

**CLEAR CREEK COUNTY SPORT SHOOTING PARK LEASE
BETWEEN
THE BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF CLEAR CREEK, COLORADO
AND
THE CLEAR CREEK METROPOLITAN RECREATION DISTRICT**

THIS LEASE AGREEMENT (“Lease”) is by and between the Board of County Commissioners of the County of Clear Creek, Colorado , with an address of 405 Argentine Street, P.O. Box 2000, Georgetown CO 80444 (“Lessor”) and the Clear Creek Metropolitan Recreation District, with an address of 98 12th Avenue, P.O. Box 1149, Idaho Springs, CO 80452 (“Lessee”). Lessor and Lessee may be collectively referred to as the Parties, and each individually as a “Party.”

1. Definitions and Basic Provisions. The following definitions and basic provisions are applicable to this Lease:

a. “Premises”: The real property subject to this Lease is located at 3204 Stanley Road, Dumont, CO, consisting of approximately 5.7 acres, as depicted on **EXHIBIT A**.

b. “Term”: Subject to subsection 1.c., below, the initial Lease term (“Initial Term”) will commence April 1, 2026, and terminate December 31, 2026, but the Lease may be renewed for up to four, successive five-year Terms thereafter (each a “Term” and collectively, the “Terms”) if exercised as follows: If a Term remains to be exercised, Lessor will give Lessee written notice that the expiration of the Term is impending asking Lessee to confirm its intent to renew the Lease. The notice will be given no later than September 30 immediately preceding the expiration date of the then current Term. If Lessee gives written notice not later than November 15 immediately before the expiration date of its intent to renew (subject to lawful appropriation), the Lease will automatically renew for another five-year Term. If Lessee does not give notice within that time, the Lease will terminate at the end of the Term. If Lessor does not give the notice provided herein, the Lease will automatically renew, unless either Party submits written notice of termination at least 90 days prior to the expiration of the then current Term.

c. “Condition Precedent”: The Initial Term shall be conditioned upon the following requirement having been satisfied: construction currently ongoing on the Premises shall be completed by the Lessor to both Parties’ satisfaction on or before July 1, 2026. This is a Condition Precedent. In the event that the Condition Precedent is not satisfied on or before July 1, 2026, either Lessor or Lessee shall have the right to terminate the Lease upon delivery of written notice to the other no later than July 31, 2026, in which case the Lease shall be null and void and of no further force and effect. Neither party shall have any liability whatsoever to the other in relation to or arising from Lessor’s inability or failure to cause the Condition Precedent to be satisfied.

d. “Basic Rent”: The Base Rent for the Initial Term shall be \$3,750.00 and shall be payable on or before December 31, 2026. Beginning on January 1, 2027, the Base Rent will be \$6,000 a year, payable annually in one lump sum by January 31 of each calendar year for that year, increased at the beginning of each Term in accordance with the rate of inflation (Denver-Aurora-Lakewood, Colorado, CPI-U). If a fire ban requires the range to be closed (i.e., Stage 2 fire ban) occurs more than a total of 14 days during a calendar year, a prorated amount may be deducted from the next annual rent payment based on the number of days the range was closed.

e. “Additional Rent”: Additional Rent means any and all other amounts, other than Basic Rent, due and payable under the terms of this Lease. Additional Rent shall include 20% of net profits of the previous calendar year, as determined by the formula outlined in Exhibit B, payable annually on January 31 of each year except 2027.

f. “Rent”: All payments, reimbursements and other amounts due Lessor under provisions of this Lease, including Basic Rent and Additional Rent.

g. “Permitted Use”: The use of the Premises will be for the Clear Creek County Sport Shooting Park,” a public sport shooting park (“Shooting Park” or Facility”), which may include recreational activities compatible with shooting. Lessee will not, without the prior written consent of Lessor, make or allow to be made any alteration, addition or improvement to the Premises the nature of which would require a County building or land use permit.

2. Operational Requirements. The Lessee shall be required to operate under the following conditions:

a. The Facility shall be open to the public a minimum of eight (8) hours a day, five (5) days a week, to include weekends, with the exceptions of when a County fire ban is in place that prevents shooting at the range.

b. Firing weapons shall be limited to the hours of 8:30 am to 5:00 pm from November 1 through April 30, and 8:30 am to 6:00 pm from May 1 through October 30, except for Law Enforcement POST training and special events, which will require prior approval from Lessor and advanced notification to the community of dates and times.

c. User fees, including hourly and daily membership fees, law enforcement use and training, and hunter safety classroom rental fees, must receive prior written approval from Lessor prior to implementation or future changes.

d. The following ammunition shall not be fired on the Premises at any time by anyone: .50 caliber or larger high velocity; tracer; explosive; incendiary; full-automatic.

3. Maintenance, Repairs and Alteration. Lessee shall be responsible for providing regular custodial service and minor repairs for the Premises. Lessor shall be immediately notified of any problems with the heating and mechanical systems, lighting, water and/or wastewater systems to allow Lessor to repair these systems as quickly as possible to avoid further damage to the Premises. In the event Lessee fails to notify Lessor within 24 hours, then Lessor will have the right to expend

all sums necessary for delayed repairs and Lessee will reimburse Lessor upon demand for all such sums, including attorneys' fees and costs if required. Lessor will be responsible for HVAC, water, wastewater, mechanical, and lighting system repairs.

Lessee will, at Lessee's expense, keep the Premises orderly and in good condition and free of debris, as when this Lease began, excepting ordinary wear and tear and damage by casualty, including without limitation the interior surfaces of the ceiling, walls and floors, doors and partitions, and wall, floor and window coverings. Lessee will neither commit nor allow any waste or damage to the Premises inconsistent with the Permitted Use. Lessee shall repair or replace at Lessee's sole cost, to the extent not covered by insurance or required to be covered by insurance pursuant to this Lease, any damage done to the Premises caused by any act, omission or negligence of Lessee.

Lessee shall not make or allow any alterations, installations, cabling, additions or improvements in or to the Premises without first obtaining the written consent of Lessor. Lessee understands and agrees that Lessor's consent will be conditioned upon, among other things, Lessor's approval of plans, specifications and contractors, and Lessor's receipt of adequate security (such as a payment and performance bond) satisfactory to Lessor to assure completion of the work and payment of all costs of the work.

4. Utilities. All assessments for charges to provide internet and waste disposal to the Premises during the continuance of this Lease shall be paid by the Lessee as the same become due and payable.

5. Security. Lessee shall provide security for the site and shall maintain the fence around the Facility and keep the gates locked when the range is not in use.

6. Signage. Lessee will not, without the prior written consent of Lessor, attach any sign directly or indirectly to the exterior of the building or construct any signs and/or outdoor advertising larger than 10 square feet.

7. Sublease/Assignment. This Lease and the rights of Lessee hereunder shall not be assigned, other than updating primary contacts annually.

8. Insurance. Lessee shall secure and maintain during the life of the Lease such insurance, from an insurance company authorized to write casualty insurance in the State of Colorado, as will protect Lessee, its subcontractors, and the Lessor from claims for bodily injury, death, or property damage which may arise, and shall have filed the Certificate of Insurance or the certified copy of the insurance policy with the Lessor. Each insurance policy shall contain a clause or separate statement providing that it will not be cancelled by the insurance company without 10 days' written notice to the Lessor of intention to cancel. The amounts of such insurance shall not be less than the following.

- a. Workers' Compensation and Employer's Liability Insurance shall be secured and maintained as required by the State of Colorado for full coverage of all persons employed at the Facility. Employer's liability coverage per accident shall be \$1,000,000.00.
- b. General Liability and Vehicular Liability: Bodily injury and property damage:
 - i. Injury to or sickness or disease or death of one person \$500,000.00;
 - ii. Injury to or sickness or disease or death of two or more persons in a single occurrence \$1,000,000.00;
 - iii. Property damage to property of one person \$500,000.00; and
 - iv. Property damage to property of two or more persons in a single occurrence \$1,000,000.00.

Prior to commencement of the Initial Term, Lessee shall certify that the aforementioned insurance is in effect and that Lessee has provided copies of applicable insurance certificates to the Lessor for this Lease.

9. Use of Premises; Compliance with Laws and Insurance Requirements. Lessee will not, without Lessor's prior written consent, use the Premises for any purpose other than the Permitted Use. Lessee will control Lessee's agents, employees, licensees and invitees in such manner as will not create any nuisance or interfere with Lessor or owners of neighboring properties, it being agreed that the noise associated with operating a shooting range are not "nuisances"; and will comply with all laws, ordinances, orders, rules and regulations now or hereafter adopted by any governmental authority having jurisdiction over the Premises. At all times during the Terms of the Lease, Lessee will maintain insurance with respect to its use and possession of the Premises.

10. Entry by Lessor. Lessor and Lessor's designees will have the right with reasonable advance notice, which may be verbal, to enter the Premises at all reasonable hours for the purpose of inspecting the Premises, making such repairs, alterations or improvement as Lessor may deem appropriate, or for any other lawful purpose, provided that no such entry will unreasonably interfere with Lessee's Permitted Use on the Premises.

11. Liability and Indemnity. Lessor will not be liable to Lessee or to Lessee's agents, employees, licensees or invitees, or to any person claiming by, through or under Lessor, for any injury to person, loss of or damage to property, resulting from any cause whatsoever other than Lessor's gross negligence or willful misconduct. To the extent permitted by law, Lessee agrees to indemnify Lessor against all such claims except those arising from Lessor's gross negligence or willful misconduct.

12. Lessee's Event of Default. The following will constitute "Events of Default" by Lessee under this Lease:

- a. Failure by Lessee to correct or cure, within 30 days after Lessor's prior written request for such correction or cure, any deficiency in Lessee's performance of Lessee's obligations under this Lease; provided that such correction or cure can be made within 30 days or within such time as reasonably necessary so long as Lessee is diligently pursuing such correction or cure; or
- b. The filing by or against Lessee of any petition under any chapter or provision of the federal Bankruptcy Code or any similar present or future state or federal law.

13. Lessor's Remedies. Upon the occurrence of any Event of Default mentioned in paragraph 12 above, Lessor will have the right to exercise any one or more of the following remedies:

- a. Lessor may terminate this Lease, effective at such time as may be specified by written notice to Lessee, and demand (and if such demand is refused, recover) possession of the Premises from Lessee, in which event Lessee will indemnify Lessor against any loss, damage or expense that Lessor may suffer by reason of such Event of Default or such termination.
- b. Lessor may not, without terminating this Lease, demand (and if such demand is refused, recover) possession of the Premises from Lessee.
- c. Lessor may, without accelerating the remaining Rent due under this Lease, bring separate actions from time to time to collect any one or more delinquent installments or payments of Rent due under this Lease.

Any Rent due Lessor under this Lease will bear interest at the rate of 12% per year from the date due until paid, and Lessee will pay all reasonable costs and expenses, including reasonable attorneys' fees, incurred by Lessor in collecting any such sum or in enforcing any other right or remedy available to Lessor under this Lease.

14. Lessee's Remedies. Lessor's obligations under this Lease may, subject to the rules of law governing availability of such remedies generally, and any breach thereof may be redressed in an independent action for specific performance. Notwithstanding anything in this Lease to the contrary, in no event will Lessee attempt, or assert the right, to withhold any payment due Lessor under this Lease, or plead any setoff or counterclaim in any action by Lessor to enforce any provision of this Lease, on account of any alleged breach of this Lease by Lessor.

15. Environmental. Lessee, and not Lessor, is responsible for lead clean-up following the expiration of the Lease. Notwithstanding that, at the end of the Initial Term and every five (5) years of the Term thereafter, Lessee will perform pH tests of the soils in berms around the shooting

bays, and in areas beyond the bays, all in locations of expected shot fall. If pH tests in any area show a pH below a range of 6.5 – 8.5, Lessee shall spread limestone or other alkaline product for the purpose of bringing the pH of the soils within the 6.5 – 8.5 range. Lessee shall provide a written report of the pH test to County within 45 days after each testing along with a description of the corrective action taken. Lessee, at its expense, will be responsible for remediation and/or abatement of any environmental contamination that it directly causes at the Premises of a nature not commonly occurring at outdoor ranges. Environmental contamination will be defined as those materials and/or substances identified by local, state or federal governmental authorities or agencies as being “hazardous” (excluding the deposit of lead and associated substances).

16. Lessee’s Authority. Lessee represents and warrants it has the full right, power and authority to enter into this Lease and has obtained all necessary consents from its directors and officers, if any, required under its governing documents in order to consummate this transaction, and the person executing this Lease has been duly authorized to do so.

17. Surrender of Premises; Holding Over. Upon the expiration or earlier termination of this Lease, or on or before the date specified in any demand for possession by Lessor pursuant to paragraph 13 above, Lessee will surrender possession of the Premises to Lessor and any remaining or existing improvements and any other installed or constructed improvement on the Premises will be deemed abandoned by Lessee. Possession of the Premises by Lessee after such expiration, termination or date specified in a demand for possession will be deemed a holdover of this Lease without Lessor’s consent, and Lessee will be deemed to be a Lessee from month to month, at a monthly rate equal to 150% of the monthly installment of Base Rent for the final month of the Term, and subject to all of the other provisions and conditions of this Lease.

18. Notices. Any notice required or permitted to be given under this Lease will be in writing and will be deemed to have been sufficiently given for all purposes if sent by certified or registered mail, postage and fees prepaid, addressed to the Party to whom such notice is intended to be given at the address set forth below or otherwise provided by either Party in writing. Such notice shall be deemed to have been given when deposited in the U.S. Mail.

Lessor:

Clear Creek County
Attn: County Attorney and County Manager
405 Argentine Street, P.O. Box 2000
Georgetown, CO 80444

Lessee:

Clear Creek Metropolitan Recreational District
98 12th Avenue, P.O. Box 1149
Idaho Springs, CO 80452

19. Entire Agreement; No Waiver. This Lease and the exhibit hereto constitute the final and complete expression of the Parties' agreements with respect to the Premises and Lessee's occupancy of the Premises. By signing this Lease, both Parties acknowledge and agree that the Parties do not consent to any terms embedded within hyperlinks referenced within any document. Any terms, conditions, or agreements not explicitly outlined within the plain language of this Lease shall not be considered binding or enforceable. The plain language contained within this Lease constitutes the complete and exclusive agreement between the Parties and supersedes all prior agreements, negotiations, representations, and understandings, whether verbal or written. Each Party agrees that it has not relied upon or regarded as binding any prior agreements, negotiations, representations or understandings, whether verbal or written, except as expressly set forth herein. No provision of this Lease may be amended or waived except by written instrument signed by the Party to be charged with such amendment or waiver; without limiting the general applicability of the first clause of this sentence, Lessor's acceptance of Rent with knowledge that Lessee has defaulted under this Lease will not constitute a waiver of such default. Failure by Lessor to enforce any provision of this Lease will not constitute a waiver of such provision, and no waiver by Lessor of any provision of this Lease on one occasion will constitute a waiver of any other provision or of the same provision on another occasion.

20. Severability; Captions. If any clause or provision of this Lease shall be held invalid or unenforceable, the remainder of this Lease shall not be affected thereby, and there shall be deemed substituted for the affected clause or provision a valid and enforceable clause or provision as similar as possible to the affected clause or provision. The paragraph and subparagraph captions used in this Lease are included for convenience only, and will be deemed irrelevant to the construction of any provision of this Lease.

21. Binding Effect. The provisions of this Lease will bind and benefit Lessor and Lessee and their respective heirs, legal representatives, successors, and assigns.

22. Non-Appropriation/TABOR. The Parties understand and acknowledge that both Parties are subject to Article X, § 20 of the Colorado Constitution ("TABOR"). The Parties do not intend to violate the terms and requirements of TABOR by the execution of this Lease. It is understood and agreed that this Lease does not create a multi-fiscal year direct or indirect debt or obligation within the meaning of TABOR and, therefore, notwithstanding anything in this Lease to the contrary, any payment obligation of the Lessor or Lessee is expressly dependent and conditioned upon the continuing availability of funds beyond the term of the current fiscal period ending upon the next succeeding December 31. Financial obligations payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available in accordance with the rules, regulations, and resolutions of the Lessor or Lessee, as applicable, and other applicable law. Notwithstanding any other provision of this Lease concerning termination, upon the Lessor or Lessee's failure to appropriate such funds, this Lease shall automatically terminate.

23. Governing Law; Venue. This Lease will be governed by and construed in accordance with the laws of the State of Colorado. Venue of any action to enforce this Lease shall be in the Clear Creek County Colorado District Court.

24. Compliance with Laws. The Parties shall strictly comply with all applicable federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

26. Attorneys' Fees. For any dispute arising from or related to this Lease, the prevailing Party shall be entitled to an award of reasonable attorneys' fees and costs whether or not legal proceedings are instituted.

27. Governmental Immunity. It is the intention of the Parties that this Lease shall not be construed as a contractual waiver, express or implied, of any immunities or defenses provided by the Colorado Governmental Immunity Act, Section 24-10-101 and following, Colorado Revised Statutes, or any other applicable law.

28. Counterparts. This Lease may be executed via electronic signature and counterparts, each of which when signed by all the Parties shall be deemed an original, but all of which when taken together shall constitute one agreement.

29. Amendment. This Lease may be amended only by an instrument in writing signed by the Parties. Any provision incorporated by reference which purports to negate this provision either with or without notice shall not be valid or enforceable in any action at law, whether by way of complaint, defense, or otherwise. Any provision rendered null and void by the operation of this provision shall not invalidate the remainder of the Lease, to the extent capable of execution.

30. Lease Agreement Documents. Each of the following documents is incorporated herein by reference whether or not attached hereto. If there is any conflict between this Lease and the Lease Agreement Documents, this Lease shall control. The "Lease Agreement Documents" shall consist of:

- a) Exhibit A – Map of Leased Property
- b) Exhibit B – Formula to determine Basic Rent

[SIGNATURES ON FOLLOWING PAGE]

Lessor:

Clear Creek County Board of County Commissioners

By: _____

Name: Rebecca Lloyd

Title: Chair, Board of County Commissioners

Date: _____

Lessee:

Clear Creek Metropolitan Recreation District

Name: Meghan Vickers

Title: President, Creek Metropolitan Recreation District Board

Date: _____

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; EXHIBITS TO FOLLOW]

EXHIBIT A

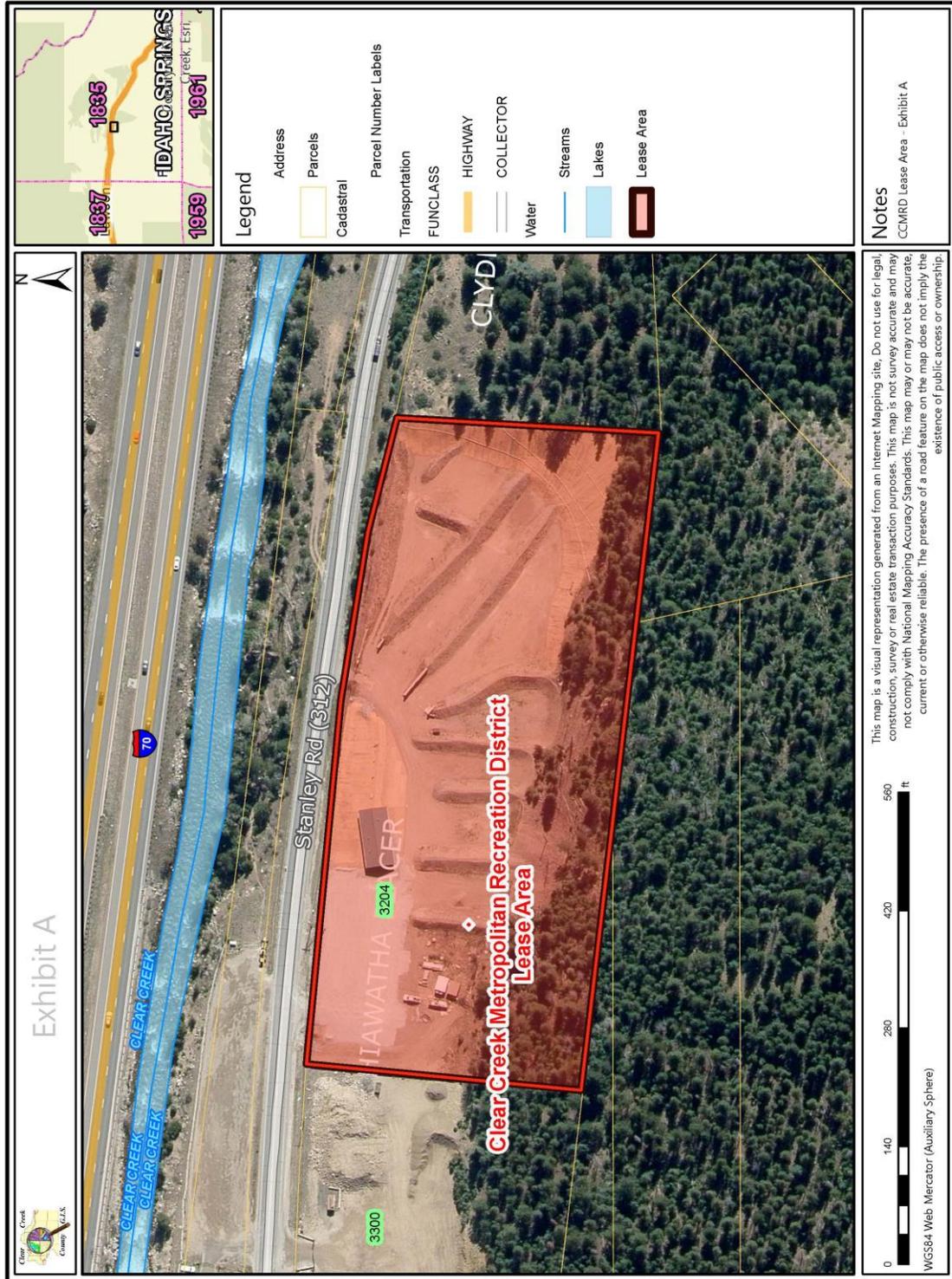


EXHIBIT B

Net Profit Calculation and Additional Rent Formula

This Exhibit establishes the accounting methodology by which “Net Profit” will be calculated for purposes of determining Additional Rent under Section 1(d) of the Lease.

1. Definitions

For the purposes of this Exhibit:

1.1 “Gross Revenue”

Gross Revenue means all earned income generated from operation of the Shooting Park, recognized on an accrual basis, including:

- a. Daily use fees
- b. Hourly lane or bay rental fees
- c. Annual membership fees
- d. Law Enforcement / POST training usage fees
- e. Classroom rental and training program fees
- f. Ammunition or target sales (if applicable)
- g. Sponsor revenue directly tied to park operations
- h. Concessions revenue, vendor fees, or event-related revenue
- i. Any grant revenue restricted to operational activity
- j. Any other revenue attributable to the Premises, unless expressly excluded

Exclusions:

- Grants restricted specifically for capital improvements
- Donations not tied to operations
- Insurance proceeds for casualty losses
- County payments or reimbursements unrelated to park operations

1.2 “Allowable Operating Expenses”

Allowable Operating Expenses include all ordinary, necessary, reasonable, and directly attributable operational costs of the Shooting Park, recognized on an accrual basis. Allowable Operating Expenses must fall within one of the categories below.

2. Allowable Operating Expense Categories

2.1 Personnel Costs

Includes only staff whose labor is directly assigned to the Shooting Park:

- a. Wages and salaries
- b. Employer payroll taxes

- c. Employer PERA or retirement contributions
- d. Employer-paid health, dental, and disability insurance
- e. Overtime directly attributable to range operations
- f. Contracted range safety officers, instructors, or event staff
- g. Seasonal or temporary labor

Exclusions:

- District-wide administrative salaries
- Executive leadership not dedicated to range operations
- Volunteer time valued as an expense

2.2 Operations & Consumables

- a. Targets, stands, backers, and consumable materials
- b. Training ammunition used for instruction
- c. PPE, safety glasses, hearing protection
- d. Range cleaning supplies
- e. Office supplies directly tied to the range
- f. First aid/trauma kits for operational use

2.3 Repairs & Maintenance

- a. Routine facility repairs
- b. Berm, target system, and range surface maintenance
- c. Drainage or minor grading
- d. Fence, gate, and lock repairs

2.4 Utilities

Utilities directly attributable to the Premises, including:

- a. Internet
- b. Waste disposal or dumpster service

2.5 Insurance

Premiums for insurance coverages required under the Lease:

- a. Public liability
- b. Property damage
- c. Any riders specifically required for the Shooting Park

2.6 Environmental Compliance Costs

- a. pH soil testing (per Section 14)
- b. Lime/alkalizing materials applied to maintain pH ranges
- c. Required disposal of hazardous materials, excluding lead remediation at end-of-lease
- d. Fees for environmental compliance reporting

2.7 Professional Services

- a. Accounting or bookkeeping directly tied to range operations
- b. Legal services tied to day-to-day operations
- c. Software or IT services used exclusively for range scheduling or check-in systems

Exclusions:

- District-wide software licenses
- Legal costs from disputes unrelated to routine operations

2.8 Permits & Regulatory Fees

- a. Local, state, or federal fees required to operate the Shooting Park
- b. Fire inspections
- c. Training certifications

2.9 Other Direct Costs

Expenses not included above are allowable only if:

- a. Directly attributable to range operations,
- b. Ordinary and necessary,
- c. Not reimbursed by third parties, and
- d. Do not exceed \$2,500 per item without itemization and written justification.

3. Non-Allowable Expenses

The following are explicitly excluded from Allowable Operating Expenses:

- a. Depreciation or amortization
- b. District-wide overhead or administrative allocations
- c. Capital improvements exceeding \$5,000
- d. Fundraising costs
- e. Advocacy or lobbying expenses
- f. Debt service or loan repayments
- g. Travel expenses outside Clear Creek County unless tied to range training
- h. Marketing expenses not exclusive to the Shooting Park
- i. Insurance deductibles over \$2,500 per claim

4. Net Profit Formula

Net Profit for each calendar year will be calculated as:

Net Profit = Gross Revenue – Allowable Operating Expenses

5. Additional Rent Calculation

Additional Rent = 20% × Net Profit

If Net Profit is zero or negative, no Additional Rent is owed for that year.

6. Annual Financial Reporting Requirements

The Lessee must submit to Lessor by January 31 each year:

- a. Income Statement for the Shooting Park
 - Showing Gross Revenue and Allowable Operating Expenses
 - Presented on an accrual basis
- b. Balance Sheet (range-only allocation permissible)
- c. General ledger or transaction listing for all revenue and expenses
- d. Itemized list of expenses over \$2,500
- e. Narrative explanation of:
 - Significant revenue changes
 - Significant expense variances
 - Operational changes affecting financial performance
- f. Certification signed by the Finance Officer or Director stating:
“This financial report is complete, accurate, and represents the true financial activity of the Public Sport Shooting Park for the preceding calendar year.”

Right to Audit

The County may audit the supporting documentation with 10 business days’ notice. If the audit identifies an underpayment:

- Lessee must correct the underpayment within 30 days, and
- Will pay interest at 1% per month on the underpaid Additional Rent.

7. Treatment of Special Situations

7.1 Prepaid Memberships

Must be recognized as revenue pro rata over the membership term.

7.2 Multi-Use Staff

Salaries must be allocated based on actual hours worked, supported by timesheets.

7.3 Shared Equipment

If equipment is used by multiple Rec District programs, only the proportionate share attributable to Shooting Park operations is allowable.

7.4 Closures or Restricted Hours

Fire bans, weather closures, or emergency shutdowns do not alter the Net Profit formula unless agreed in writing.