FIRST AMENDMENT TO MOFFAT ECONOMIC DEVELOPMENT AUTHORITY ESTABLISHMENT AGREEMENT

THIS **FIRST AMENDMENT TO MOFFAT ECONOMIC DEVELOPMENT AUTHORITY ESTABLISHMENT AGREEMENT** (this "**Amendment**") is made and entered as of October 1, 2025 (the "**Effective Date**") by and between the **CITY OF CRAIG** (the "**City**") and **MOFFAT COUNTY** (the "**County**") (collectively, the "**Parties**"), both being municipal corporations and political subdivisions of the State of Colorado (the "**State**").

RECITALS

A. Pursuant to the Colorado Constitution, Article XIV, Sections 18(2)(a) and (b), and Sections 29-1-203 and 203.5 C.R.S., the Parties entered into the Moffat Economic Development Authority Establishment Agreement dated as of August 12, 2025 (the "**Original Agreement**," and together with this Amendment, the "**Establishment Agreement**") to form the Moffat Economic Development Authority (the "**Authority**").

B. Pursuant to Article VII of the Original Agreement, the Authority is required to present a Preliminary Budget (as defined below) to the Parties for approval prior to the Authority approving said budget as the Authority's final budget.

C. Article VII of the Original Agreement includes the creation of a Budget Committee (as defined in the Original Agreement) responsible for participating in the drafting of the Preliminary Budget and to draft a Conciliation Budget (as defined below) in case of disagreement among the Parties and the Authority.

D. The Parties, while valuing the role of the Budget Committee during the conciliation process, it is concerned about the delays and lack of efficiency it may bring to the drafting of the Preliminary Budget

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants in this Amendment, the Parties agree as follows:

Section 1. **Amendment of Section 7.1 of the Original Agreement**. Section 7.1 of the Original Agreement shall be amended and restated as follows:

7.1 Budget Development and Adoption

(a) *Preliminary Budget*. The Treasurer of the Authority, or his or her designee, shall prepare an annual budget for each Fiscal Year (the "Preliminary Budget"), which will include all budgeted revenues and expenses for such Fiscal Year. The Preliminary Budget shall distinguish administrative expenses from programmatic expenses (including Economic Development Incentives).

(b) *Preliminary Approval by Authority Board.* The Treasurer of the Authority, or his or her designee, shall present the Preliminary Budget to the Authority Board for consideration on or before October 15 of each year. Following review, the Authority Board may approve the Preliminary Budget.

(c) *Approval of Final Budget*. Upon approval by the Authority Board, the Treasurer (or designee) shall forward the Preliminary Budget to both Parties for approval. If approved by a Supermajority Approval of the Parties, the Preliminary Budget shall become the "Presentation Budget," and be resent to the Authority for final approval. Prior to consideration of the Presentation Budget by the Authority Board, the Secretary of the Authority shall publish notice of the Presentation Budget and the place, date and time of the public hearing on its adoption in accordance with the Local Government Budget Law of Colorado. If approved by the Authority Board, the Presentation Budget shall become the "Final Budget" for the applicable Fiscal Year.

(d) *Rejection of Preliminary Budget*. If the Preliminary Budget fails to obtain Supermajority Approval of the Parties, the Authority may prepare a new Preliminary Budget and present it to the Parties for Supermajority Approval of the Parties on or prior to December 15.

(e) *Contingency Procedures*. If a Final Budget is not approved by the Authority Board and a Supermajority Approval of the Parties on or prior to December 31, the Authority shall be limited to appropriating funds for operation and maintenance expenses in accordance with State law until a Final Budget is approved. No new Economic Development Incentives may be approved or disbursed until a Final Budget is approved; provided, however, previously approved Economic Development Incentives that are subject to existing contracts may continue to be funded without interruption, subject to the availability of funds.

Section 2. **Amendment of Section 7.2 of the Original Agreement**. Section 7.2 of the Original Agreement shall be amended and restated as follows:

7. 2 Intergovernmental Budget Committee. If a Final Budget is not approved by December 31 of any Fiscal Year, each Party shall designate by written notice to the Authority three (3) representatives to serve on a joint intergovernmental budget committee by January 15 of the following year (the "Budget Committee"). Within ten (10) days of its formation, the Budget Committee shall meet and consider input and concerns from both Parties and shall further revise the Preliminary Budget to address such input in a manner deemed by the Budget Committee to be reasonably responsive to such input and concerns. The Preliminary Budget, as so revised, shall be designated the "Conciliation Budget". Upon approval by the Budget Committee, the Conciliation Budget shall be presented promptly to the Authority Board for approval, and if approved by the Authority Board, shall be submitted promptly to the Parties for Supermajority Approval of the Parties. Once approved by the Authority Board and Supermajority Approval of the Parties, the Conciliation Budget shall be the "Final Budget". If not so approved, the reconciliation process described in this Section 7.2 shall continue iteratively until a Final Budget is adopted in accordance this Article VII.

Section 3. **Further Amendments**. In the event of any conflict between the provisions of this Amendment and the provisions of the Original Agreement, the provisions of the Original

Agreements shall be deemed amended to reflect the changed agreed upon by the Parties in this Amendment.

Section 4. **Governing Law; Venue** This Amendment shall be construed and interpreted in accordance with the laws of the State of Colorado. Venue for all actions shall be exclusive in Moffat County, Colorado.

Section 5. **Severability**. The invalidity or unenforceability of any provision of the Establishment Agreement, as amended by this Amendment, shall not affect the validity of any other provision of the Establishment Agreement, and all other provisions shall remain in full force and effect.

Section 6. **Captions**. The captions or headings in this Amendment are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Amendment.

Section 7. **Execution in Counterparts; Electronic Signatures**. This Amendment may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. To the fullest extent permitted by applicable law, facsimile, PDF or electronically transmitted signatures shall constitute original signatures for all purposes under this Amendment.

(Signature Page to Follow)

IN WITNESS WHEREOF, the City of Craig and Moffat County have executed this Amendment as of the day and year first written above.

CITY OF CRAIG, COLORADO

By: _____
Name Chris Nichols
Its: Mayor

Attest:

_____
City Clerk

MOFFAT COUNTY, COLORADO

By: _____
Name Melody Villard
Its: Chair of the Board of County Commissioners

Attest:

_____
County Clerk