

2025 FIRE SAFETY PROJECT AGREEMENT
SKI RANCHES – MOUNTAIN VILLAGE

This 2025 Fire Safety Project Agreement (“**Agreement**”), effective the 20 day of MAY, 2025, is between The Town of Mountain Village (the “**Town**”), a Colorado home rule municipality, and Telluride Ski Ranches Association (“**Ski Ranches**”), a Colorado nonprofit corporation, (each individually referred to as a “Party” and collectively as the “Parties”).

Recitals

- A. Telluride Ski Ranches was initially established in 1971 as a residential subdivision in San Miguel County, Colorado, and later expanded to encompass the area generally depicted on **Exhibit A** attached hereto and incorporated by reference herein (the “**Ski Ranches Service Area**”).
- B. The Town has provided potable water service to Ski Ranches since 2007 and owns the water supply infrastructure that serves Ski Ranches.
- C. The Town has initiated a project to improve the fire safety water infrastructure available to Ski Ranches to ensure that such water system infrastructure meets all state and local requirements (the “**Fire Safety Project**”).
- D. Ski Ranches and the Town desire to enter into this written Agreement to formally memorialize a joint plan to accelerate implementation of portions of the Fire Safety Project in calendar year 2025.

Agreement

Now, therefore, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

- 1. The Parties agree to use best efforts to scope out a portion of the Fire Safety Project to complete those elements of such Project generally described on the attached **Exhibit B** in calendar year 2025, subject to budget limitations described in Section 7 of this Agreement.
- 2. The Town agrees to proceed with an engineering design based on the Project elements contained in Exhibit B commencing as soon as possible and no later than thirty (30) days after mutual execution of this Agreement for a 2025 scope of work (“**2025 Engineered Plans**”), if the outsourced Town engineer is available to perform such work or as soon thereafter as practicable.

3. Ski Ranches shall have fifteen (15) business days to review, provide input and accept the 2025 Engineered Plans with the use of Wright Water Engineers, Inc. (“WWE”) or another Ski Ranches selected engineer; such acceptance shall not be unreasonably withheld, conditioned or delayed.
4. The Town shall prepare a draft request for proposal (“RFP”) or other form of solicitation consistent with the Town’s procurement policies to obtain bids for construction of the work outlined in the final 2025 Engineered Plans. The draft RFP and associated proposed construction contract for the Fire Safety Project shall be provided to Ski Ranches for review and comment, who shall provide input on the RFP and construction contract within fifteen (15) business days of receipt, and the Parties shall jointly accept the construction contract, which approval shall not be unreasonably withheld, conditioned or delayed by either Party.
5. The Town acknowledges that its staff will be responsible to oversee construction of the Fire Safety Project in general conformance with the 2025 Engineered Plans and specifications and will consult with a Ski Ranches designated representative during construction and during Key Decisions (as defined in subsection 5.7 below). At a minimum, the Town’s construction contract with the Fire Safety Project contractor (“Contractor”) shall include provisions for the following:
 - 5.1. WWE or another selected Ski Ranches representative will be allowed to participate in the pre-construction meeting and regularly scheduled construction progress meetings (anticipated weekly) to review status of the Fire Safety Project work as it occurs through the construction season.
 - 5.2. The Ski Ranches and their designated representatives (including 1) Telemark, Inc. DBA Telluride Services attn: Peter McGinty, 2) WWE attn: Hayes Lenhart, and 3) Telluride Ski Ranches Association) shall be listed as additionally insured under the Contractor’s general liability insurance for the duration of the construction contract and shall be included as indemnified parties in the construction contract.
 - 5.3. A Ski Ranches representative will be present during the Fire Safety Project walkthrough that develops a final punch list prior to final payment pursuant to Section 7 of this Agreement. A Ski Ranches representative will be present during the final walkthrough of the Fire Safety Project after all punch list items have been completed by the Contractor and prior to such final payment.
 - 5.4. Ski Ranches, through its designated representative, shall be consulted on all Key Decisions, specifically, Ski Ranches shall be provided with at least seven (7) business days to review and provide input on Key Decisions, and the Parties shall jointly approve Key Decisions, which approval shall not be unreasonably withheld, conditioned or delayed by either Party.
 - 5.5. A procedure for the Ski Ranches designated representative to review the Contractor’s progress payment applications and supporting information in order to verify to Ski Ranches’ reasonable satisfaction that the work for which payment is requested has been completed in general conformance with the 2025 Engineered Plans and associated specifications.

- 5.6. Standard warranties and bonding requirements by or on behalf of the Contractor.
- 5.7. As used herein, “**Key Decisions**” means written change orders for the Fire Safety Project, changes in the Fire Safety Project budget, material changes in the location of the Town’s water service infrastructure in conjunction with the Fire Safety Project and/or changes in scope of the Fire Safety Project work.
6. Once the RFP and associated construction contract are mutually accepted by both Parties, the Town shall issue the RFP or other form of solicitation consistent with the Town’s procurement procedures to obtain contractor bids for construction of the work outlined in the 2025 Engineered Plans and provide the bids to Ski Ranches for review, who shall provide input on the contractor selection process and cost review, and the Parties shall jointly approve the contractor/bid, which approval shall not be unreasonably withheld, conditioned or delayed by either Party. If the bids resulting from the RFP exceed the budget limitations described in Section 7 of this Agreement, the Parties (in combination with WWE and the Town’s engineers) will modify the 2025 Engineered Plans and the final contract to allow the cost of the work to fall within such budget limitations. Prior to the formal award of such bid, Ski Ranches must provide the Town with proof of its financial capability to pay for the costs of the work, which may be in the form of cash on hand, awarded grants, approved loan agreements, a bond, or such other assurance as the Town deems satisfactory in its reasonable discretion.
7. All expenditures incurred by the Town directly related to the Fire Safety Project incurred in calendar year 2025 per the 2025 Engineered Plans shall be paid by, and reimbursed to, the Town pursuant to the following hierarchy:
- 7.1. First, the Town shall utilize \$250,000.00 currently in the Town’s 2025 budget for the Fire Safety Project; and
- 7.2. Second, once the funding described in subsection 7.1 above is exhausted, Town shall invoice Ski Ranches monthly for reimbursement by Ski Ranches within 45 days of invoice. Ski Ranches shall reimburse the Town for such invoiced expenditures up to a maximum total of \$1,000,000.00. The Parties agree that Town’s “invoiced expenditures” shall not include retainage held back from the contractor per the bid documents, which will provide that the Town retain ten percent (10%) of each invoice prior to completion of fifty percent (50%) of the Project and five percent (5%) thereafter. Such retainage will not be due from Ski Ranches or paid to the contractor until all work and Section 5.3 punch list items for the 2025 Fire Safety Project is completed to the reasonable satisfaction of Town, Ski Ranches and their consulting engineers.
8. The Parties will continue to work in good faith to enter into a long-term agreement to complete and fund the Fire Safety Project and operate and maintain the Ski Ranches water service infrastructure in future years. Among other matters, such long-term agreement may include provisions allowing for the Ski Ranches to be reimbursed for a portion of the expenses associated with the Fire Safety Project to the extent the Town provides water service to other properties outside the Ski Ranches through the physical infrastructure paid for by the Ski Ranches.

9. In the event either Party defaults on its obligations pursuant to this Agreement, the non-defaulting Party shall give the other Party written notice of default, and the defaulting Party shall then have 30 days to effectuate a cure or to commence a cure if the cure cannot reasonably be completed within such 30-day period. If no such cure is completed or commenced within such period, then the non-defaulting Party shall be free to pursue any available remedy at law or equity, including but not limited to specific performance.

10. General Provisions:

- a. Notice. All notices and other communications shall be in writing and shall be deemed to have been duly given on the date of service, if sent by email or if served personally on the party to whom notice is given. Notice shall be deemed to have been duly given three days after mailing if mailed to the party to whom notice is to be given by first class mail, registered or certified, postage prepaid and properly addressed as follows:

To SKI RANCHES:

Telluride Ski Ranches Association

c/o Telluride Consulting, LLC

P.O. Box 518, Telluride, CO 81435

garrett@tellurideconsulting.com

To TOWN:

Paul F. Wisor, Mountain Village Town Manager

455 Mountain Village Blvd, Suite A

Mountain Village, CO 81435

pwisor@mtnvillage.org

- b. Governing Law and Venue. This Agreement shall be construed under Colorado law, and the forum for resolution of any and all disputes arising hereunder shall be the District Court in and for San Miguel County, State of Colorado.
- c. Binding Effect. The terms of this Agreement shall be binding on and shall inure to the benefit of the Parties' successors and assigns.
- d. Headings. The headings of this Agreement are included for purposes of convenience only and shall not affect the construction or interpretation of any of its provisions.

- e. Amendments. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by the Parties.
- f. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Electronic signatures shall be acceptable, valid and enforceable.
- g. Proper Authority. The individuals signing below represent and warrant that they are authorized to sign on behalf of and bind the respective Parties to the terms and conditions hereof.
- h. Subject to Appropriations. Any and all fiscal obligations of the Town arising out of this Agreement shall at all times be subject to annual budgeting and appropriation as required by the Colorado Constitution and other applicable law.
- i. No Waiver. Nothing in this Agreement shall be construed to be a waiver or modification of either Party's existing rights or obligations concerning the provision of water service to property within the Telluride Ski Ranches subdivision or any other matter.
- j. Remedies/Attorneys' Fees. In the event of breach of this Agreement, and subject to the provisions of Section 10 above, the prevailing Party shall be entitled to recover its costs and attorney fees in addition to any other remedies.

[SIGNATURE PAGES FOLLOW]

SIGNATURES:

TELLURIDE SKI RANCHES ASSOCIATION

By: FB
Fran Berg

TOWN OF MOUNTAIN VILLAGE, COLORADO*

By: 
Michelle Bulson, Acting Town Manager

Attest: Margan Kohard

*the Town's approval and signature are subject to ratification by the Mountain Village Town Council at the next available public meeting.

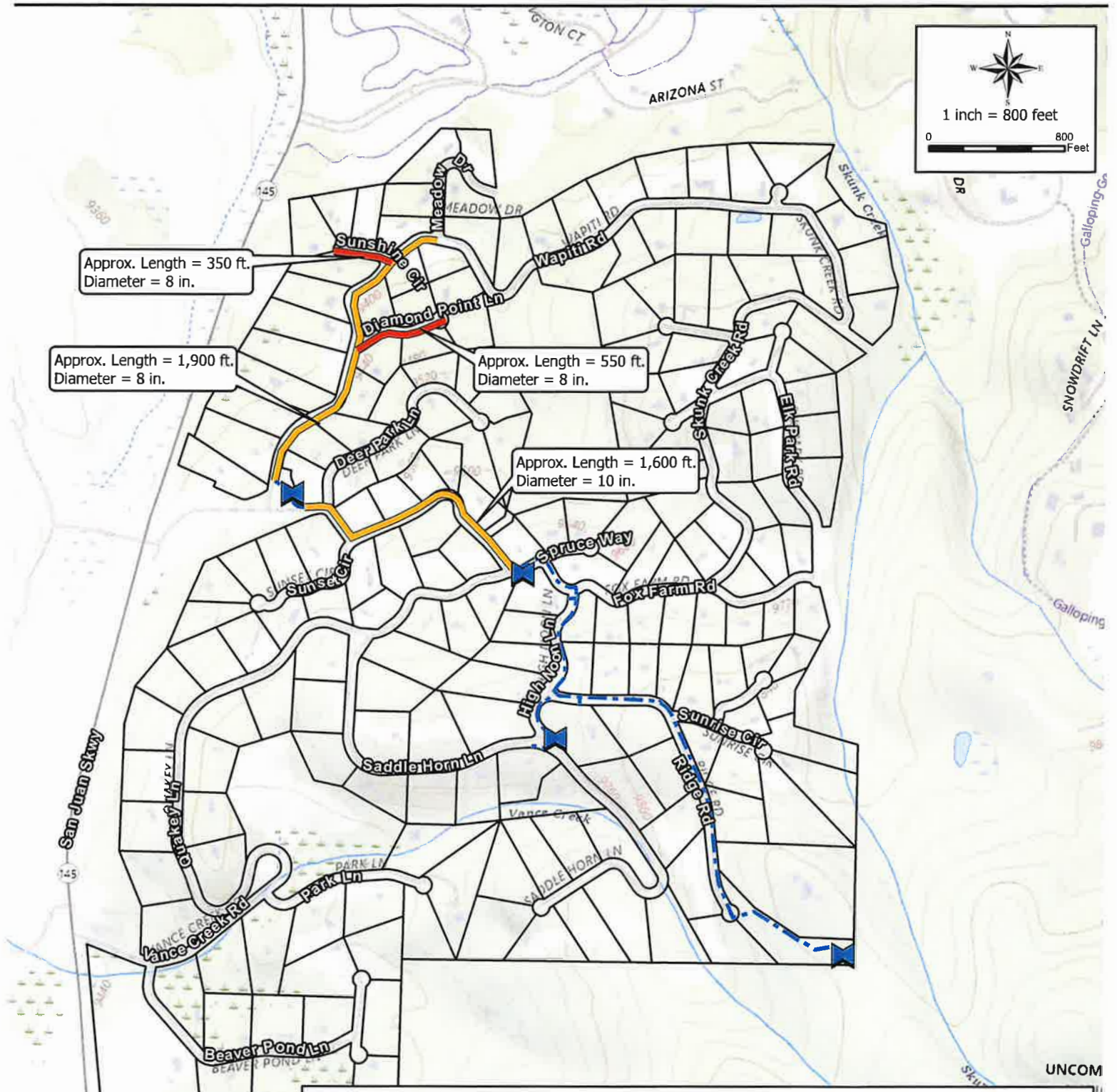
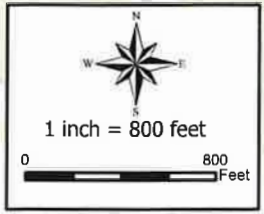
**EXHIBIT A TO
2025 FIRE SAFETY PROJECT AGREEMENT
[SKI RANCHES MAP]**

Exhibit A

Ski Ranches Community San Miguel County



**EXHIBIT B TO
2025 FIRE SAFETY PROJECT AGREEMENT
[SKI RANCHES FIRE SAFETY PROJECT ELEMENTS
TO BE COMPLETED IN 2025]**



Legend

<ul style="list-style-type: none"> Pressure Reducing Value (PRV) Vault Replaced Between 2018 and 2024 (Ski Ranches Water System Capital Improvement Plan Phase 2 Improvements Map - Dated 11/07/2017) Proposed Water Line Replacement (2025 Ski Ranches Improvements - SEH Drawing - Dated 3/25/2025) 	<ul style="list-style-type: none"> Water Line Replacement and System Improvements Made Between 2018 and 2024 (2025 Ski Ranches Improvements - SEH Drawing - Dated 3/25/2025) Ski Ranches Parcels and Service Area (San Miguel County Assessors Office GIS Data)
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