



**City of Black Hawk
City Council**

June 17, 2020

SPECIAL MEETING MINUTES

1. CALL TO ORDER: A special meeting of the City Council was called to order on Wednesday, June 17, 2020, at 12:05 p.m. by Mayor Spellman.
2. ROLL CALL: Present were: Mayor Spellman, Aldermen Armbright, Bennett, Johnson, Midcap, and Moates.

Virtually Present: Alderman Torres.

Virtual/Present Staff: City Attorney Hoffmann, City Manager Cole, Finance Director Hillis, City Clerk/Administrative Services Director Greiner, IT Manager Muhammad, IT Systems Analyst Blenker, and Deputy City Clerk Martin.

PLEDGE OF ALLEGIANCE: Mayor Spellman led the City in the recitation of the Pledge of Allegiance.
3. EXECUTIVE SESSION: An Executive Session was no longer needed.
4. AGENDA CHANGES: City Clerk Greiner confirmed there were no agenda changes.
5. CONFLICTS OF INTEREST: City Attorney Hoffmann asked Council to declare any Conflicts of Interest on any issue appearing on the agenda this afternoon other than those previous disclosures and conflicts that have already been disclosed and are on file with the City Clerk and Secretary of State. No conflicts were noted from City Council.

City Attorney Hoffmann asked the virtual audience if there were any objections to any member of Council voting on any issue on the agenda this afternoon. There were no objections noted.
6. PUBLIC COMMENT: City Clerk Greiner confirmed that no one had signed up to speak.

7. PUBLIC HEARINGS:

- A. Resolution 51-2020, A Resolution Approving the Amended and Restated Intergovernmental Agreement By and Between the City of Central, the City of Black Hawk, Gilpin County, and the Black Hawk–Central City Sanitation District**
- B. Resolution 52-2020, A Resolution Approving the Settlement Agreement and Mutual Release Between the City of Central, the City of Black Hawk, Proximo Distillers, LLC, and RSM Partners, LLC**

Mayor Spellman read the titles and opened the public hearings.

City Attorney Hoffmann introduced these items. He painstakingly went through the details of both documents. He explained the need for the public hearing was due to State Statute regarding Growth IGAs to be approved only after noticing and a public hearing. He went on to say that this amended and restated IGA is more simplified than the 1999 Growth IGA. This Growth IGA creates a separate Central City growth area and a Black Hawk growth area. He said the County is signatory for purposes of terminating the 1999 Growth IGA only. He explained each of the exhibits as they were the most important items to this agreement. He did highlight the Bulge Area exhibit as it was previously identified in Central City's growth area, and now it is in Black Hawk's growth area. He said this amended and restated IGA is in effect to the year 2045 as is consistent with state law for a 25-year agreement unless both parties jointly agree to terminate before then.

PUBLIC HEARING:

Mayor Spellman declared a Public Hearing on Resolution 51-2020, a Resolution approving the amended and restated Intergovernmental Agreement by and between the City of Central, the City of Black Hawk, Gilpin County, and the Black Hawk–Central City Sanitation District open and invited anyone wanting to address the Board either “for” or “against” the proposed resolution to come forward.

No one wished to speak, and Mayor Spellman declared the Public Hearing closed.

City Attorney Hoffmann continued on to the Settlement Agreement and provided background on the annexations and zoning with Proximo, Central City's lawsuit alleging a breach of the 1999 Growth IGA, and the City of Black Hawk, Proximo, and RSM Partners filing motions to dismiss as they didn't believe there was a violation. He said during that time, they had concurrently been attempting to negotiate a proposed settlement with Central City, and the first term of that settlement was just satisfied by approving the amended and restated Growth IGA. He said the second term of the settlement is within three business days of the final execution of this agreement, Proximo agrees to pay Central City \$140,000.00 as a one-time payment and that is the extent of Proximo's

payment obligation to Central City. He then went through the sections of the Settlement and Mutual Release Agreement in detail. He specifically noted that upon final execution of this agreement, the lawsuit filed by Central City would be dismissed with prejudice, which means it cannot be refiled. He added that one of the conditions in Proximo's Title Commitment is that the lawsuit must be dismissed before Proximo can close. He stated that Central City's Council met yesterday and signed both agreements.

PUBLIC HEARING:

Mayor Spellman declared a Public Hearing on Resolution 52-2020, a Resolution approving the Settlement Agreement and Mutual Release between the City of Central, the City of Black Hawk, Proximo Distillers, LLC, and RSM Partners, LLC open and invited anyone wanting to address the Board either "for" or "against" the proposed resolution to come forward.

No one wished to speak, and Mayor Spellman declared the Public Hearing closed.

MOTION TO APPROVE

Alderman Moates **MOVED** and was **SECONDED** by Alderman Bennett to approve Resolution 51-2020, a Resolution approving the amended and restated Intergovernmental Agreement by and between the City of Central, the City of Black Hawk, Gilpin County, and the Black Hawk-Central City Sanitation District and Resolution 52-2020, a Resolution approving the Settlement Agreement and Mutual Release between the City of Central, the City of Black Hawk, Proximo Distillers, LLC, and RSM Partners, LLC.

Mayor Spellman asked City Attorney Hoffmann to follow through on preparing the necessary Quit Claim Deeds for the County, Lake Gulch Road, and the land exchange.

MOTION PASSED

There was no discussion, and the motion **PASSED** unanimously.

8. ACTION ITEMS:

None

9. CITY MANAGER REPORTS:

None

10. CITY ATTORNEY:

None

11. EXECUTIVE SESSION:

None

12. ADJOURNMENT:

Mayor Spellman declared the Special Meeting of the City Council closed
at 12:35 p.m.

A handwritten signature in blue ink, appearing to read "Melissa A. Greiner", written over a horizontal line.

Melissa A. Greiner, CMC
City Clerk

A handwritten signature in blue ink, appearing to read "David D. Spellman", written over a horizontal line.

David D. Spellman
Mayor