GRANT PROJECTS	03/31/2026
Total 1539:					3,750.00			
Total Ira Houseweart Metalworks, LLC:					3,750.00			
Istonish, Inc.								
INV-1068								
1482	Istonish, Inc.	INV-1068	PROF SERV	02/28/2026	1,686.60		10-41-20 LEGAL, ENGINEERING & PR	03/31/2026
1482	Istonish, Inc.	INV-1068	PROF SERV	02/28/2026	1,686.60		10-42-20 LEGAL, ENGINEERING & PR	03/31/2026
1482	Istonish, Inc.	INV-1068	PROF SERV	02/28/2026	1,686.60		60-50-20 LEGAL, ENGINEERING & PR	03/31/2026
1482	Istonish, Inc.	INV-1068	PROF SERV	02/28/2026	1,686.60		70-51-20 LEGAL, ENGINEERING & PR	03/31/2026
1482	Istonish, Inc.	INV-1068	PROF SERV	02/28/2026	1,686.60		80-52-20 LEGAL, ENGINEERING & PR	03/31/2026
Total INV-1068:					8,433.00			
Total Istonish, Inc.:					8,433.00			
Mail Services, LLC.								
2019844								
645	Mail Services, LLC.	2019844	Postage	02/27/2026	194.28		60-50-17 POSTAGE	03/31/2026
645	Mail Services, LLC.	2019844	Postage	02/27/2026	188.56		70-51-17 POSTAGE	03/31/2026
645	Mail Services, LLC.	2019844	Postage	02/27/2026	188.56		80-52-17 POSTAGE	03/31/2026

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Voided	GL Account and Title	GL Period Date
Total 2019844:					571.40			
Total Mail Services, LLC.:					571.40			
Mesa County Public Health Regional Lab								
17450								
763	Mesa County Public Health Regio	17450	PROF SERV	03/04/2026	30.00	60-50-20	LEGAL, ENGINEERING & PR	03/31/2026
Total 17450:					30.00			
17466								
763	Mesa County Public Health Regio	17466	PROF SERV	03/04/2026	30.00	60-50-20	LEGAL, ENGINEERING & PR	03/31/2026
Total 17466:					30.00			
Total Mesa County Public Health Regional Lab:					60.00			
NAPA - Paonia Auto Parts								
8198 FEB 2026								
122	NAPA - Paonia Auto Parts	8198 FEB 2026	VEHICLE	02/28/2026	207.89	10-45-23	VEHICLE EXPENSE	03/31/2026
122	NAPA - Paonia Auto Parts	8198 FEB 2026	VEHICLE	02/28/2026	117.45	10-46-23	VEHICLE EXPENSE	03/31/2026
122	NAPA - Paonia Auto Parts	8198 FEB 2026	VEHICLE	02/28/2026	217.03	60-50-23	VEHICLE EXPENSE	03/31/2026
122	NAPA - Paonia Auto Parts	8198 FEB 2026	VEHICLE	02/28/2026	217.01	70-51-23	VEHICLE EXPENSE	03/31/2026
122	NAPA - Paonia Auto Parts	8198 FEB 2026	VEHICLE	02/28/2026	86.61	80-52-23	VEHICLE EXPENSE	03/31/2026
Total 8198 FEB 2026:					845.99			
Total NAPA - Paonia Auto Parts:					845.99			
Net2phone Global Services, LLC								
1222713897								
1492	Net2phone Global Services, LLC	1222713897	TELEPHONE	03/16/2026	156.69	10-41-29	TELEPHONE & INTERNET	03/31/2026
1492	Net2phone Global Services, LLC	1222713897	TELEPHONE	03/16/2026	405.55	10-42-29	TELEPHONE & INTERNET	03/31/2026
1492	Net2phone Global Services, LLC	1222713897	TELEPHONE	03/16/2026	46.09	10-45-29	TELEPHONE & INTERNET	03/31/2026
1492	Net2phone Global Services, LLC	1222713897	TELEPHONE	03/16/2026	46.09	10-46-29	TELEPHONE & INTERNET	03/31/2026
1492	Net2phone Global Services, LLC	1222713897	TELEPHONE	03/16/2026	110.60	60-50-29	TELEPHONE & INTERNET	03/31/2026
1492	Net2phone Global Services, LLC	1222713897	TELEPHONE	03/16/2026	46.09	70-51-29	TELEPHONE & INTERNET	03/31/2026
1492	Net2phone Global Services, LLC	1222713897	TELEPHONE	03/16/2026	110.60	80-52-29	TELEPHONE & INTERNET	03/31/2026

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Voided	GL Account and Title	GL Period Date
Total 1222713897:					921.71			
Total Net2phone Global Services, LLC:					921.71			
Paonia Farm & Home Supply Inc								
FEB 2026 STATEMENT								
125	Paonia Farm & Home Supply Inc	FEB 2026 STA	TOWN HALL EXPENSES	02/28/2026	22.00		10-41-25 TOWN HALL EXPENSE	03/31/2026
125	Paonia Farm & Home Supply Inc	FEB 2026 STA	OPERATING SUPPLIES	02/28/2026	3.65		10-42-16 OPERATING SUPPLIES	03/31/2026
125	Paonia Farm & Home Supply Inc	FEB 2026 STA	BUILDING IMPROVEMENTS	02/28/2026	12.48		10-42-73 BUILDING IMPROVEMENTS	03/31/2026
125	Paonia Farm & Home Supply Inc	FEB 2026 STA	OPERATING SUPPLIES	02/28/2026	81.95		80-52-16 OPERATING SUPPLIES	03/31/2026
125	Paonia Farm & Home Supply Inc	FEB 2026 STA	MAINTENANCE	02/28/2026	1.20		10-41-22 REPAIRS & MAINTENANCE	03/31/2026
125	Paonia Farm & Home Supply Inc	FEB 2026 STA	Office SUPPLIES	02/28/2026	28.97		10-41-15 OFFICE SUPPLIES	03/31/2026
125	Paonia Farm & Home Supply Inc	FEB 2026 STA	MAINTENANCE	02/28/2026	7.99		60-50-22 REPAIRS & MAINTENANCE	03/31/2026
125	Paonia Farm & Home Supply Inc	FEB 2026 STA	OPERATING SUPPLIES	02/28/2026	29.99		10-45-16 OPERATING SUPPLIES	03/31/2026
125	Paonia Farm & Home Supply Inc	FEB 2026 STA	OPERATING SUPPLIES	02/28/2026	13.98		60-50-16 OPERATING SUPPLIES	03/31/2026
125	Paonia Farm & Home Supply Inc	FEB 2026 STA	OPERATING SUPPLIES	02/28/2026	7.80		10-46-16 OPERATING SUPPLIES	03/31/2026
125	Paonia Farm & Home Supply Inc	FEB 2026 STA	TOWN HALL EXPENSES	02/28/2026	14.99		10-41-25 TOWN HALL EXPENSE	03/31/2026
125	Paonia Farm & Home Supply Inc	FEB 2026 STA	TRAINING	02/28/2026	12.98		10-42-26 TRAVEL, MEETINGS & TRAI	03/31/2026
125	Paonia Farm & Home Supply Inc	FEB 2026 STA	OPERATING SUPPLIES	02/28/2026	1.50		10-41-16 OPERATING SUPPLIES	03/31/2026
Total FEB 2026 STATEMENT:					239.48			
Total Paonia Farm & Home Supply Inc:					239.48			
Recla Metals LLLP								
75917								
140	Recla Metals LLLP	75917	CAPITAL OUTLAY	03/06/2026	362.86		10-45-70 CAPITAL OUTLAY	03/31/2026
140	Recla Metals LLLP	75917	CAPITAL OUTLAY	03/06/2026	362.86		10-46-70 CAPITAL OUTLAY	03/31/2026
140	Recla Metals LLLP	75917	CAPITAL OUTLAY	03/06/2026	362.86		80-52-70 CAPITAL OUTLAY	03/31/2026
140	Recla Metals LLLP	75917	CAPITAL OUTLAY	03/06/2026	362.86		60-50-70 CAP OUTLAY-WATER	03/31/2026
140	Recla Metals LLLP	75917	CAPITAL OUTLAY	03/06/2026	362.86		70-51-70 CAPITAL OUTLAY	03/31/2026
Total 75917:					1,814.30			
Total Recla Metals LLLP:					1,814.30			
RESPEC Company LLC								
INV01261109								
1124	RESPEC Company LLC	INV01261109	WESTERN LOOP	02/20/2026	5,015.00		60-50-73 CAP OUTLAY-West Loop Impr	03/31/2026

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Voided	GL Account and Title	GL Period Date
1124	RESPEC Company LLC	INV01261109	RAW WATER METERING	02/20/2026	652.50		60-50-69 CAPITAL OUTLY-Raw Water M	03/31/2026
1124	RESPEC Company LLC	INV01261109	PROF SERV	02/20/2026	193.75		60-50-20 LEGAL, ENGINEERING & PR	03/31/2026
Total INV01261109:					5,861.25			
Total RESPEC Company LLC:					5,861.25			
Rhinehart Oil Co.								
171504CT								
1224	Rhinehart Oil Co.	171504CT	VEHICLE	02/28/2026	485.52		80-52-23 VEHICLE EXPENSE	03/31/2026
Total 171504CT:					485.52			
Total Rhinehart Oil Co.:					485.52			
Robert's Enterprises Inc								
453 FEB 2026								
145	Robert's Enterprises Inc	453 FEB 2026	PROF SERV	03/01/2026	126.00		80-52-20 LEGAL, ENGINEERING & PR	03/31/2026
Total 453 FEB 2026:					126.00			
Total Robert's Enterprises Inc:					126.00			
Simmons Lock & Key Delta								
5993								
566	Simmons Lock & Key Delta	5993	TOWN HALL REPAIRS	02/25/2026	132.00		10-41-22 REPAIRS & MAINTENANCE	03/31/2026
Total 5993:					132.00			
Total Simmons Lock & Key Delta:					132.00			
ULINE								
204684615								
1351	ULINE	204684615	EQUIPMENT	02/25/2026	149.40		10-41-74 MACHINERY & EQUIPMENT	03/31/2026
1351	ULINE	204684615	EQUIPMENT	02/25/2026	149.41		60-50-77 MACHINERY & EQUIPMENT	03/31/2026
1351	ULINE	204684615	EQUIPMENT	02/25/2026	149.41		70-51-77 MACHINERY & EQUIPMENT	03/31/2026
1351	ULINE	204684615	EQUIPMENT	02/25/2026	149.41		80-52-77 MACHINERY & EQUIPMENT	03/31/2026
Total 204684615:					597.63			

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Voided	GL Account and Title	GL Period Date
24144560								
1351	ULINE	24144560	CAPITAL OUTLAY	02/12/2026	162.33		80-52-70 CAPITAL OUTLAY	03/31/2026
Total 24144560:					162.33			
Total ULINE:					759.96			
UTILITY NOTIFICATION CENTER OF COLORADO								
226021293								
1360	UTILITY NOTIFICATION CENTE	226021293	FEES	02/28/2026	19.66		60-50-32 FEES & PERMITS	03/31/2026
1360	UTILITY NOTIFICATION CENTE	226021293	FEES	02/28/2026	19.65		70-51-32 FEES & PERMITS	03/31/2026
Total 226021293:					39.31			
Total UTILITY NOTIFICATION CENTER OF COLORADO:					39.31			
Viaflex								
60001738								
1466	Viaflex	60001738	TANK RENTAL FEB 2026	03/16/2026	10,500.00		60-50-72 CAP OUTLAY-Water Tank Reli	03/31/2026
Total 60001738:					10,500.00			
Total Viaflex:					10,500.00			
Weekender Sports, Inc								
58439								
171	Weekender Sports, Inc	58439	VEHICLE	03/06/2026	103.98		10-45-23 VEHICLE EXPENSE	03/31/2026
Total 58439:					103.98			
Total Weekender Sports, Inc:					103.98			
Grand Totals:					133,095.65			

Vendor	Vendor Name	Invoice Number	Description	Invoice Date	Net Invoice Amount	Voided	GL Account and Title	GL Period Date
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Board Meeting Date: _____

Town Administrator: _____

Finance Committee/Mayor: _____

Finance Committee/Trustee: _____

Trustees: _____

Date Reviewed: _____



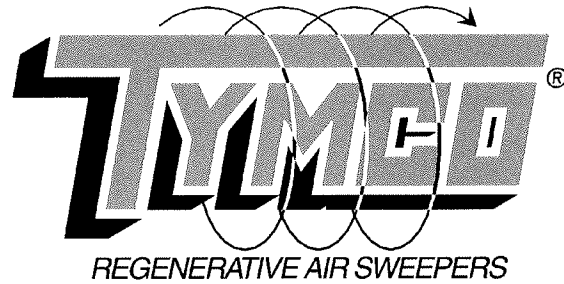
**TOWN OF PAONIA
BOARD OF TRUSTEES MEETING
STAFF REPORT**

AGENDA ITEM:	Consideration of Setting a work Session for April 14, 2026 at 5 pm to Discuss Smith Center Operations Agreement
SUBMITTED BY:	Samira Vetter, Town Clerk
DATE:	March 24, 2026
BACKGROUND:	With work on the Smith Center at Town Park progressing so that it can be reopened before Event Season gets into full swing, it is time to start getting an operations agreement in place so that operations can resume and the Center can be open again for events. Staff would like to schedule a Work Session for April 14, 2026 at 5 pm, so that the Board of Trustees, staff and the Boards and volunteers who have been involved with the Smith Center can meet and work out the details.
BUDGET:	N/A
RECOMMENDATION:	To schedule a work session for April 14, 2026 at 5 pm to discuss an operations agreement for the Smith Center.
ATTACHMENT:	



**TOWN OF PAONIA
BOARD OF TRUSTEES MEETING
STAFF REPORT**

AGENDA ITEM:	Consideration of Lease-Purchase Agreement for New Street Sweeper & Disposal Through Trade-in of Existing Street Sweeper
SUBMITTED BY:	Stefen Wynn, Town Administrator & Treasurer
DATE:	3.20.2026
BACKGROUND:	The Town has identified the need to replace its existing street sweeper with a new TYMCO Model 600BAH regenerative air street sweeper in order to maintain reliable public works operations and meet ongoing street maintenance demands. The proposed acquisition is structured as a municipal lease purchase agreement, which is a commonly used financing mechanism that allows municipalities to acquire large capital equipment over multiple fiscal years while maintaining compliance with statutory debt limitations. Under the terms of the agreement, the Town will trade in its existing street sweeper as a down payment, allowing the Town to reduce the financed amount and proceed with equipment replacement without a significant upfront cash expenditure. The Board decided to move forward with procuring this item during the March 10, 2026 Board meeting, suspended purchasing rules, answered 8-sole source questions in the affirmative and directed staff to move forward with securing an agreement with TYMCO. Attached is the lease-purchase agreement and amortization schedule to move forward. The total equipment cost is \$394,500, with a \$60,000 down payment provided through the trade in of the existing sweeper, resulting in a financed amount of \$334,500 at an interest rate of 4.40 percent over a five year term . Annual payments are structured at approximately \$75,984 beginning in FY 2027 and continuing through FY 2031. Because the trade in serves as both the down payment and the Town's initial obligation, this transaction does not require a budget amendment for the current fiscal year. However, the FY 2027 through FY 2030 budgets will need to incorporate the annual lease payments within the Street Department, and the Town's Five Year Capital Improvement Plan will require an update to reflect this financing obligation and asset replacement schedule.
BUDGET:	No Budget Amendment Needed for FY-2026 - Disposal of the existing Street Sweeper Serves as a Down Payment of \$60,000. Capital Improvement Plan Will Need to be Updated in FY-2027 through FY-2030.
RECOMMENDATION:	RECOMMENDED MOTION: I move to approve the lease purchase agreement with TYMCO and authorize the Town Administrator and Town Attorney to execute all necessary documents.
ATTACHMENT:	1) Lease Purchase Agreement 2) Amortization Schedule



March 20th, 2026

Mr. Stefen Wynn, Paonia Town Administrator & Treasurer
Town of Paonia
214 Grand Ave.
Paonia, CO 81428

RE: Municipal Lease/Purchase of a TYMCO Model 600BAH street sweeper

Dear Stefen:

Enclosed you will find the lease/purchase documents for the above described TYMCO Model 600BAH street sweeper that Town of Paonia is purchasing through from our dealer, Intermountain Sweeper Co. We are glad to be able to provide the financing and hope the experience is a positive one. The following is a list of the enclosed documentation:

1. Lease/Purchase Agreement - pages 1-7
2. Exhibit A - Municipal Certificate
3. Exhibit B - Legal Opinion
4. Exhibit C - Payment Schedule
5. Amortization Schedule - Supplement to Exhibit C
6. Exhibit D - Acceptance Agreement
7. Security Agreement
8. Sample Certificate of Insurance
9. Tax Form 8038-G to be filed with the IRS
10. TYMCO Invoice – \$60,000.00 down payment via the Town's trade-in to Intermountain Sweeper.

Upon review by your legal counsel, please have the following documents executed by the appropriate authorities:

1. Lease/purchase document – page 7
2. Municipal Certificate - Exhibit A, pages 1 & 2
3. Legal Counsel Opinion - Exhibit B, page 1
4. Payment Schedule - Exhibit C, page 2
5. Certificate of Acceptance – Exhibit D – page 1
6. IRS Form 8038G – bottom of page
7. Security Agreement – bottom of page

After reviewing, please have all the above executed and overnight to TYMCO, my attention. You may have your insurance carrier email or fax (254-799-2722) the Certificate of Insurance to us. TYMCO, Inc. should be listed as both the ***Additional Insured*** and ***Loss Payee*** with replacement value set at the full cost (**\$394,500.00**) of the equipment on the Certificate. Please be sure to include the Certificate of Insurance with the lease documents. The down payment (made out to TYMCO Inc.) needs to be sent via ACH, Fed-Ex or UPS overnight directly to TYMCO. Our physical address is: 225 E. Industrial Blvd, Waco, TX 76705. We must have the signed lease documents, down payment (from Intermountain via trade) and Certificate of Insurance in place prior to or upon delivery of the equipment.

Upon receipt of the lease, we will sign off on it and send you a copy for your records. Should you have any questions, please feel free to contact me or Sam Stone, Controller, via email or phone 1-800-258-9626.

Thank you very much – we greatly appreciate your business.

Sincerely,
TYMCO, Inc.



Brent A. Baker
Administrator/Property Manager

Enclosures

Customer No. 965700
Agreement No. 20260318
Dealer No. 601100

LEASE/PURCHASE AGREEMENT

TYMCO, INC.
TAX-EXEMPT FINANCING

LESSEE

Town of Paonia
214 Grand Avenue
Paonia, CO 81428
970-527-4101

Federal Tax ID #84-6000709

LESSOR

TYMCO, Inc.
225 E. Industrial Blvd.
P. O. Box 2368
Waco, TX 76703-2368
254-799-5546
Federal Tax ID# 74-1693738

DESCRIPTION OF EQUIPMENT

Quantity	(Type, Model and Serial Number)	Unit Price	Amount
1	TYMCO Model 600BAH Regenerative Air Street Sweeper Sweeper Serial No. 202606SNT697108BAH Truck Serial No. 1HTEUMMN5SS168296 Sales Tax (if any) Finance Amount	 Less Down Pmt.: - 60,000.00	 \$394,500.00 \$334,500.00

Type of Entity (County, City, School District, etc.): Town

Full Lease Term	Rent Payable	Annual Percentage Rate	Rental Payment Schedule
5 Year after commencement date.	Advance XX Arrears Monthly Quarterly Semi-Annually XX Annually	APR: 4.40%	Advance Payments 0 @ \$ Remaining Payments 5 @ \$75,984.10

EQUIPMENT LEASE/PURCHASE AGREEMENT

In consideration of the mutual covenants hereinafter contained, the parties agree that Lessee shall lease from the Lessor the property described above (the "Equipment"), subject to the terms and conditions set forth herein. The agreement is made upon the following terms and conditions:

1. **RENTAL.** Lessor and Lessee understand and intend that the obligation of Lessee to pay rent hereunder shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or monies of Lessee. Lessee shall pay rent exclusively from legally available funds, in the amounts set forth both above and on the rent due dates set forth in the Schedule of Payments (Exhibit C) attached to the Certificate of Acceptance (Exhibit D), executed by Lessee, by mailing the same to Lessor at the address specified in Section 14(a). For purposes of making computations under applicable regulations and rulings under federal income tax law, and as set forth in the Schedule of Payments, a portion of each rent payment is paid as, and represents payment of, interest, and the balance of each rent payment is paid as, and represents payment of, principal. Each year's rental payment is for the consideration actually furnished that year and each rental payment is supported by the use of the equipment in each year. The obligation of Lessee to make payment of rent, and to perform and observe the agreements contained in the Agreement, shall be absolute and unconditional in all events,

except as expressly provided herein. Notwithstanding any dispute between Lessee, Lessor, and any other person, Lessee shall make all rent payments when due and shall not withhold any rent payments pending final resolution of such dispute, nor shall Lessee assert any right of set off or counterclaim against its obligation to make such payments required under this Agreement, Lessee's obligation to pay rent shall not be abated through accident or unforeseen circumstances.

2. LEASE TERM. (a) Commencement of Lease Term. The lease terms shall commence on the date on which the Equipment is accepted by Lessee as indicated on the Certificate of Acceptance (the Commencement Date), and shall terminate on the last business day of Lessee's then current fiscal budget period (such period being hereinafter referred to as the "Original Term"); provided, however, that this Agreement shall be effective from and after the date of execution hereof.

(b) Renewal of Lease Term. Upon expiration of the Original Term, this Lease shall automatically renew on a year-to-year basis for the number of budget periods necessary to comprise the Full Lease Term as set forth in Exhibit C attached hereto and made a part hereof, unless Lessee gives written notice to Lessor not less than 90 days prior to the end of the then current term pursuant to subpart (e) of this section or Section 10, as the case may be. Each renewal period is hereinafter referred to as a "Renewal Term", and all Renewal Terms, together with the Original Term, shall comprise the "Full Lease Term". The terms applicable to any Renewal Term shall be the same as the terms applicable to the Original Term, except that the rent shall be as provided in the Schedule of Payments in Exhibit C.

(c) Termination of Lease Term. The Lease Term will terminate upon the earliest to occur of any of the following events: (1) the expiration of the Original Term or any Renewal Term and the non renewal thereof in accordance with the terms hereof; (2) the purchase of the Equipment by Lessee pursuant to Section 8 or 10; (3) a default by Lessee or Lessor's election to terminate this Agreement under Section 12; or (4) the payment by Lessee of all rentals authorized or required to be paid by Lessee hereunder.

(d) Continuation of Lease Term by Lessee. Lessee intends, subject to the provisions of subpart (e) of this section, to continue the Lease Term through the Original Term and all Renewal Terms for the Full Lease Term and to pay the rent hereunder. Lessee reasonably believes that legally available funds in an amount sufficient to pay all rent for the Full Lease Term can be obtained. Lessee further intends and covenants to do all things lawfully within its power to obtain and maintain funds from which the rent may be paid, including making provision for such rent to the extent necessary in each budget submitted and adopted in accordance with law, to use its bona fide best efforts to have such portion of the budget approved, and to exhaust all available reviews and appeals in the event such portion of the budget is not approved.

(e) Non-appropriation. In the event sufficient funds are not appropriated for the payment of the rent required to be paid in the next succeeding Renewal Term, and Lessee has no funds legally available for rent from other sources, then Lessee may terminate this Agreement at the end of the Original Term or the then current Renewal Term, as the case may be, and Lessee shall not be obligated to make payment of the rent beyond the then current term except for any deferred interest that may have accrued for the then current period and is considered part of the next rental payment. Lessee agrees to deliver notice to Lessor of such termination at least 90 days prior to the end of the then current term. If this Agreement is terminated under this sub-part, Lessee agrees, at Lessee's cost and expense, peaceably to delivery the Equipment to Lessor. In addition, Lessee agrees, at Lessee's cost and expense, to incur the necessary costs and expenses to bring the returned sweeper and truck chassis up to factory remarketing standards. To the extent lawful, Lessee covenants that it will not, until the date on which the next succeeding Renewal Term would have ended, expend or commit any funds for the purchase or use of equipment to be used for the same purpose as, or a purpose functionally equivalent to, the Equipment. Notwithstanding anything in this Agreement to the contrary, the provisions of this sub-part shall survive termination of this Agreement.

3. REPRESENTATIONS AND COVENANTS OF LESSEE. Lessee represents, covenants and warrants to Lessor as follows: (a) Lessee is an entity described in Section 103(a) of the Internal Revenue Code of 1986, as amended; and will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as such an entity. (b) Based upon the representations, covenants and warranties of Lessor, the execution and delivery of this Agreement by Lessee and performance of this obligations hereunder is not prohibited by the constitution and laws of the state specified on the Certificate of Acceptance (the "State"), and has been duly authorized by resolution of the governing body of Lessee (a certified copy of which shall be attached to the opinion of Lessee's counsel); and Lessee has obtained such other approvals as are necessary to consummate this Agreement. All requirements have been met, and procedures have

occurred, necessary to ensure the enforceability of this Agreement against Lessee, and Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the Equipment hereunder. (c) Lessee has determined that a present need exists for the Equipment which need is not temporary or expected to diminish in the foreseeable future. The Equipment is essential to and will be used by Lessee only for the purpose of performing one or more governmental functions of Lessee consistent with the permissible scope of Lessee's authority and will not be used in a trade or business of any person or entity. (d) Lessee will annually, upon request, provide Lessor with a letter from the City's accountant stating that funds have been appropriated in the City's annual budget to continue this lease for the next renewal term. (e) The Equipment is, and shall remain, personal property and when subject to use by Lessee under this Agreement will not be or become fixtures.

The Lessee further warrants that this lease will not constitute a "private activity bond" within the meaning of Section 141 of the Internal Revenue Code in that Lessee will not sublease the Equipment, nor will Lessee enter any management, output, or similar types of contracts where more than 10 percent of the proceeds of the lease purchase agreement will be used for one or more private business uses or where the payment of the principal of, or interest on, more than 10 percent of the proceeds of this Lease will be made, either directly or indirectly by payments, property, or monies borrowed by private business users. (The term "private business use" means any direct or indirect use in a trade or business carried on by an individual or entity other than a state or local governmental unit, including use by the Federal Government or any agency thereof. A special exemption is provided for "exempt facility bonds and 501(C) (3) "tax exempt organization bonds".

4. **TITLE TO EQUIPMENT; SECURITY INTEREST.** During the Full Lease Term, the Lessee shall be listed as the Owner on the Equipment Title with Lessor listed as 1st Lienholder. Upon exercise by Lessee of the purchase option granted in Section 10 of this Lease, Lessor shall deliver to Lessee by appropriate documents the title to the Equipment, free and clear of all liens and encumbrances. In the event of a default as set forth in Section 12 or non appropriation as set forth in Section 2(e), Lessee will surrender possession of the Equipment to Lessor as required by Section 2(e) and release all claim or right to said Equipment accordingly.

To secure the prompt payment and performance as and when due of all of Lessee's obligations hereunder, and all other obligations of Lessee to Lessor, both now in existence and hereafter created, Lessee hereby grants to Lessor a first security interest in the Equipment, and all replacements, substitutions and alternatives therefore and thereof and accessions thereto and all proceeds (cash and non-cash), including the proceeds of all insurance policies, thereof. Lessee agrees that with respect to the Equipment Lessor shall have all of the rights and remedies of a secured party under the Uniform Commercial Code as in effect in the State. Lessee may not dispose of any of the Equipment without the prior written consent of Lessor, notwithstanding the fact that proceeds constitute part of the Equipment.

5. **USE AND MAINTENANCE.** Lessee shall use the Equipment in a manner consistent with the requirements of all applicable insurance policies, and will not change the location of any Equipment as specified in the Acceptance Certificate without the prior written consent of Lessor, which consent shall not be unreasonably withheld. Lessee shall not attach the Equipment to any other item of equipment in such a manner that the Equipment may be deemed to have become an accession to or a part of such other item of equipment. Lessee, at its own expense, will maintain the Equipment in as good operating condition as when delivered to Lessee hereunder, ordinary wear and tear resulting from proper use thereof alone excepted, and will make all repairs reasonable necessary for such purpose. In addition, if any component of the equipment shall become damaged beyond repair, Lessee at its own expense, will within a reasonable time replace such component, with replacement components which are free and clear of all liens or right of other and have a value and utility at lease equal to the components replaced. All components which are attached to the Equipment which are essential to the operation of the Equipment or which cannot be detached from the Equipment without materially interfering with the operation of the Equipment or adversely affecting the value and utility which the Equipment would have had without the addition thereof, shall immediately be deemed incorporated in the Equipment and subject to the terms hereof as if originally leased hereunder, and subject to the security interest of Lessor in the Equipment. Lessee shall not make any material alterations to the Equipment without the prior written consent of Lessor, which consent shall not be unreasonably withheld. Upon reasonable advance notice, Lessor shall have the right to inspect the Equipment and all maintenance records with respect thereto, if any, at any reasonable time during normal business hours.

6. **FEES; TAXES; OTHER GOVERNMENTAL AND UTILITY CHARGES.** Lessee agrees to indemnify Lessor against all titling, recordation, documentary stamp and other fees, arising at any time prior to or during the Lease Term,

upon or relating to the Equipment or this Agreement. The parties contemplate that the Equipment will be used for a governmental purpose of Lessee and that the Equipment will be exempt from all taxes presently assessed and levied with respect to personal property. In the event that the use, possession or acquisition of the Equipment is found to be subject to taxation in any form (except for net income taxes of Lessor), Lessee will pay as they come due all taxes and governmental charges of any kind that may be assessed or levied against the Equipment, as well as all utility and other charges incurred in the operation, maintenance and use of the Equipment.

7. **INSURANCE.** At its own expense, Lessee shall keep the Equipment covered against loss due to fire and the risks normally included in extended coverage, malicious mischief and vandalism, for not less than the Full Insurable Value of the Equipment; and Lessee shall also carry automobile insurance, including bodily injury liability and property damage liability with a single limit of not less than \$1,000,000 per occurrence, or such greater or lesser amount as Lessor may from time to time require on notice to Lessee. As used herein, "Full Insurable Value" means the full replacement value of the Equipment or the then applicable Purchase Price designated as such on the Schedule of Payments, whichever is greater. All insurance shall be in form and amount and with companies reasonably satisfactory to Lessor. All insurance for loss or damage shall provide that losses shall be payable to Lessor and Lessee, as their interests may appear, and Lessee shall utilize its best efforts to have all checks to such losses delivered to Lessor. Lessor shall be named as an additional insured with respect to such liability insurance. Lessee shall pay the premiums and deliver to Lessor evidence satisfactory to Lessor of such insurance coverage. Each insurer shall agree, by endorsement furnished to Lessor, that (a) it will give Lessor 30 days prior written notice of the effective date of any material alteration or cancellation of such policy; and (b) insurance as to the interest of any named additional insured or loss payee other than Lessee shall not be invalidated by any actions, inactions, breach of warranty or conditions or negligence of Lessee with respect to such policy. If Lessee insures similar properties against casualty loss by self-insurance, Lessee may satisfy its obligations with respect to casualty insurance hereunder by providing self-insurance with respect to the Full Insurable Value of the Equipment by means of an adequate insurance fund. Lessee shall carry workmen's compensation insurance covering all employees working on, in, near or about the Equipment, or demonstrate to the satisfaction of Lessor that adequate self-insurance is provided, and shall require any other person or entity working on, in, or near or about the Equipment to carry such coverage, and will furnish to Lessor certificates evidencing such coverage throughout the Lease Term. The Net Proceeds of the insurance required hereby shall be applied as provided in Section 8. As used herein "Net Proceeds" means the amount remaining from the gross proceeds of any insurance claim or condemnation award after deduction of all expenses (including attorney's fees) incurred in the collection of such claim or award.

If Lessee is a governmental entity and does not maintain liability insurance as described above, Lessee agrees that it will maintain a program of self insurance, either alone, or in cooperation with other governmental entities, that provides coverage to Lessee in the form and amount stated above, but in any event, not less than the maximum exposure to Lessee under any applicable governmental immunity rule, regulation, statute or law. Lessee shall deliver to Lessor evidence satisfactory to Lessor of such self-insurance coverage.

8. **DAMAGE, DESTRUCTION AND CONDEMNATION: USE OF NET PROCEEDS.** If prior to the termination of the Lease Term (a) the Equipment is damaged in whole or in part by casualty; or (b) title to, or the temporary use of, the Equipment or the estate of Lessee or Lessor in the Equipment shall be taken under the exercise of the power of eminent domain by any governmental body or by any person acting under governmental authority; Lessee and Lessor will cause the Net Proceeds of any insurance claims or condemnation award to be applied to Lessee's obligations by this section. If the Equipment is not deemed to be a total loss, Lessee shall, at its expense (after the application of the Net Proceeds of any insurance claims or condemnation award), cause the repair or replacement of the Equipment. In the event of total destruction of the Equipment, Lessee shall pay to Lessor on the next rent due date (as set forth on the Schedule of Payments) which succeeds the date of such loss, an amount equal to the purchase price of the equipment less the total amount of all rents which represented equity in the equipment previously paid under this Agreement, plus rent due on such date, plus any other amounts then payable by Lessee hereunder. Upon such payment, the Lease Term shall terminate, any security interest of Lessor in the Equipment shall terminate, and Lessee will acquire unencumbered title to the Equipment as provided in Section 10. If Lessee is not then in default hereunder, any portion of the Net Proceeds in excess of the amount required to pay in full Lessee's obligations as set forth in this Section shall be for the account of the Lessee. Lessee agrees that if the Net Proceeds are insufficient to pay in full Lessee's obligations as set forth in this Section, Lessee shall make such payments to the extent of any deficiency.

9. **WARRANTY.** Products and parts manufactured by TYMCO, INC. and all services performed by TYMCO, INC., are subject to the applicable Warranty currently published by TYMCO, INC., which Warranty is, by this reference, incorporated herein. Copies of said Warranty may be obtained from any office of TYMCO, INC., or from any authorized TYMCO, INC. dealer. LESSOR MAKES NO OTHER WARRANTY EXPRESS OR IMPLIED REGARDING THE CAPACITY OF THE REQUIREMENT OR THAT THE EQUIPMENT WILL SATISFY THE REQUIREMENTS OF ANY LAW, REGULATION OR SPECIFICATION OR THAT THE EQUIPMENT WILL BE FIT FOR ANY PARTICULAR PURPOSE.

10. **PURCHASE OF EQUIPMENT BY LESSEE.** The Lessee will have an option to purchase and can exercise that option to acquire title free and clear of all liens, and this Agreement will terminate provided Lessee is not then in default upon the occurrence of either of the following events: (a) the end of the Full Lease Term, upon payment in full of all rent and other amounts payable by Lessee hereunder for the Full Lease Term; or (b) at the end of the Original Term or any Renewal Term, or any month within such Original Term or any Renewal Term, as set forth in the column entitled "Principal Balance" within Exhibit C incorporated herein by this reference, upon payment by Lessee of the then applicable Purchase Price plus all other sums then due by Lessee hereunder.

11. **ASSIGNMENT: INDEMNIFICATION.** (a) Assignment. This Agreement and the interest of Lessee in the Equipment may not be sold, assigned, sublet or encumbered by Lessee without prior written consent of Lessor. This Agreement, and the obligations of Lessee to pay rent hereunder, may be assigned and reassigned in whole or in part to one or more assignees by Lessor subject to their terms of this Lease/Purchase Agreement at any time without the necessity of obtaining the consent of Lessee. Lessor agrees to give notice of assignment to Lessee and upon receipt of such notice, Lessee agrees to make all payments to the assignee designated in the assignment, notwithstanding any claim, defense or set off (whether arising from a breach of the Agreement or otherwise) that Lessee may have against Lessor's assignees. Lessee agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements which may reasonably be requested by Lessor or its assignees to protect their interests in the Equipment and in this Agreement.

(b) Lessee agrees to indemnify and hold harmless Lessor for any damage or injury of any kind, arising out of the negligence or actionable conduct of Lessee, its employees, agents, representatives or contractors, or any person or entity alleged to be an employee, agent, representative or contractor of Lessee.

12. **EVENTS OF DEFAULT AND REMEDIES.** (a) Events of Default. The following shall be "events of default" under this agreement and the term "default" shall mean any one or more of the following events: (1) failure by Lessee to pay any rent or other payment required to be paid hereunder at the time specified herein; or (2) failure by Lessee to observe and perform any other agreement on its part to be observed in such time prior to its expiration; (3) any statement contained herein or furnished with respect hereto by or on behalf of Lessee proving to have been false in any material respect at the time that it was made; or (4) the filing by Lessee of any petition or answer seeking reorganization, arrangement composition, readjustment, liquidation, moratorium or similar relief under any existing or future bankruptcy, insolvency, or other similar insolvency or other similar laws shall be filed and not withdrawn or dismissed within 60 days thereafter.

(b) Remedies on Default. Whenever any event of default shall have occurred and be continuing, Lessor shall have the right, at its sole option without any further demand or notice, to exercise any one or more of the following remedies: (1) with or without terminating this Agreement, retake possession of the Equipment and dispose of the Equipment for the account of Lessee, with the net amount of all proceeds received by Lessor to be applied to Lessee's obligations hereunder, holding Lessee liable for the excess (if any) of (i) the rent payable to Lessee hereunder to the end of the Original Term or then current Renewal Term, whichever is applicable, and any other amounts then payable by Lessee hereunder, including but not limited to attorney's fees, expenses and costs of repossession, over (ii) the net proceeds received in connection with the disposition of the Equipment; provided that the excess of the amounts referred to in clause (ii) over the then applicable Purchase Price and amounts referred to in clause (i) shall be paid to Lessor; (2) require Lessee at Lessee's risk and expense promptly to return the Equipment in the manner and in the condition set forth in Sections 2(e) and 5; (3) if Lessor is unable to repossess the Equipment for any reason, the Equipment shall be deemed a total loss and Lessee shall pay to Lessor the amount due pursuant to Section 8; and (4) exercise any other right or remedy which may be available to it under applicable law or proceed by appropriate court action to enforce the terms of this Agreement or to recover damages for the breach of this Agreement as to any or all of the Equipment. Nothing contained herein shall be construed to provide any remedy of acceleration of the rental payments. In addition, Lessee will remain liable for all legal fees and

other costs and expenses, including court costs, incurred by Lessor with respect to the enforcement of any of the remedies listed above or any other remedy available to Lessor.

(c) No Remedy Exclusive. No remedy available to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right accruing upon any default shall impair any such right or shall be constructed to be a waiver thereof, but any such right might be exercised from time to time and as often as may be deemed expedient.

13. TAX ASSUMPTION; COVENANTS. The parties assume that Lessor can exclude from Federal gross income the interest portion of each Lease Payment set forth in the amortization schedule under the column captioned "Interest Paid".

Lessee covenants that it will (i) register this Lease and transfers thereof in accordance with Section 149 (a) of the Code and the regulations thereunder, (ii) timely file a statement with respect to this Lease in the required form in accordance with Section 149(e) of the Code, (iii) not permit the property financed by this Lease to be directly or indirectly used for a private business use within the meaning of Section 141 of the Code, (iv) not take any action which results, directly or indirectly, in the interest portion of any Lease Payment not being excludable from Federal gross income pursuant to Section 103 of the Code and will take any reasonable action necessary to prevent such result, and (v) not take any action which results in this Lease becoming, and will take any reasonable action to prevent this Lease from becoming (a) an arbitrage obligation within the meaning of Section 148 of the Code or (b) federally guaranteed within the meaning of Section 149 of the Code.

Lessee represents that in accordance with the above, it will report this Lease to the Internal Revenue Service by filing form 8038-G or 8038-GC, whichever is appropriate. Lessee understands that failure to do so will cause the Lease to lose its tax exempt status. Therefore, Lessee agrees that if it fails to file the appropriate form, the interest rate set forth in the payment schedule will be adjusted to an equivalent taxable interest rate. Notwithstanding the earlier termination or expiration of this Lease, the obligations provided for in this Section 13 shall survive such earlier termination or expiration.

14. MISCELLANEOUS. (a) Notices. All notices (excluding billings and communications in the ordinary course of business) hereunder shall be in writing, sent by certified mail, return receipts requested, addressed to the other party at its respective address stated on the first page of this Agreement or at such other address as such party shall from time to time designate in writing to the other party; shall be effective from the date of mailing.

(b) Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

(c) Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the County of McLennan, State of Texas.

(d) Entire Agreement Severability. This Agreement constitutes the entire Agreement between Lessor and Lessee. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing signed by both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no understandings not specified herein regarding this Agreement or the Equipment leased hereunder. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by applicable law, Lessee hereby waives any provision of law which renders any provision hereof prohibited or unenforceable in any respect.

(e) Lessor's Right to Perform for Lessee. If Lessee fails to perform or comply with any of its agreements contained herein, Lessor shall have the right, but shall not be obligated, to effect such performance or compliance, and the amount of any out of pocket expenses and other reasonable expenses of Lessor incurred in connection with the performance of or compliance with such Agreement, together with interest thereon at the rate of twelve percent (12%) per annum (or such lesser amount as may be permitted by law), shall be payable by Lessee upon demand.

IN WITNESS WHEREOF, Lessee has caused this Lease to be duly executed under seal.

LESSEE: Town of Paonia, CO

By: _____ (SEAL)

Complete all blank lines to this point before submitting to Lessor

Accepted this _____ day of _____, 2026.

LESSOR: TYMCO, Inc.

By: _____ (SEAL)

225 E. Industrial Blvd.
Waco, Texas 76705

LESSOR: TYMCO, Inc. • P.O. Box 2368 • Waco, TX 76703

Agreement No. 20260318

LESSEE: Town of Paonia • 214 Grand Ave. • Paonia, CO 81428

EXHIBIT A MUNICIPAL CERTIFICATE

I, the undersigned, the duly appointed, qualified and acting _____ (Clerk or Secretary) of the above captioned Lessee do hereby certify this _____ day of _____, _____ that Lessee is a public body corporate and politic duly organized and existing under the Constitution and laws of the State of Colorado with full power and authority to enter into, be bound by and perform its obligations under the above captioned equipment lease/purchase agreement (the "Agreement").

I further certify that the Lessee did, at a _____ (regular or special) meeting of the governing body of the Lessee held _____, _____, by motion duly made, seconded and carried, in accordance with all requirements of law, approve and authorize the execution of the Agreement by the following named representative of the Lessee, to wit:

Name	Title	Signature
I further certify that the above named representative of the Lessee had at the time of such authorization and has at the present full and complete authority to execute the Agreement and that I have full and complete authority to attest the execution of the Agreement by such representative of the Lessee.		
I further certify that the meeting of the governing body of the Lessee at which the Agreement was approved and authorized to be executed was duly called, regularly convened and attended throughout by a majority of the members thereof and that the action approving the Agreement and authorizing the execution thereof has not been altered or rescinded.		
I further certify that the Lessor has fully and satisfactorily performed all of its covenants and obligations under the Agreement.		
I further certify that the Equipment will perform an essential use and public function which the Lessee, its agencies and departments are authorized by law to perform.		
I further certify that all insurance required in accordance with the Agreement has been secured by the Lessee and the required coverage will be maintained throughout the term of the Agreement and the renewal, if any, thereof.		
I further certify that any notice or demand to be given the Lessee may be given to the Lessee at the above referenced address of the Lessee.		
I further certify that the date of this Municipal Certificate shall constitute the Commencement Date of the Agreement in accordance with Section 2 of the Agreement.		
I further certify that pursuant to Section 265(b)(3)(B)(ii) of the Internal Revenue Code of 1986(the Code), the Issuer hereby specifically designates the Lease as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code. In compliance with Section 265(b)(3)(D) of the Code, Issuer hereby represents that the Issuer will not designate		

more than \$10,000,000 of obligations issued by the Issuer in the calendar year during which the Lease is executed and delivered as such "qualified tax-exempt obligations".

I further certify that in compliance with the requirements of Section 265(b)(3)(C) of the Code, the Issuer hereby represents that the Issuer (including all "subordinate entities" of the Issuer within the meaning of Section 265(b)(3)(E) of the Code) reasonably anticipated not to issue in the calendar year during which the Lease is executed and delivered, obligations bearing interest exempt from federal income taxation under Section 103 of the Code other than "private activity bonds" as defined in Section 141 of the Code) in an amount greater than \$10,000,000.

IN WITNESS WHEREOF, I hereunto set my hand and the seal of the governing body of the Lessee the day and year first above written.

By: _____

(Printed or typewritten name)

(SEAL)

(If no seal, initial here: _____)

Subscribed to and sworn before me this _____ day of _____, _____.

Notary Public

My commission expires _____.

**EXHIBIT B
LEGAL COUNSEL OPINION**

Date: March 18, 2026

TYMCO, Inc.
P.O. Box 2368
Waco, TX 76703

RE: Municipal lease/purchase of one (1) TYMCO Model 600BAH street sweeper

Gentlemen:

As legal counsel to the Town of Paonia, (the "Buyer"), I have examined (1) an executed counterpart of a certain Equipment Lease/Purchase Agreement (the "Agreement") dated _____, 2026, by and between , TYMCO, Inc., as Seller, and the Buyer, which, inter alia, provides for the sale to and purchase by the Buyer of certain property (the "Property"), (2) an executed counterpart of Resolution No. _____ dated , _____ , _____ , of the Buyer which, inter alia, authorizes the Buyer to execute the Agreement and (3) such other opinions, documents and matters of law as I have deemed necessary in connection with the following opinions.

Based upon the foregoing, it is my opinion that:

- (1) The Buyer is a municipal corporation, duly organized and existing under the laws of the State of Colorado, with the requisite power and authority to incur obligations the interest on which are exempt from taxation by virtue of Section 103 of the Internal Revenue Code of 1986, as amended, to purchase the Property and to execute, deliver and perform its obligations under the Agreement;
- (2) The Agreement and the other documents either attached thereto or required therein have been duly authorized, approved and executed by and on behalf of the Buyer and the Agreement is a valid and binding obligation of the Buyer enforceable in accordance with its terms;
- (3) The authorization, approval and execution of the Agreement and all other proceedings of the Buyer relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, public bidding laws and all other applicable state or federal laws;
- (4) There is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal which, if adversely determined, would adversely affect the transactions contemplated by the Agreement or the security interest of the Seller or its assigns, as the case may be, in the Property.

Respectfully submitted,

By: _____

EXHIBIT C
SCHEDULE OF PAYMENTS

Date: March 18, 2026

Agreement No. 20260318

THIS SCHEDULE is issued pursuant to the Equipment Lease/Purchase Agreement dated as of _____, (the "Agreement") between the parties to the Agreement to authorize installation of the Equipment listed herein. All terms used herein have the meanings ascribed to them in the Agreement.

- A. Payments. The payments required under the Agreement for the Equipment designated on this Schedule are \$75,984.10 beginning April 1st, 2027, and continuing the 1st day of each April, annually, thereafter for the duration of the lease term (the "Agreement Payment Period"). The payments required under this Schedule are made up of the total finance amount to the \$334,500.00 plus down payment of \$60,000.00 and deferred interest charges to maturity of \$45,420.50 for a total Agreement price of \$439,920.50.
- B. Deferred interest to maturity. Deferred interest charges to maturity as set forth herein consist of services and other charges, plus interest at the annual rate of 4.40% on the sum of the aforementioned service charges and other charges and the Equipment purchase price.
- C. Late payments. There will be a charge of 1.00% per month based on the amount of any late payments from the due date thereof until paid.
- D. Fiscal year. The fiscal year of the undersigned Lessee is from January 1st to December 31st.
- E. Prepayment and purchase schedule. The purchase price as provided in the Agreement is as follows (to be prorated for dates not specified).

Period	The Purchase Price Amount as of End of that Period is:
Original Term: 04/01/2026 through 12/31/2026	\$334,500.00
Renewal term 1 01/01/2027 through 12/31/2027	273,233.90
Renewal term 2 01/01/2028 through 12/31/2028	209,272.09
Renewal term 3 01/01/2029 through 12/31/2029	142,495.96
Renewal term 4 01/01/2030 through 12/31/2030	72,781.68
Renewal term 5 01/01/2031 through 12/31/2031	00.00

- F. Insurance. The Lessee hereby confirms that it has obtained the insurance coverage required by Section 7 of the Agreement and it covenants and agrees that such coverage shall be maintained in accordance with the terms and conditions of the Agreement.

G. Equipment description. The Equipment subject to the Agreement is as follows:

Quantity	Description/Serial No.	Finance Amount
One (1)	TYMCO Model 600BAH REGENERATIVE AIR STREET SWEEPER Sweeper Serial # 202506SNT697108BAH Truck VIN 1HTEUMMN5SS168296	\$334,500.00

THE TERMS GOVERNING THIS SCHEDULE ARE CONTAINED IN THE AGREEMENT REFERENCED ABOVE AND APPLY WITH THE SAME FORCE AND EFFECT AS IF SET FORTH FULL HEREIN.

The Agreement shall not be effective unless this Schedule is signed by Lessee and received by TYMCO, Inc. within thirty (30) days of the date first above stated. In addition, TYMCO, Inc. shall not be bound by the Agreement until this Schedule is executed by an authorized officer of TYMCO, Inc.

Lessee: Town of Paonia, CO

Lessor: TYMCO, Inc.

By: _____

By:

Name: _____

Name: Kenneth J. Young

Title:

Title: President

Date: _____

Date:

**EXHIBIT D
CERTIFICATE OF ACCEPTANCE**

TYMCO, Inc.
P.O. Box 2368
Waco, TX 76703

Agreement #20260318

Gentlemen:

In accordance with the terms of the Equipment Lease/Purchase Agreement dated _____, (the "Lease") between TYMCO, Inc. ("Lessor"), and the undersigned ("Lessee"), Lessee hereby certifies and represents to and agrees with Lessor as follows:

1. The Equipment, as such term is defined in the Lease, has been delivered, installed, and accepted on the date indicated below.
2. Lessee has conducted such inspection and/or testing of the Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.
3. No Event of Default, as such term is defined in the Lease, and no event which with notice or lapse of time, or both, would become an Event of Default, has occurred and is continuing at the date hereof.

LESSEE: Town of Paonia, CO

By: _____

Title: _____

Date: _____

Sweeper Model : TYMCO Model 600BAH street sweeper

Sweeper Serial No.: 202506SNT697108BAH

Truck Serial No.: 1HTEUMMN5SS168296

Lessee Physical Location: 214 Grand Ave., Paonia, CO 81428

Lessee' s Location Phone No.:

EQUIPMENT SECURITY AGREEMENT

Date: 03-18-2026

Name: Town of Paonia Street Address: 214 Grand Ave.

City: Paonia County: Delta State: Colorado hereinafter called "Debtor," hereby grants to TYMCO Inc., 225 E. Industrial Blvd., City of Waco, County of McLennan, State of Texas, hereinafter called "Secured Party," a security interest in the following described personal property:

One (1) TYMCO Model 600BAH REGENERATIVE AIR STREET SWEEPER
Sweeper Serial #202506SNT697108BAH Truck VIN 1HTEUMMN5SS168296

together with all additions, accessions and substitutions thereto or therefore, and all similar property hereafter acquired, hereinafter called "collateral." Proceeds of Collateral are also covered but this shall not be construed to mean that Secured Party consents to any sale of such Collateral.

DEBTOR WARRANTS AND COVENANTS WITH SECURED PARTY AS FOLLOWS:

- The Collateral covered by this agreement is to be used by Debtor primarily for
☐ Personal, family or household purposes ☐ Farming operations ☒ Business other than farming operations.
- The Collateral is ☒ Now owned by the Debtor ☐ Being acquired with the proceeds of the advance evidenced by this agreement.
- Debtor's residence is ☒ At the address shown above or ☐ At
- The Collateral will be kept at ☒ Debtors residence as shown above or ☐ At
- Debtor's chief place of business is ☒ In the county of Debtor's residence or ☐ At

This security interest is given to secure: (1) Payment of a Municipal Lease/Purchase Agreement and executed and delivered by Debtor to Secured Party in the principal sum of \$334,500.00, payable as to principal and interest as therein provided; (2) future advances to be evidenced by like notes to be made by Secured Party to Debtor at Secured Party's option; (3) all expenditures by Secured Party for taxes, insurance, repairs to and maintenance of the Collateral and all costs and expenses incurred by Secured Party in the collection and enforcement of the note and other indebtedness of Debtor; and (4) all liabilities of Debtor to Secured Party now existing or hereafter incurred, matured or unmatured, direct or contingent, and any renewals and extensions thereof and substitutions therefore. **DEBTOR EXPRESSLY WARRANTS AND COVENANTS:**

OWNERSHIP FREE OF ENCUMBRANCES. Except for the security interest granted hereby, Debtor now owns or will use the proceeds of the advances hereunder to become the owner of the Collateral free from any prior lien, security interest or encumbrance, and Debtor will defend the Collateral against all claims and demands of all persons at any time claiming the same or any interest therein.

FINANCING STATEMENTS. No financing statement covering the Collateral or any proceeds thereof is on file in any public office and Debtor will join with Secured Party in executing one or more financing statements in form satisfactory to Secured Party.

INSURANCE. Debtor will insure the Collateral with companies acceptable to Secured Party against such casualties and in such amounts as Secured Party shall require. All insurance policies shall be written for the benefit of Debtor and Secured Party as their interests may appear, and such policies or certificates evidencing the same shall be furnished to Secured Party. All policies of insurance shall provide at least ten (10) days prior written notice of cancellation to Secured Party.

MAINTENANCE. Debtor will keep the Collateral in good condition and free from liens and other security interests, will pay promptly all taxes and assessments with respect thereto, will not use the Collateral illegally or encumber the same and will not permit the Collateral to be affixed to real or personal property without the prior written consent of Secured Party. Secured Party may examine the Collateral at any time wherever located.

REIMBURSEMENT FOR EXPENSES. At its option Secured Party may discharge taxes, liens, security interests, or other encumbrances on the Collateral and may pay for the repair of any damage to the Collateral, the maintenance and preservation thereof and for insurance thereon. Debtor agrees to reimburse Secured Party on demand for any payments so made and until such reimbursement, the amount of any such payment with interest at ten (10%) per cent per annum from date of payment until reimbursement, shall be added to the indebtedness owned by Debtor and shall be secured by this security agreement.

CHANGE OF RESIDENCE OR LOCATION OF COLLATERAL. Debtor will immediately notify Secured Party in writing of any change in Debtor's residence, and Debtor will not permit any of the Collateral to be removed from the location specified herein without the written consent of Secured Party.

EVENTS OF DEFAULT. Debtor shall be in default under this agreement upon the happening of any of the following events or conditions:

- Default in the payment or performance of any obligation, covenant or liability contained or referred to herein;
- Any warranty, representation or statement made or furnished to Secured Party by or in behalf of Debtor proves to have been false in any material respect when made or furnished;
- Any event which results in the acceleration of the maturity of the indebtedness of Debtor or others under any indenture, agreement or undertaking;
- Loss, theft, substantial damage, destruction, sale or encumbrance to or of any of the Collateral, or the making of any levy, seizure or attachment thereof or thereon;
- Any time the Secured Party believes that the prospect of payment of any indebtedness secured hereby or the performance of this agreement is impaired;
- Death, dissolution, termination of existence, insolvency, business failure, appointment of a receiver for any part of the Collateral, assignment for the benefit of creditors or the commencement of any proceeding under any bankruptcy or insolvency law by or against Debtor or any guarantor or surety for Debtor.

REMEDIES. Upon such default and at any time thereafter Secured Party may declare all obligations secured hereby immediately due and payable and may proceed to enforce payment of the same and exercise any and all of the rights and remedies provided by the Uniform Commercial Code as well as all other rights and remedies possessed by Secured Party. Secured Party may require Debtor to assemble the Collateral and make it available to Secured Party at any place to be designated by Secured Party which is reasonably convenient to both parties. Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Secured Party will give Debtor reasonable notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is to be made. The requirements of reasonable notice shall be met if such notice is mailed, postage prepaid, to the address of Debtor shown at the beginning of this agreement at least five days before the time of the sale or disposition. Expenses of retaking, holding, preparing for sale, selling or the like shall include Secured Party's reasonable attorneys' fees and legal expenses.

No waiver by Secured Party of any default shall operate as a waiver of any other default and the terms of this agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the parties hereto. Signed and delivered the day and year first above written.

SECURED PARTY: TYMCO Inc.

DEBTOR: Town of Paonia, CO _____

(Name)
By: Kenneth J. Young, President _____
(Name, Title)

(Name)
By: _____
(Name)

Information Return for Tax-Exempt Governmental Bonds

► Under Internal Revenue Code section 149(e)

► See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.

► Go to www.irs.gov/F8038G for instructions and the latest information.

OMB No. 1545-0047

Part I Reporting Authority

Check box if Amended Return ► ☐

1 Issuer's name Town of Paonia		2 Issuer's employer identification number (EIN) 84-6000709
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a
4 Number and street (or P.O. box if mail is not delivered to street address) 214 Grand Ave.	Room/suite	5 Report number (For IRS Use Only) 3
6 City, town, or post office, state, and ZIP code Paonia, CO 81428		7 Date of issue 4-01-2026
8 Name of issue Municipal Lease/purchase of Street Sweeper		9 CUSIP number
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information		10b Telephone number of officer or other employee shown on 10a 970-527-4101

Part II Type of Issue (Enter the issue price.) See the instructions and attach schedule.

11 Education	11	
12 Health and hospital	12	
13 Transportation	13	
14 Public safety	14	
15 Environment (including sewage bonds)	15	
16 Housing	16	
17 Utilities	17	
18 Other. Describe ► Public Works/Street Dept.	18	334,500.00
19a If bonds are TANs or RANs, check only box 19a		☐
b If bonds are BANs, check only box 19b		☐
20 If bonds are in the form of a lease or installment sale, check box		☒

Part III Description of Bonds. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	04-01-2031	\$ 334,500.00	\$ 0	5 years	4.40 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22 Proceeds used for accrued interest	22	00
23 Issue price of entire issue (enter amount from line 21, column (b))	23	00
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	
25 Proceeds used for credit enhancement	25	
26 Proceeds allocated to reasonably required reserve or replacement fund	26	
27 Proceeds used to refund prior tax-exempt bonds. Complete Part V	27	
28 Proceeds used to refund prior taxable bonds. Complete Part V	28	
29 Total (add lines 24 through 28)	29	00
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	00

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

31 Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded	►	years
32 Enter the remaining weighted average maturity of the taxable bonds to be refunded	►	years
33 Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY)	►	
34 Enter the date(s) the refunded bonds were issued ► (MM/DD/YYYY)		

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	00
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions	36a	00
b	Enter the final maturity date of the GIC ► (MM/DD/YYYY) _____		
c	Enter the name of the GIC provider ► _____		
37	Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units	37	00
38a	If this issue is a loan made from the proceeds of another tax-exempt issue, check box ► ☐ and enter the following information:		
b	Enter the date of the master pool bond ► (MM/DD/YYYY) _____		
c	Enter the EIN of the issuer of the master pool bond ► _____		
d	Enter the name of the issuer of the master pool bond ► _____		
39	If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box	►	☐
40	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box	►	☐
41a	If the issuer has identified a hedge, check here ► ☐ and enter the following information:		
b	Name of hedge provider ► _____		
c	Type of hedge ► _____		
d	Term of hedge ► _____		
42	If the issuer has superintegrated the hedge, check box	►	☐
43	If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box	►	☐
44	If the issuer has established written procedures to monitor the requirements of section 148, check box	►	☐
45a	If some portion of the proceeds was used to reimburse expenditures, check here ► ☐ and enter the amount of reimbursement		
b	Enter the date the official intent was adopted ► (MM/DD/YYYY) _____		

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

Signature of issuer's authorized representative _____ Date _____ Type or print name and title _____

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ►	Firm's EIN ►			
Firm's address ►	Phone no. _____			

SAMPLE CERTIFICATE OF INSURANCE

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

PRODUCER	COMPANY LETTER	A	NOTE: Company must be rated A- or better by Best's Key Rating Guide. SHOW RATING next to company name.
	COMPANY LETTER	B	
	COMPANY LETTER	C	
INSURED	COMPANY LETTER	D	
	COMPANY LETTER	E	

COVERAGES: This is to certify that the policies of insurance listed below have been issued to the insured named above for the policy period indicated. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies. Limits shown may have been reduced by paid claims.

CO LTR	INSURED	POLICY NUMBER	Date Policy Effective (MM/DD/YY)	Date Policy Expires (MM/DD/YY)	ALL LIMITS IN THOUSANDS	
	GENERAL LIABILITY				General Aggregate	\$
	Commercial General Liability				Products Comp/Ops Aggregate	\$
	Claims Made ☐ Occurrence ☐				Personal & Advertising Injury	\$
	Owner's & Contractors Protection				Each Occurrence	\$
	Deductible \$				Fire Damage (Any One Fire)	\$
					Medical Expense (Any One Person)	\$
	AUTOMOBILE LIABILITY				CSL	\$ 1,000.00
	☒ Any Auto				Bodily Injury (per person)	\$
	☐ All Owned Autos				Bodily Injury (per accident)	\$
	☐ Scheduled Autos				Property Damage	\$
	☐ Hired Autos					
	☐ Non-Owned Autos					
	☐ Garage Liability					
	Deductible \$					
	EXCESS LIABILITY				Each Occurrence	Aggregate
	☐ Other Than Umbrella Form				\$	\$
	WORKERS COMPENSATION AND EMPLOYER'S LIABILITY				STATUTORY LIMITS	
					\$ (Each Accident)	
					\$ (Disease Policy Limit)	
					\$ (Disease-Each Employee)	
	OTHER: Collision Coverage AND Comprehensive or Specified Causes of Loss				Actual Cash Value of Sweeper with Collision Ded. of \$ (Note: Ded. must be no greater than \$1,000.00)	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS:

TYMCO Inc. is added as an **Additional Insured** to the Liability Coverage and as a **Loss Payee** for Physical Damage Coverage

CERTIFICATE HOLDER

TYMCO Inc.
P.O. Box 2368
Waco, TX 76703

CANCELLATION

Should any of the above described policies be cancelled before the expiration date thereof, the issuing company will endeavor to mail 30 days written notice to the Certificate Holder named to the left, but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives

Authorized Representative

TYMCO Requirements

Date	Pmt No.	Beg Bal	Int.#8062	Prin.#1200	P & I	End Bal
On Delivery	Dwn.Pmt	\$394,500.00	\$0.00	\$60,000.00	\$60,000.00	\$334,500.00
04/01/27	1	\$334,500.00	\$14,718.00	\$61,266.10	\$75,984.10	\$273,233.90
04/01/28	2	\$273,233.90	\$12,022.29	\$63,961.81	\$75,984.10	\$209,272.09
04/01/29	3	\$209,272.09	\$9,207.97	\$66,776.13	\$75,984.10	\$142,495.96
04/01/30	4	\$142,495.96	\$6,269.82	\$69,714.28	\$75,984.10	\$72,781.68
04/01/31	5	\$72,781.68	\$3,202.42	\$72,781.68	\$75,984.10	\$0.00
TOTALS:			\$45,420.50	\$394,500.00	\$439,920.50	



**TOWN OF PAONIA
BOARD OF TRUSTEES MEETING
STAFF REPORT**

AGENDA ITEM:	Change Order #2 for KLM
SUBMITTED BY:	N. Poulos
DATE:	3-24-26
BACKGROUND:	KLM is the inspector assigned to the 2M tank rehab project. Due to delays in the project, KLM is requesting more days be added to cover the dates of the project. KLM would like to extend their days to March 24th to cover MPC's contracted project to its substantial completion date. Funds to KLM will be prorated if all the days are not needed.
BUDGET:	
RECOMMENDATION:	Recommend KLM's project dates be extended to March 24th so the tank rehab project can continue without any delays caused by lack on inspector.

ATTACHMENT:	
--------------------	--



CHANGE ORDER NO.2

March 11, 2026

Sent Via Email Only

Stefen Wynn
City of Paonia
214 Grand Avenue
Paonia, CO 81428

Re: 2,000,000-Gallon GST Coating Inspection Services
Paonia, Colorado

Dear Mr. Wynn,

Original Agreement:

TOTAL HOURLY, NOT TO EXCEED \$97,860.00

Change Order No.1:

Additional 3 weeks of AMPP coating inspection billed as time-and-materials basis including mobilization.
Daily Rate \$1,568.00 per day.

TOTAL CHANGE ORDER No. 1 \$32,935.00

Change Order No.2:

Additional 3 weeks of AMPP coating inspection billed as time-and-materials basis including mobilization.
Daily Rate \$1,568.00 per day.

TOTAL CHANGE ORDER No.2 \$32,928.00

PROJECT TOTAL HOURLY NOT TO EXCEED \$163,723.00



AGREEMENT

If the City of Paonia finds this Change Order acceptable, please sign and return it by email. By signing and returning this page only, you agree to terms of the entire agreement documents submitted.

This Agreement, between The City of Paonia and KLM Engineering, Inc. of Woodbury, Minnesota is accepted by:

CITY OF PAONIA
214 Grand Avenue
Paonia, CO 81428

KLM ENGINEERING, INC.
1976 Wooddale Drive, Suite 4
Woodbury, MN 55125

Signature

Signature

Name

Dewey Prinzing

Name

Title

Vice President of Business Development

Title

Date

March 11, 2026

Date

We look forward to continue working with you.

Sincerely,

KLM ENGINEERING, INC.

Dewey Prinzing
Vice President of Business Development
1976 Wooddale Drive, Suite 4
Woodbury, MN 55125
Cell: 651-434-4321
Email: dprinzing@klmengineering.com

Financial Status and Budget Analysis

The Engineer's Preliminary Opinion of Construction Cost for the project was \$2,181,300, with a total project cost including engineering and inspection estimated at **\$2,301,300**.

Costs to Date by Major Component

MPC (Tank Rehabilitation Construction)

The original construction contract was \$916,250, with approved change orders totaling approximately \$59,895, resulting in a current contract value of **\$976,146**.

Payments to date total \$638,997.80, leaving \$337,148.20 remaining under the current contract.

KLM Engineering (Construction Inspection)

The inspection services contract was originally \$97,860, with Change Order No. 1 of \$32,935, and **Change Order No. 2 of \$32,928**, resulting in a revised not to exceed amount of **\$163,723**.

Payments to date total \$87,981, leaving \$75,742 remaining under the updated contract.

Viaflex (Temporary Water Storage System)

The temporary tank system, necessary to maintain water service during construction, has incurred **\$320,248** in costs to date. This exceeds the engineer's preliminary estimate of **\$300,000**, and costs will continue to accrue until the permanent tank is returned to service.

Sitework and Access (Earthworx and Subcontracted Work)

Sitework and related construction support activities total approximately \$373,703.28 to date. An additional \$15,000 had been added through Change Order No. 2 for access road improvements, bringing total site-related costs to approximately **\$388,703.28**.

Total Financial Position (Updated)

- **Total Costs Incurred to Date:** approximately **\$1,420,930**
- **Remaining Obligated Under Existing Contracts:** approximately **\$412,890**
- **Projected Total Based on Current Known Commitments:** approximately **\$1,833,820**

Budget Comparison and Risk Assessment (Updated)

With the inclusion of KLM Change Order No. 2, the project remains **within the Engineer's estimated construction budget of \$2,181,300**, with an approximate remaining margin of **\$347,000**.

However, this update reflects a continued reduction in available contingency. The increase in construction inspection costs is consistent with extended project duration and additional field conditions, but it does further compress the remaining budget capacity.

The project continues to track within budget, but the margin is tightening as construction progresses and additional scope is identified. Based on current conditions, it is reasonable to expect the project to approach the engineer's estimated construction cost, particularly as remaining structural repairs and pending change orders are finalized.



**TOWN OF PAONIA
BOARD OF TRUSTEES MEETING
STAFF REPORT**

AGENDA ITEM:	
SUBMITTED BY:	
DATE:	
BACKGROUND:	
BUDGET:	
RECOMMENDATION:	
ATTACHMENT:	

**TOWN OF PAONIA, COLORADO
RESOLUTION NO. 04-26**

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF PAONIA, COLORADO EXTENDING A TEMPORARY MORATORIUM ON THE ENFORCEMENT OF CERTAIN SECTIONS OF PAONIA MUNICIPAL CODE CHAPTER 16 AS IT APPLIES TO THE REGULATION OF ANY RENTAL OF HOMES OR ROOMS IN A HOME FOR LESS THAN A MONTHLY BASIS AND DECLARING THE INTENTION OF THE BOARD OF TRUSTEES TO CONSIDER THE ADOPTION OF AMENDMENTS TO EXISTING REGULATIONS CONCERNING THE SAME.

WHEREAS, the Town of Paonia ("Town") is a statutory Town in Delta County Colorado; and

WHEREAS, Paonia Municipal Code 16-1-100 defines a 'dwelling unit' as meaning "one (1) room or, or rooms connected together constituting a separate, independent housekeeping establishment for owner occupancy, rental or lease on a monthly or longer basis,"; and

WHEREAS, Paonia Municipal Code 16-11-30.-Renting of Rooms refers to 'dwelling units' throughout; and

WHEREAS, this causes an ambiguity in the code as it relates to renting homes or rooms in a home for less than a monthly basis; and

WHEREAS, the Town is at the present time working with a contractor for a re-write of the Paonia Municipal Code meant to clear up ambiguities and conflicts within the Paonia Municipal Code; and

WHEREAS, the Board of Trustees finds that a moratorium on the enforcement of the regulation of any rental of homes or rooms in a home for less than a monthly basis is reasonable and for the Town to properly investigate, develop and if appropriate adopt and implement any amendments or regulations that will clear up any ambiguity on the same issue; and

WHEREAS, on April 8, 2025, because of the ambiguity in the Paonia Municipal Code, the Board of Trustees by unanimous vote, approved Resolution 13- 2025, which instructed staff to not enforce the regulation of any rental of homes or rooms in homes for less than a monthly basis, as a moratorium for 180-days starting on April 8, 2025, and ending on October 6, 2025 and;

WHEREAS, on September 23, 2025, by unanimous vote, the Board of Trustees approved to extend Resolution 13-2025 by placing an additional six-month moratorium on enforcement of the regulation of any rental of homes or rooms in homes for less than a monthly basis, which ends on April 4, 2026.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF PAONIA, COLORADO THAT:

Section 1. The recitals set forth above and its exhibits' are incorporated herein.

Section 2. Temporary Moratorium Established Subject to the provisions of Section 4. below, a third temporary moratorium is hereby imposed on the enforcement of the regulation of any rental of homes or rooms in homes for less than a monthly basis.

Section 3. Applicability. The Board of Trustees finds and determines that the ambiguity of the current Paonia Municipal Code when it comes to rentals of homes and rooms in homes for less than a monthly basis, creates an atmosphere of conflict between the Town and the citizens of Paonia that cannot easily be resolved with its current form.

Section 4. Expiration Date of Temporary Moratorium. The extended temporary moratorium of enforcement of regulation of the rental of homes or rooms in homes imposed by this Resolution shall expire on December 31, 2026, unless sooner repealed.

Section 5. Preparation of Proposed Regulations. Before December 31, 2026, the Board of Trustees' appointed Short-Term Rental Ad Hoc Committee shall provide recommendations on the Board of Trustees' required topics to the Board of Trustees for consideration. In addition, Town staff working with the Town Attorney shall be reviewing and analyzing those administrative provisions necessary for the regulation of the renting of homes or rooms in homes for less than a monthly basis within the Town. The Board of Trustees declares that it will give due and timely consideration to the review of Ad Hoc Committee, Town staff and Town attorney recommendations regarding the regulation of Short-Term Rentals.

INTRODUCED, READ, APPROVED AND ADOPTED by a vote of ____ for and ____ against at a Regular Meeting of the Board of Trustees on March 24, 2026, at 6:30 P.M., at the Paonia Town Hall, 214 Grand Avenue, Paonia, Colorado.

TOWN OF PAONIA, COLORADO

Paige Smith, Mayor

ATTEST:

Samira M. Vetter, Town Clerk

Short-Term Rental Committee Facilitator Application

Scott Brown

[REDACTED]

1) Experience. *Note the committee would like the process to be consensus-based.*

- How many years of professional experience do you have as a facilitator? My professional facilitation experience goes back to 1990 and has been a part of what I do up until the present.
- Of that, how many years – if any – have you facilitated *consensus-based decision-making*? Going back to 1990 my facilitation work has always included a mix of meeting facilitation and consensus-based decision-making.
- Briefly describe your professional facilitation experience, including any work within the North Fork Valley (2-3 sentences).

I have facilitated meetings and consensus process since 1990 in roles as an environmental campaign organizer, restorative justice facilitator and program director, relationship coach, and trained mediator. Locally, I was a founding member of the Fertile Edge Community Land Trust and facilitated those meetings. I was part of the team contracted by Paonia in 2023 to revise the Master Plan, with the specific role of meeting design and facilitation, a role which also included public input sessions.

2) Neutrality.

a. Do you have any financial stake in how the Town of Paonia may elect to regulate short-term rentals? (Yes/No) No.

3) Cost. Cost is an important factor in selection, but so is effectiveness/efficiency. (*Note that the Committee will establish the agenda and Town Staff will be completing the meeting summary.*)

- What is your hourly rate? \$90/hr.
- Please estimate the *minimum* amount of time you would need to work in between meetings. Assuming some advance communication about the agenda, time for basic preparation, and no involvement in meeting notes and summaries — two hours.

4) Availability.

a. The in-person time commitment is one-and-a-half hour (90 minute) bi-weekly meetings (twice/month), on the first and third Thursdays of each month. The meetings may continue until the end of the calendar year. Do you foresee any periods of time you would be unavailable? (When, how long). I am unavailable the week of April 13th, and again the week of September 14th. Beyond those time periods, no.

5) Interest.

a. Briefly describe (2-3 sentences) why you are interested in serving this facilitation role.

I would enjoy serving the community in this capacity and having the opportunity to deepen my connections with community members. I have a sense that I'm a good person for the job and I welcome the challenge.

Re: Further Information

From Scott Brown / Active Peace [REDACTED]
Date Thu 3/19/2026 2:07 PM
To Samira Vetter <SamiraV@townofpaonia.com>

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Hi Samira,

Yes, I would be willing to do that and would only add another hour to the earlier estimate.

Thanks,

Scott

On Mar 19, 2026, at 11:28 AM, Samira Vetter <SamiraV@townofpaonia.com> wrote:

Good afternoon!

Our AdHoc committee would like you to answer one more question if you would, please:

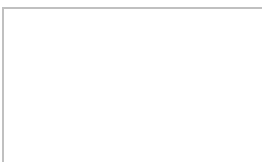
Would you be willing to put together an executive summary between meetings on the prior meeting and if so, how much time would that add to your estimation that you already provided?

If you could have this back by tomorrow 3/20 at noon, that would be great!

Thank you!

Best,

Samira



Samira M. Vetter, CMC

Paonia Town Clerk/Human

Resources

P : (970) 527-4101

M: (970) 742-4658

E : SamiraV@TownofPaonia.com

214 Grand Ave.

PO Box 460

Paonia, CO 81428

<https://townofpaonia.colorado.gov>

“The measure of who we are is what we do with what we have.” – Vince Lombardi

Sender and receiver should be mindful that all my incoming and outgoing emails may be subject to the Colorado Open Records Act, § 24-72-100.1, et seq.

Re: Facilitator Questions for Paonia's Ad Hoc Short Term Rental Committee

From [REDACTED]
Date Thu 3/12/2026 11:48 AM
To Samira Vetter <SamiraV@townofpaonia.com>

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Hello Samira,

My responses to facilitator application questions are in the email below.

1) Experience. Note the committee would like the process to be consensus-based.

a. How many years of professional experience do you have as a facilitator?

I have been facilitating group decisions for most of my working career--forty plus years.

b. Of that, how many years – if any – have you facilitated consensus-based decision-making?

I got serious about using consensus-based decision-making when I worked with some Quakers leading young adult semester programs in the late 1990s. I have used consensus with groups ever since and have found numerous strategies for moving the process along efficiently while making sure that everyone feels included and heard and that the group has a real chance to be wiser than the sum of its parts.

c. Briefly describe your professional facilitation experience, including any work within the North Fork Valley (2-3 sentences).

Locally, I was director of and facilitator for the Vision Program between 2000 and 2005. We used consensus for all of our decisions because it was essential to keeping together our very diverse coalition (extreme political right and left and everything in between). It was normal to have 20+ opinionated people at a meeting, and we found consensus every time, even on very controversial topics. I have also helped facilitate numerous board meetings. My main work revolves around leading and facilitating groups of young people.

2) Neutrality.

a. Do you have any financial stake in how the Town of Paonia may elect to regulate short-term rentals? (Yes/No)

No. I live outside of town and have not followed the issue closely.

3) Cost. Cost is an important factor in selection, but so is effectiveness/efficiency. (Note that the Committee will establish the agenda and Town Staff will be completing the meeting summary.)

a. What is your hourly rate? I am flexible. I have normally been paid by the job rather than the hour, but \$100 an hour feels right.

b. Please estimate the minimum amount of time you would need to work in between meetings. I think it would be valuable to meet individually with each board member for at least an hour before the first meeting in order to establish a relationship and begin to piece together the issues and options in play. After that I anticipated very little time needed between meetings if I understand correctly that my role is to facilitate the process and not do any of the leg work. Down the road if we get stuck, sometimes more individual or small group meeting time is helpful for people to clarify their thinking and find other options.

4) Availability.

a. The in-person time commitment is one-and-a-half hour (90 minute) bi-weekly meetings (twice/month), on the first and third Thursdays of each month. The meetings may continue until the end of the calendar year. Do you foresee any periods of time you would be unavailable? (When, how long). I am mostly around and available. Next fall I will lead a couple 1-2 week programs with young people. The only one that is scheduled so far falls between November 17 and December 5.

5) Interest.

a. Briefly describe (2-3 sentences) why you are interested in serving this facilitation role. I enjoy the facilitator role; I feel alive, useful and competent. I also care about Paonia and want to be of service.

Thank you, and I wish you all the best with this process regardless of whether I'm involved.

Dev Carey

On Tue, Mar 10, 2026 at 3:37 PM Samira Vetter <SamiraV@townofpaonia.com> wrote:

Good Afternoon,

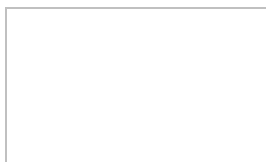
Thank you for expressing an interest in being a facilitator for our Ad Hoc Short Term Rental Committee. The Ad Hoc Committee holds their meetings on the 1st and 3rd Tuesdays of the month from 5 - 6:30 pm.

Please complete the attached questions and return to me here at samirav@townofpaonia.com no later than noon on Monday, March 16, 2026, so our STR committee can review them and make a choice on March 17 and present a proposed agreement to the Board on March 24.

Thank you!

Best,

Samira



Samira M. Vetter, CMC

Paonia Town Clerk/Human

Resources

P: (970) 527-4101

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<https://townofpaonia.colorado.gov>

“The measure of who we are is what we do with what we have.” – Vince Lombardi

Sender and receiver should be mindful that all my incoming and outgoing emails may be subject to the Colorado Open Records Act, § 24-72-100.1, et seq.

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Dev Carey, Ph.D.
The High Desert Center
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devcarey.com



TOWN OF PAONIA BOARD OF TRUSTEES MEETING MAYOR REPORT

AGENDA ITEM:	Board Discussion on Short-Term Rental Topics
SUBMITTED BY:	Mayor Smith
DATE:	March 24, 2026
BACKGROUND:	At the March 10, 2026, Trustee Meeting, the Short-Term Rental Ad Hoc Committee (Committee) asked for Board of Trustee (BoT) approval to explore the following administrative functions: 1) Licensing fee structure and the associated fee amounts necessary to reimburse the Town for Staff time and public resources. 2) Requirement for exterior door dimensions related to life and safety standards. 3) Requirement that each licensed STR designate a local authorized representative located within 60 minutes driving time who is available 24 hours a day to respond to complaints and property issues. It's important to note that the Committee is serving at the pleasure of the BoT. The Committee's sole task is to explore and provide recommendations to the BoT on the seven policy topics listed below. This clear direction was presented and affirmed by a unanimous vote of the BoT at their February 24, 2026, meeting. The full February 24, 2026, memo re: Board vs. Ad Hoc Committee Objectives is attached. a. Number of maximum (Dwelling unit/single room) STR licenses offered by the Town and what this number is based on b. Definition of a single room rental c. Approach for licensing single room rentals. d. Owner occupied vs. non-owner-occupied dwelling units as STRs e. Possibly assigning the number of STR licenses and the associated parking requirements based respectively on the Town Zoning Classifications - C-1, C-2, R-1, R-2, R-3 and E-1 (See attached zoning classification descriptions and the Town zoning map) f. Discuss the time frame included in the definition for <i>primary residence</i> – A privately-owned residential dwelling or property at which the owner resides for at least two hundred (200) days per year. (This is the definition and time frame included in the original Ordinance.) g. Establishment of a license waiting list used when all allotted licenses have been issued Please also note the attached memo authored by our Town Attorney, Clay Buchner in May of 2025. This was created in response to a citizen initiative

	petition titled “An initiated ordinance of the people of the Town of Paonia, Colorado, establishing rules for resident-occupied short-term rentals, grandfathering certain investor short-term rentals, prohibiting new investor short-term rentals, and providing for enforcement, penalties and review.” This petition was rejected by the Town Clerk on May 28, 2025, “on the basis that the Colorado Constitution Article V Section 1 is clear that the initiative and referendum powers are reserved only for acts that are legislative in character and voters are prohibited from exercising administrative or judicial power. Establishment of fees, licensing processes and fees, registration processes and fees and code enforcement are all considered administrative functions of the government and therefore are beyond the scope of voter-initiated referendum.” I’m sharing the Town Attorney’s memo and the basis for rejection to make clear that the citizen Committee does not have the authority to address administrative (executive) functions which are under the jurisdiction of the Town and Trustees. The request to address the three administrative functions listed above (1-3) are just that; “administrative” functions and are outside of the responsibilities of the Committee for Constitutional reasons and that these functions were clearly identified as being outside of the Committee’s purview by the BoT. Town Ordinance is created by Town staff and the Town Attorney for Trustee and public review. The eventual draft Short-Term Rental Ordinance will go through a robust series of public facing workshops and meetings providing numerous opportunities for public input and Trustee agreed revisions prior to adoption. In the meantime, in order to ensure the best use of staff time, citizen volunteer’s (including Trustee’s) time and spending of public funds, it must be understood that the Committee has not been tasked to write an Ordinance. It has not been tasked to create a phased approach to regulating short-term rentals. It has not been tasked with scrutinizing the content of any alternative Ordinance presented to them, with the sole exception of exploring proposed policy provisions that may be included in the draft Ordinance that align with the seven topics listed above. Discussions of anything other than the seven topics (a. – g.) presented above is beyond the scope of the Committee.
BUDGET:	N/A
RECOMMENDATION:	Reaffirmation of the task assigned to the Short-Term Rental Ad Hoc Committee
ATTACHMENTS:	1. February 24, 2026, BoT vs Ad Hoc Committee objectives 2. May 2025 Town Attorney Memo

Proposed Objectives to be Addressed by the Short-Term Rental Ad Hoc Committee Requiring Consideration by the Board of Trustees

The Town of Paonia has committed to and must regulate short-term rentals (STRs). This commitment is in place because of the use of public funds granted to the Town in order to hire a consulting firm to create a Paonia specific Housing Needs Assessment and Housing Action Plan. Regulating STRs was the number one priority expressed by community participants at public meetings to address the shortage of long-term housing in Paonia. The Housing Needs Assessment and Housing Action Plan were formally adopted by the Town in November of 2023. Regulating STRs is the first tool recommended in the Housing Action Plan for addressing long-term housing shortages.

The Town needs to move forward to protect the limited supply of housing by regulating the conversion of long-term residential properties to STRs and the purchase of homes for the purpose of using them as STRs. The Town also recognizes that STRs contribute to the local economy, support tourist-oriented businesses and allow local homeowners to supplement their income and provide flexibility by renting second homes and portions of their primary residence.

Additionally, the Town and Trustees determined that uncontrolled and unregulated STRs may also have a direct effect on the quality and character of the community and individual neighborhoods and properties in Town. Protection of the health, safety, and welfare of the residents of Paonia is a basic and valid responsibility of local government. Therefore, the adoption of a balanced approach to regulating, which includes licensing of STRs is an imperative for the Town.

The administrative provisions provided below (these are decisions made only by the Board of Trustees) are necessary for the implementation of a municipal licensing program for which the Town is legally responsible to adopt in order to protect public health, safety and ensure responsible management of public funds.	Potential Topics for the Ad Hoc Committee to address and create proposed recommendations to the Board of Trustees for consideration
1. Creation of a Licensing program that includes dwelling units and single room rentals 2. Adoption licensing requirements 3. Licensee obligations during term of the license 4. Unlawful to operate an STR without a license 5. Use of the following definition for “Dwelling Unit” – “Dwelling Unit means a single unit providing complete, independent living facilities for one or more persons,	1. Number of maximum (Dwelling unit/single room) STR licenses offered by the Town and what this number is based on 2. Definition of a single room rental 3. Approach for licensing single room rentals. 4. Owner occupied vs. non-owner-occupied dwelling units as STRs

including permanent provisions for living, sleeping, eating, cooking and sanitation.” This definition applies to other portions of Town Code and must be uniformly applied. 6. STRs defined as being rented for a period less than 30-days 7. Requirements for Annual License renewal 8. Licensing Fee requirements and the associated fee amount to ensure public staff time and public resources are adequately reimbursed 9. Requirement for an exterior door with a minimum of 32 inches when opened to 90 degrees. 10. Criteria and process for license denial, suspension, revocation, penalties for noncompliance and opportunity for appeal. 11. Adherence to Chapter 18, requiring adherence to the 2018 International building code and licensed property available for inspection by Town designee 12. Adherence to all Town of Paonia Code requirements including zoning, nuisances, trash collection, noise abatement, dark skies, etc. 13. STRs prohibited in the Mobile Home district (MH), Light Industrial district (I-1), Industrial District (I-2), Developing Resource District (DR) and Public District (P) 14. Requiring an owner applying for an STR license to provide proof of property ownership 15. Requiring that each licensed STR owner designate an authorized representative(s) that is/are located within 60 minutes driving time from the STR and available 24 hours a day, 7 days a week for the purpose of responding to property code violations and/or complaints regarding the condition, operation, or conduct of occupants of the short-term rental, and (2) taking remedial action to resolve such violations and/or complaints.. 16. Non transferability of licenses	5. Possibly assigning the number of STR licenses and the associated parking requirements based respectively on the Town Zoning Classifications - C-1, C-2, R-1, R-2, R-3 and E-1 (See attached zoning classification descriptions and the Town zoning map) 6. Discuss the time frame included in the definition for <i>primary residence</i> – A privately-owned residential dwelling or property at which the owner resides for at least hundred (200) days per year. (This is the definition and time frame included in the original Ordinance.) 7. Establishment of a license waiting list used when all allotted licenses have been issued
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CLAYTON M. BUCHNER
Town Attorney
Paonia, Colorado

MEMORANDUM FOR: Paonia Board of Trustees (“BOT”)

SUBJECT: Citizen Initiated Petition – STR Ordinance

1. This memorandum is regarding the citizen-initiated petition for STR Ordinance submitted May 21, 2025, and thereafter rejected on May 28, 2025.

2. Question: Why was the STR Ordinance Rejected?

3. Answer: C.R.S. 31-11-106(1), states "the clerk may reject a petition or a section of a petition on the grounds that the petition or a section of the petition does not propose municipal legislation pursuant to section 1(9) of article V of the state constitution."

4. Law: The Colorado Constitution and case law make it clear that initiative and referendum powers reserved by the people under the state constitution apply only to acts that are legislative in character and the voters are prohibited from exercising administrative (i.e. "executive") or judicial power. Colo. Const. Art. 5, Sec. 1. If proposed initiatives are administrative, they may not be placed on the ballot pursuant to the people's initiative power. Colo. Const. Art. 5, Sec. 1 (1,9).

5. Analysis: Large portions of the proposed petition direct administrative and executive functions of government. See below.

- 6.06.010 Definitions – new policy, legislative, and proper for petition.

- 6.06.20 Permitted Use –

A. Asserts administrative matters not subject to petition. While dedicating ROSTRs as use by right is appropriate, delineating “No Special-Use Review or other discretionary land-use approval” attempts to control administrative/executive function of the Town in enforcement of the provision.

C. Asserts “No license, fee, or ongoing registry is required for a ROSTR.” This provision attempts to control administrative/executive function of the Town in enforcement of the provision or otherwise in establishing administrative fees in enforcement and administration of the provision. (Note: Imagine if citizen-initiated provisions could eliminate fees for administrative services provided by local government, the result would be bankruptcy of the Town).

- 6.06.040 Grandfather Registration – Requires administrative action from the Town but asserts no fee. This provision attempts to control administrative/executive function of the

Town in enforcement of the provision or otherwise in establishing administrative fees in enforcement and administration of the provision. Note: omission of a fee is still administrative, especially if the provision requires executive function of enforcement with



CLAYTON M. BUCHNER
Town Attorney
Paonia, Colorado

no administrative fee to offset the costs of the required action by Town staff.

- 6.06.060 Proof-on-Demand Procedure – Triggers administrative/executive function of the Town in enforcement of a policy and is not an appropriate provision.
- 6.06.070 Enforcement and Penalties – The entire section directs the administrative/executive and/or judicial functions of the Town. Civil penalties, status of crime, Lien, and Administrative Appeal are all enforcement actions considered executive and/or judicial functions of the Town.
- 6.06.080 Mandatory Review and Amendment Limitations.

A. Directing a public review is administrative function of the Town.

B. This limitation is in conflict with Colorado state statute (allowing repeal and amendment after 6 months), attempts to control licensing fees (an administrative function), and limits the statutory power of the BOT to repeal and/or amend ordinances (may not be allowed).

6. Conclusion: Case law has determined that establishment of fees, licensing processes and fees, registration processes and fees, and code enforcement are all considered administrative functions of government and are not subject to citizen-initiated referendum. See *Vagneur v. City of Aspen* (232 P.3d 222), *Witcher v. Canon City* (716 P.2d 445), and *City of Aurora v. Zwerdinger* (194 Colo. 192). As nearly every section of the proposed provision of the petition is administrative and did not propose legislation as required by the Colorado Constitution, the clerk rejected the petition. See Colo. Const. Art. 5, Sec. 1 (1,9)

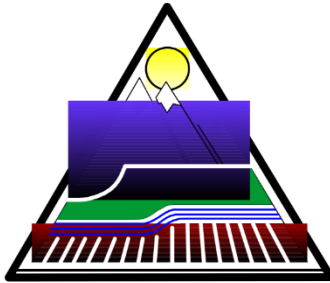
Very Respectfully,

Clayton M. Buchner, J.D.
Town Attorney
Paonia, Colorado



**TOWN OF PAONIA
BOARD OF TRUSTEES MEETING
STAFF REPORT**

AGENDA ITEM:	Consideration of Developing a Clean-Up Days Program
SUBMITTED BY:	Stefen Wynn, Town Administrator & Treasurer
DATE:	3.20.2026
BACKGROUND:	The Town has historically supported seasonal clean-up efforts to address bulk waste accumulation, improve community appearance, and promote responsible disposal practices. However, the Town hasn't participated in the program for several years. Delta County has continued its Municipal Waived Landfill Tipping Fee Credit Program for 2026, providing participating municipalities with credits to offset disposal costs associated with organized clean-up events. This program creates a structured opportunity for the Town to facilitate a Spring Clean Up effort that aligns with existing community activities, including the conclusion of the Town-wide garage sale, thereby maximizing participation and efficiency. The Town of Paonia has been allocated an estimated \$650 in waived tipping fee credits, equivalent to a minimum of ten tons of material at the current landfill rate of \$65 per ton. These credits are restricted to qualifying clean-up materials and may not be applied toward routine household trash, tires, or standard municipal collection services. As a result, any program must be carefully structured to ensure compliance with landfill requirements while maximizing the benefit of the available credit. Operational considerations will vary depending on the selected program model. A multi-week bulk pickup approach would provide flexibility to residents but would increase labor demands, fuel consumption, and equipment utilization, potentially exceeding available credits. A single-day collection event offers a more controlled and efficient alternative, allowing staff to align collection efforts with available resources and landfill capacity while reducing the risk of non-compliant materials and unauthorized use. To ensure equity and fiscal responsibility, participation in the program would be limited to residents who can demonstrate proof of active garbage collection service, such as a current utility bill. This requirement ensures that the program benefits ratepayers who support the Garbage Enterprise Fund and helps control program scale, participation levels, and associated costs.
BUDGET:	The Town has approximately \$650 in available landfill tipping fee credits, which will offset an estimated ten tons of eligible material disposal. Any costs exceeding this allocation, including labor, fuel, and additional tonnage, will be borne by the Garbage Enterprise Fund and will depend on program design and participation levels.
RECOMMENDATION:	RECOMMENDED MOTION: I move to direct staff to develop/not develop a clean-up days program for in-town, garbage customers only.
ATTACHMENT:	1) RBL Waived Credit Fee Municipalities 2026 AdobeButtesLandfill 2) Draft Proposal



DELTA COUNTY, COLORADO

BOARD OF COUNTY COMMISSIONERS

COUNTY COURTHOUSE • 501 PALMER STREET • SUITE 227 • DELTA • COLORADO • 81416-1796

PHONE: (970) 874-2100 FAX: (970) 874-2114 DIRECT LINE: 874-2102

www.deltacounty.com

rlevalley@deltacounty.com

Robbie Baird LeValley, Delta County Administrator

TO: Delta County Municipal Mayors and Managers/Administrators

FROM: Robbie LeValley, County Administrator

RE: 2026 Municipal Waived Landfill Tipping Fee Credit Program

DATE: March 9, 2026

The Board of Delta County Commissioners (Board) has elected to continue its support of municipal annual clean-up efforts by providing each municipality with a **WAIVED FEE CREDIT** that may be applied against qualified tipping fees at the Adobe Buttes Landfill (ABLF) for fall, spring or other municipal sponsored clean-up programs. As you will recall, each entity's credit is based upon its population and calculated in accordance with the 1% sales tax resolution (Resolution No. 11-R-042).

In accordance with the 60/40 split between the County and its municipalities, \$20,000 is available in waived fee credits for 2026. Of the \$8,000 (40%) credit to be distributed among the municipalities, the Board has revised each entity's credit amount to reflect the changes in its population based on the 2020 U.S. Census population figures and other data. The schedule reflects the current rate of \$65.00 per ton. The fee schedule also provides for a minimum of 10 tons per entity if the actual calculated share is less than 10 tons for any one entity.

The waived fee credits will be effective as of March 15, 2026.

2026 Waived Tipping Fee Credit Schedule

Town	Population	Percentage	Credit Amount	
Delta	9,534	52.6	\$4,605	
Orchard City	3,304	18.2	1,650	
Cedaredge	2,456	13.5	1,290	
Paonia	1,475	8.1	650*	
Hotchkiss	951	5.2	650*	
Crawford	417	2.2	650*	
TOTAL	18,137	100.00	\$9,495	

*Reflects credit fee waived for at least 10 tons if actual share is less

The WAIVED FEE CREDIT program is subject to the following conditions:

- The Waived Fee Credit will be reviewed annually and authorized each year at the discretion of the Board of County Commissioners.
- Each municipality will be informed at the beginning of each year of its Waived Fee Credit amount.
- The Waived Fee Credit will be applied at the \$65/ton measured at and delivered at the Adobe Buttes Landfill (ABLF).
- Municipalities can use the Waived Fee Credit for any purpose except routine household trash, tires or to offset their municipal trash pick-up charges at the landfill.
- Truck driver must inform ABLF gatekeeper that the Waived Fee Credit should be applied to his load and identify the municipality. The information will be placed on the landfill ticket.
- Regular tipping fees will be charged to the municipality when the yearly credit is used up.
- **ANY unused portion** of the Waived Fee Credit remaining at the end of the calendar year **will not** be carried forward to the next year.
- Material is to be delivered to the ABLF and is subject to all landfill rules and regulations.
- No such clean-up material will be accepted at the North Fork Transfer Station.

A tabulation of each entity's "waived fee credit account" will be kept in the Enterprise Fund accounting system, at the ABLF gatehouse and will be provided to each entity as used.

If you have any questions about this program, feel free to contact Robbie LeValley, Delta County Administrator at 874-2102 or rlevalley@deltacountyco.gov.

Draft Proposal: Spring Clean Up Day Program

Overview

Staff proposes the implementation of a Spring Clean Up program to coincide with the conclusion of the Town-wide garage sale. The intent of this program is to provide residents with a structured and equitable opportunity to dispose of bulk waste items that remain following the garage sale, while reinforcing the Town's commitment to community appearance, environmental responsibility, and fair use of municipal services.

Participation in the program would be limited to residents who can demonstrate proof of active garbage collection service within the Town, such as a current monthly utility bill. This requirement ensures that the program is reserved for ratepayers who contribute to the Garbage Enterprise Fund and prevents misuse by non-residents or commercial operators.

Program Structure Options

Staff has identified two primary implementation approaches for consideration:

Option 1: Limited Duration Bulk Pickup (Two-Week Window)

Under this approach, the Town would allow eligible residents to place approved bulk items for collection over a defined two-week period following the garage sale. During this time, standard bulk item fees could be waived or reduced in accordance with the Town's adopted fee resolution.

This option provides flexibility for residents but would require sustained operational commitment from Public Works staff and may result in increased wear on equipment and extended routing demands. Additionally, this approach may increase the likelihood of unauthorized or non-compliant materials being placed for collection.

Option 2: One-Day Community Clean Up Event (Recommended)

Under this approach, the Town would designate a single day immediately following the garage sale for bulk item collection. Residents would be required to place approved materials curbside or deliver them to a designated collection point, depending on operational capacity.

This option allows for a more controlled and efficient deployment of staff and equipment, better aligns with the available landfill credit, and reduces the risk of program misuse. It also provides a clear and well-communicated timeframe for participation.

Eligible and Prohibited Materials

To ensure compliance with landfill regulations and cost control measures, the program would include clear material restrictions.

Eligible materials may include:

Furniture, mattresses, appliances (non-refrigerated), and general bulky household items.

Prohibited materials would include:

E-waste, refrigerators, tires, paint, chemicals, batteries, and any hazardous materials, as well as routine household trash. These exclusions are consistent with landfill requirements and the conditions of the County's waived fee program.

Administration and Enforcement

Participation would require proof of active garbage service, verified through a current utility bill or account record. Staff would communicate program requirements in advance through multiple channels, including utility bill inserts, the Town website, and social media.

Clear guidelines regarding acceptable materials, placement requirements, and timing will be essential to ensure program success. Staff will also coordinate with Delta County and the Adobe Buttes Landfill to ensure proper application of waived tipping fee credits and compliance with all operational requirements.



MARCH 17, 2026

- The Committee decided that both candidates for facilitator were qualified equally and would like the Town council to add an additional question of "Will the candidate be willing to write an executive summary of each meeting and submit it to the town after each meeting, and how much time would be needed to do so." Then the decision was made to have the town council consider the candidates and choose one at their meeting, as either were qualified, but there was discussion on cost, and the answer to the executive summary question, the council should make the expenditure consideration. The committee discussed public feedback and how to facilitate input and how do we envision taking public comment/opinions.
- There was discussion of meeting ground rules and for structure to be set for the next meeting and further meetings
- Common Ground submitted their proposed ordinance for the committee, but unfortunately, it wasn't submitted in time to be on the agenda and therefore the committee could not discuss or consider it at this meeting. There was some discussion of the Common Ground proposal, nonetheless.
- The Phase Approach to getting recommendations to the council for consideration was tabled as it was moot until the Common Ground suggestions would be considered.
- STR research article was discussed, and the complaint was put out that it wasn't considered because it was out of date.

The committee asked to see the survey put out by Common Ground at the time of the election, with the participation statistics.

End of report

I ask that the council delineate clearly the responsibilities of the committee and clearly states that we aren't writing the ordinance but are gathering data and furthering a recommendation to the council, to dispose of the misapprehension that some of the public and some of the committee have for this process.

Mayor Pro-Tem Stelter
Ad Hoc Short-Term Rental Committee

