

AN ORDINANCE GRANTING AUTHORITY TO THE MAYOR AND TOWN CLERK OF THE TOWN OF NUCLA TO ENTER INTO A LEASE AND OPTION AGREEMENT ON BEHALF OF THE TOWN OF NUCLA, COLORADO, FOR THE LEASE AND OPTION TO PURCHASE A BUILDING FOR A JAIL AND MUNICIPAL OFFICES UNDER THE PROVISIONS OF THE LONGTERM LEASEHOLD ACT FOUND IN CHAPTER 139, ARTICLE 61, SECTIONS 1 TO 3 INCLUSIVE OF THE COLORADO REVISED STATUTES, 1953.

BE IT ORDAINED BY THE TOWN OF NUCLA, COLORADO, AS FOLLOWS:

Section 1: AUTHORITY TO ENTER INTO A LEASE AND OPTION AGREEMENT: The Mayor and the Town Clerk of the Town of Nucla, Colorado, shall have and they hereby are granted the authority to enter into an agreement of lease and option for the purchase of the leased property with one Robert B. Munson, of Nucla, Colorado, and in the name of and on behalf of the Town of Nucla, Colorado, as a municipal corporation, for the lease of and the option to purchase a building to be used as a jail and municipal offices, for the rental amounts on the terms and for the option-to-purchase price amounts, as are more particularly stated and set forth in a proposed lease and option agreement, and this ordinance shall be and constitute sufficient warrant and authority to and on the part of said designated officers of said Town of Nucla, Colorado, to sign, execute and acknowledge the execution on behalf of the Town of Nucla, to lease and option to purchase the leased property containing among other things the following principal terms, to-wit:

1. The lease and option to purchase the leased property under the terms and provisions of Chapter 139, Article 61, Section 1, of the C.R.S. 1953.
 2. The lease and option to purchase the leased property shall cover the following described property, to-wit:

3. Lot 6, Block 61, Town of Nucla, Colorado
 The leasehold term and period shall extend from October 1, 1957, to July 1, 1960, and the quarterly rental amount shall be the same as the purchase price installment payments provided in the option to purchase said leased property, and such rental amounts shall apply to the purchase price payments under the terms of the option to purchase such leased property.

4. The lease shall contain an option to the Lessee to purchase said leased property for the purchase price of Twelve Thousand Dollars (\$12,000.00). Such option may be exercised by the Town of Nucla as Lessee at any time prior to the first day of July, A. D. 1960, and upon the exercise of the option to purchase such leased property, the purchase price of the leased property shall become payable in installments as hereinafter indicated with interest at the rate of six percent per annum on the unpaid portions of the purchase price, payable in amounts and at the times as follows:

AMOUNT	PAYMENT	PAYMENT DATE	BALANCE	TIME	INTEREST	TOTAL PAYMENT
\$12,000.00	\$1,000.00	Oct. 1, 1957	\$11,000	3 mo.	\$60.00	\$1,060.00
\$11,000.00	\$1,000.00	Jan. 1, 1958	\$10,000	3 mo.	\$165.00	\$1,165.00
\$10,000.00	\$1,000.00	Apr. 1, 1958	\$ 9,000	3 mo.	\$150.00	\$1,150.00
\$ 9,000.00	\$1,000.00	July 1, 1958	\$ 8,000	3 mo.	\$135.00	\$1,135.00
\$ 8,000.00	\$1,000.00	Oct. 1, 1958	\$ 7,000	3 mo.	\$120.00	\$1,120.00
\$ 7,000.00	\$1,000.00	Jan. 1, 1959	\$ 6,000	3 mo.	\$105.00	\$1,105.00
\$ 6,000.00	\$1,000.00	Apr. 1, 1959	\$ 5,000	3 mo.	\$ 90.00	\$1,090.00
\$ 5,000.00	\$1,000.00	July 1, 1959	\$ 4,000	3 mo.	\$ 75.00	\$1,075.00
\$ 4,000.00	\$1,000.00	Oct. 1, 1959	\$ 3,000	3 mo.	\$ 60.00	\$1,060.00
\$ 3,000.00	\$1,000.00	Jan. 1, 1960	\$ 2,000	3 mo.	\$ 45.00	\$1,045.00
\$ 2,000.00	\$1,000.00	Apr. 1, 1960	\$ 1,000	3 mo.	\$ 30.00	\$1,030.00
\$ 1,000.00	\$1,000.00	July 1, 1960		3 mo.	\$ 15.00	\$1,015.00
TOTALS	\$12,000.00				\$1,050.00	\$13,050.00

5. The remaining terms and conditions of said lease and option shall be the terms and clauses usually and customarily found and incorporated in lease and options covering the type of property covered by the lease and option.

Section 2. VALIDITY OF CONTRACT: That upon the execution of an agreement for the lease and option to purchase the above described property signed and executed by all of the parties thereto in the manner and according to the terms above set forth and according to the complete terms and condition of the lease and option agreement, said lease and option agreement shall be a constitute a binding contract on the part of the Town of Nucla, Colorado, after a completely signed copy thereof has been deposited in the office of the Town Clerk of the Town of Nucla.

Section 3. CONFLICTING ORDINANCES: All ordinances and parts of ordinances in conflict herewith are expressly herein and hereby repealed to the extent that such repeal may be necessary to make effective the provisions of this ordinance.

Section 4. EFFECTIVE DATE OF ORDINANCE: This ordinance shall be and become in full force and effect upon the expiration of thirty days from an after the date of the final passage and final publication of this said ordinance.

INTRODUCED, READ AND ORDERED PUBLISHED the first time by the Town Board of the Town of Nucla, Colorado, at a regular meeting of the Town Board held at the Town Hall in the Town of Nucla, Colorado, at 8:00 P.M. on Tuesday, the 13th day of August, A. D. 1957.

Haida Stephens
Clerk

G. F. Malisky
Mayor

PASSED AND APPROVED this day of , A. D. 1957.

Haida Stephens
Clerk

G. F. Malisky
Mayor

STATE OF COLORADO)
TOWN OF NUCLA)
COUNTY OF MONTROSE) ss.

I, Haida Stephens, Town Clerk in and for the Town of Nucla, Colorado, do hereby certify that the foregoing ordinance was regularly introduced and read at a regular meeting of the Town Board of the Town of Nucla, Colorado, held on Tuesday, the 13th day of August, A. D. 1957, and that said ordinance was then and thereafter ordered published in full in a regular edition of the weekly paper THE FORUM, a legally qualified weekly newspaper, published in the Town of Nucla, Colorado, on the 16th day of August, A. D. 1957, and that said ordinance will come up for final consideration and passage at a regular meeting of the Town Board to be held on Monday 27th, the 27th day of August, A. D. 1957 at the Town Hall in the Town of Nucla, Colorado, at 8 P. M. of said day.

WITNESS my hand and the official seal of said Town of Nucla, Colorado,

this 13th day of August, A. D. 1957.

SEAL

Haida Stephens
Clerk

First Publication Aug 16- , 1957.

LEASE AND OPTION

THIS AGREEMENT made and entered into this 13th day of August, A. D. 1957, by and between ROBERT B. MUNSON of Nucla, Colorado, party of the first part, hereinafter referred to as the Lessor, and THE TOWN OF NUCLA, Colorado, a municipal corporation, party of the second part, hereinafter referred to as the Lessee,

WITNESSETH:

WHEREAS, the lessee requires a new building for the jail and municipal office; and the lessor is in a position to furnish a suitable building according to the specifications of the lessee, and

WHEREAS, the bid of the lessor for furnishing a suitable building for the purpose intended was the lowest bid submitted to the lessee, to-wit, Twelve Thousand Dollars purchase price or Four Thousand Dollars per annum rent, and

WHEREAS, Chapter 139-61-1 of the C. R. S. 1953 provides with respect to municipal corporations as follows:

"In order to provide necessary....equipment and other property for governmental or proprietary purposes, and municipal corporation of this state is hereby authorized to enter into long term rental or leasehold agreements....Such agreements may include an option or options to purchase and acquire title to such leased or rented property within a period not exceeding the useful life of such property, and in no case exceeding thirty years. Each such agreement and the terms thereof shall be concluded by an ordinance duly enacted by the municipal corporation. No such ordinance shall take effect before thirty days after the passage and publication....The obligation to pay such rentals shall not constitute an indebtedness of said municipal corporation within the meaning of the constitutional limitations on contracting of indebtedness by municipal corporations."

and

WHEREAS, an Ordinance has been duly introduced and read at a regular meeting of the Town Board of The Town of Nucla on August 13, 1957, and said ordinance is to come up for final passage on August 27, 1957, said ordinance authorizing the duly designated mayor and town clerk of the Town of Nucla to execute the within contract on behalf of the Town of Nucla,

NOW, THEREFORE, by reason of the premises herein recited and in consideration of the rental amounts hereinafter provided to be paid, the lessor does hereby let, lease and demise unto the lessee the following described building:

Lot 6, Block 61, Town of Nucla, Colorado

for the leasehold term and period extending from October 1, 1957, to July 1, 1960, at the quarterly rental amounts as follows, payable in advance on or before the due dates hereinafter indicated, to-wit:

<u>AMOUNT</u>	<u>PAYMENT</u>	<u>PAYMENT DATE</u>	<u>BALANCE</u>	<u>TIME</u>	<u>INTEREST</u>	<u>TOTAL PAYME</u>
\$12,000.00	\$1,000.00	Oct. 1, 1957	\$11,000	3 mo.	\$ 60.00	\$1,060.00
\$11,000.00	\$1,000.00	Jan. 1, 1958	\$10,000	3 mo.	\$165.00	\$1,165.00
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\$ 2,000.00	\$1,000.00	Apr. 1, 1960	\$1,000	3 mo.	\$ 30.00	\$1,030.00
\$1,000.00	\$1,000.00	July 1, 1960		3 mo.	\$ 15.00	\$1,015.00

and according and subject to the performance of the following setout covenants and conditions, to-wit:

A. COVENANTS OF THE LESSOR:

1. The lessor agrees to furnish one building as above described and to erect the same on lot or lots furnished by the Town of Nucla, it being agreed that during the terms of this lease and option to purchase said building will remain personal property.
2. The lessor agrees that as a part of the consideration for the payment by the lessee of the rental amounts hereinabove stated and provided and for a further consideration of One Dollar the receipt of which is hereby acknowledged, the lessee shall have the option to purchase said leased building for the total purchase price of Twelve Thousand Dollars exclusive of interest on

deferred purchase price payments, and interest upon all deferred purchase price shall not exceed six percent per annum payable quarterly upon the exercise of this option to purchase said building, the total principal and interest payments being in the sum and amounts set forth hereinabove. All rental payments made under the terms of this lease regardless of whether the same have been made prior to or after the date of the exercise of this option to purchase such leased building shall apply on the purchase price thereof. The above and foregoing option to purchase said leased property shall be exercised by the lessee giving to the lessor a written notice in the form of a letter indicating a desire to exercise said lessee's option to purchase the leased property, at any time prior to the first day of July, A. D. 1960.

3. The lessor covenants and agrees that upon the exercise of said lessee's option to purchase said leased property and upon the payment to lessor of the purchase price of said property, said lessor will deliver to the lessee a bill of sale to said leased property, free and clear of and from any and all liens and encumbrances whatsoever.

B. COVENANTS OF THE LESSEE:

1. In the event said lessee fails and neglects to pay the rental amounts hereinabove provided, and said default continues for a period of ninety days beyond the due date thereof, this lease may be terminated at the election of the lessor upon the lessor first giving to the lessee an additional thirty day written notice of his intention to so terminate said lease, and lessee shall have the right to remedy such defect within thirty days after the mailing of said notice.

2. In the event said lessee exercises its option to purchase said leased property, then this agreement shall be treated as a contract for the sale of said leased property and no default in the performance of the covenants of this lease, including the covenants to make purchase price payments, shall serve as a basis for the termination and forfeiture of such contract of sale, unless such default in the performance thereof continues for a period of ninety days beyond the due date of any of the purchase price payments and then said agreement may be terminated only by the giving of a second and final thirty day's notice to

the lessee and purchaser of such leased property, stating that said agreement is to be terminated because of the failure of the lessee and purchaser to perform the covenants of said agreement obligatory upon it to be performed, unless purchaser shall within thirty days from the date of mailing of said notice remedy such defect.

3. In the event of the termination of this agreement, either while it is and constitutes a lease, or after it becomes a contract of sale, in the manner above provided, the lessor then shall have the right to take possession of said leased property and to dispose of the same either at public or private sale in the manner by law provided for the disposition of repossessed mortgaged chattel property.

4. The lessee agrees that it will at its own expense provide such fire and comprehensive insurance on said building in such amounts and with such insurance carriers as may be designated and required by the lessor during the term and period this lease agreement is in force and effect, wherein the lessor shall be named and designated as one of the beneficiaries of said insurance to the extent of said lessor's interest in said insured property and copies of such insurance contracts shall be made available and furnished to the lessor upon his request.

5. The above and foregoing agreement on the part of the lessee has been authorized by the provisions of an ordinance duly passed and approved by the Town Board of the Town of Nucla, Colorado, on the 27th day of August, A.D. 1957, wherein and whereby the Mayor and Town Clerk of the Town of Nucla, Colorado, have been authorized and directed to sign, execute and acknowledge the execution of said lease and option in the name of and on behalf of the Town of Nucla, Colorado.

WITNESS, the respective hands and seals of the parties hereto the day and date shown opposite the respective signatures of the parties hereto.

Dated this 27th day of August, A.D. 1957.

Robert B. Munro
Lessor

J. F. Meluskey
Lessee, Town of Nucla, Mayor

ATTEST: Maيدا Stephens
Clerk of Lessee Town of Nucla

A S S I G N M E N T

For and in consideration of the payment by the Citizens State Bank of Ouray, Colorado, of the sum of Twelve Thousand Dollars (\$12,000.00) to Robert B. Munson, the receipt of which is hereby acknowledged.

The undersigned Robert B. Munson, does hereby assign, set over and transfer to the Citizens State Bank of Ouray, Colorado, all of his right, title and interest in and to that certain lease and option dated the 13th day of August, A. D. 1957, by and between Robert B. Munson, party of the first part, referred to in said lease and option as lessor, and the Town of Nucla, Colorado, party of the second part referred to in said lease and option as the lessee, said lease and option providing for the erection of one certain building and completion thereof of according to specifications. Assignor further covenants and agrees that he guarantees payment of the installments and rentals set forth in the lease and option. This assignment is binding upon the heirs, executors and assigns of the parties hereto.

IN WITNESS WHEREOF, the said Robert B. Munson has hereunto set his hand to these presents this 13th day of August, A. D. 1957.


Robert B. Munson

I, *Naida Stephens*, a Notary Public in and for Montrose County, Colorado, do hereby certify that Robert B. Munson, who is personally known to me to be the same person who executed the foregoing instrument in writing on behalf of himself, appeared before me this day in person and acknowledged that he signed, sealed and delivered the said instrument as his free and voluntary act, for the uses and purposes therein specified.

Given under my hand and notarial seal, this *13th* day of August, A. D. 1957.

My commission expires:

My Commission expires **October 8, 1957**


Notary Public