



Jay Miller, Mayor
Alan Lambert, Mayor Pro Tem
Richard Carter, Councilor
Keith Lambert, Councilor
Jonathan Rice, Councilor
Jennifer Sanborn, Councilor
Randy Winkler, Councilor

City Hall
City Council Chambers
202 Railroad Avenue
Rifle, CO

Cablecast Live on
Comcast Channel 10

The City of Rifle will make reasonable accommodations for access to City services, programs, and activities and will make special communication arrangements for persons with disabilities. Please call (970) 665-6405 for assistance.

**REGULAR MEETING
February 20, 2013**

**WORKSHOP 6:00 P.M.
COUNCIL CHAMBERS**

6:00 P.M. Discuss retail recreational marijuana businesses

**REGULAR MEETING 7:00 P.M.
COUNCIL CHAMBERS**

The City Council may take action on any of the following agenda items as presented or modified prior to or during the meeting, and items necessary or convenient to effectuate the agenda items.

- 7:00 p.m. 1. Regular Meeting Call to Order and Roll Call
- 7:03 p.m. 2. Consent Agenda – consider approving the following items:
- A. Minutes from the February 6, 2013 Regular Meeting
 - B. Minutes from the February 13, 2013 Special Meeting
 - C. Visitor Improvement Fund Advisory Board Appointments
 - D. Portable Restroom Vendor for City Parks and Trash Removal Vendor at Rifle Mountain Park
 - E. Martifer Solar License and Power Purchase Agreements
 - F. Accept Rifle Airpark Right-Of-Way Quitclaim Deed from Garfield County to City of Rifle
 - G. Support Garfield Federal Mineral Lease District Grant Application for Deerfield Park – Resolution No. 3, Series of 2013
 - H. December 2012 Sales Tax Report
 - I. December 2012 Financial Report
 - J. Accounts Payable

- 7:08 p.m. 3. Citizen Comments and Live Call-In ((970) 665-6406)
(For issues NOT on the Agenda. Please limit comments to 3 minutes.)
- 7:11 p.m. 4. Action, if any, on Workshop Items (Mayor Miller)
- 7:15 p.m. 5. Public Hearing – Consider Brenden Rifle 7 Theatres Liquor License
Application (Lisa Cain)
- 7:25 p.m. 6. Public Hearing – Consider Special Event Liquor Permit Application – Rifle
Area Chamber of Commerce (Lisa Cain)
- 7:35 p.m. 7. Public Hearing - Consider approving Map Amendment 2013-1 McLeans
Orchards Lots 4 & 5 – Ordinance No. 3, Series of 2013 – First Reading
(Mark Sills)
- 7:45 p.m. 8. Public Hearing – Consider First Amendment to Watershed District Permit
No. 3-09 - WPX Energy Waterline in Beaver Creek (Jim Neu)
- 7:55 p.m. 9. Consider approving 139 Railroad Avenue Lease - Ordinance No. 2,
Series of 2013 – First Reading (Matt Sturgeon)
- 8:05 p.m. 10. Receive Report on Biosolids Action Plan (Dick Deussen)
- 8:15 p.m. 11. Discuss Wildlife Fences along I-70 Access Ramps (Rick Barth)
- 8:25 p.m. 12. Administrative Reports
 - A. City Manager - Verbal Report
 - B. Other Reports
- 8:35 p.m. 13. Comments from Mayor and Council

*The order and times of agenda items listed above are approximate and
intended as a guideline for the City Council.*

Next Regular Meeting of Council: March 6, 2013 at 7:00 p.m.



RIFLE CITY COUNCIL MEETING

Wednesday, February 6, 2013

REGULAR MEETING

7:00 p.m. * Council Chambers

A regular meeting of the Rifle City Council was called to order at 7:00 p.m. by Mayor Jay Miller.

PRESENT ON ROLL CALL: Councilors Rich Carter, Alan Lambert, Keith Lambert, Jen Sanborn, Randy Winkler, and Mayor Jay Miller.

Councilor A. Lambert moved to excuse Councilor Jonathan Rice from tonight's meeting; seconded by Councilor Winkler. Roll Call: Yes – Carter, A. Lambert, K. Lambert, Sanborn, Winkler, Miller.

OTHERS PRESENT: John Hier, City Manager; Matt Sturgeon, Assistant City Manager/Director of Planning; Lisa Cain, City Clerk; Jim Neu, City Attorney; Michael Churchill, Channel 10 Assistant Manager; J. R. Boulton, Police Lieutenant; Dick Deussen, Utilities Director; Dan Ferguson; Carleton Hoffmeister; Mike McKibbin; Ken Olson; and Amelia Shelley.

CONSENT AGENDA - APPROVE THE FOLLOWING ITEMS:

- A. Minutes from the January 16, 2013 Regular Meeting
- B. Annual Purchase of Chemicals for Graham Mesa Water Treatment Plant
- C. Purchase Fire Hydrants
- D. Reschedule June 19, 2013 Council meeting to June 17, 2013
- E. Accounts Payable

Councilor Carter moved to approve Consent Agenda Items A, B, C, D, and E; seconded by Councilor Sanborn. Roll Call: Yes – A. Lambert (abstaining as to Item A), Carter, K. Lambert, Sanborn, Winkler, Miller.

CITIZEN COMMENTS AND LIVE CALL-IN

Amelia Shelley, Executive Director, Garfield County Libraries, provided information about the Libraries' Big Read Event for 2013, featuring the book *The Grapes of Wrath*.

CONSIDER WAIVING FEES AT HUFFMAN GULCH FOR THE RIFLE SNOWMOBILE CLUB'S ANNUAL POKER RUN ON FEBRUARY 17

Rifle Snowmobile Club President Carleton Hoffmeister was present. As they have done in years past, the Snowmobile Club is requesting a waiver of all parking fees for their annual event, the Poker Run on February 17 at Huffman Gulch.

Councilor A. Lambert moved to waive parking fees at Huffman Gulch for the Snowmobile Club's Annual Poker Run on February 17; seconded by Councilor Sanborn. Roll Call: Yes – Carter, A. Lambert, K. Lambert, Sanborn, Winkler, Miller.

CONSIDER MARTIFER SOLAR LICENSE AND POWER PURCHASE AGREEMENTS

Ken Olson of Sol Energy, Dan Ferguson of Martifer Solar, and Assistant City Manager/Director of Planning Matt Sturgeon reminded Council that Martifer Solar presented a solar power purchase agreement (PPA) proposal to City Council September 5, 2012. Following that workshop, City Council authorized a Letter of Intent with

Martifer on September 19, 2012. The Letter of Intent allowed Martifer and staff to evaluate fourteen sites and determine a project scope that met the financial needs of both the City and Martifer.

After conducting this thorough investigation, staff and Martifer concluded the following eight sites are suitable to site solar and make financial sense: Police Station; City Hall; Taughenbaugh Field Lights; Taughenbaugh Ball Park; Cemetery Irrigation; Public Works O&M; Parks Maintenance; and South Wastewater Lift Station.

Martifer's proposal requires no out of pocket costs from the City and will install arrays of sufficient size to make each site effectively net-zero. Additionally, Martifer proposes to move our Xcel billing from a low kilowatt/high demand charge (called Xcel billing category Secondary General) to a higher kilowatt/low demand charge (called billing category "SGL"). This billing modification would take advantage of the net-zero solar installations as the sites would no longer need substantial "grid" energy. Reducing the demand charge will reduce our current and future bills.

The PPA, as presented, will result in the installation of the stated arrays, and the City would lock in a power purchase rate beginning at \$.0707 cents/kW hour; this would escalate three percent annually. There is an option to buy-out each year starting year six which is described in the contract. The City also will have the option to purchase the solar infrastructure at fair market value between January 1 and January 15 of each year beginning in 2016 (after the first appropriation period). A buyout or purchase of the arrays must include all eight sites.

Staff estimates the City will save approximately seven percent on power at the subject sites in the first year. The City should realize additional savings as the cost of conventional power increases (5-8% annually); over the life of the PPA staff anticipates the City will save \$441,658.

Lastly, staff paid particular attention to the City Hall site because of the City's relationship with the Garfield County Library District. The City Hall array will be situated on the parking structure. The Garfield County Library District Board has reviewed the proposal and has no objections. Staff will assist with running the power line from the array (parking structure) to the inverters (north side of City Hall) to minimize the impacts to the plaza and landscaping.

Staff is reviewing the License Agreement for each site and the Solar Power Purchase Agreement and will present the agreements to Council to consider at its next meeting.

Councilor K. Lambert moved to table consideration of this matter to Council's next meeting; seconded by Councilor A. Lambert. Roll Call: Yes – Carter, A. Lambert, K. Lambert, Sanborn, Winkler, Miller.

CONSIDER AMENDING RIFLE MUNICIPAL CODE TO ALLOW UTILITY CUSTOMERS TO REQUEST RELIEF FOR EXTENUATING CIRCUMSTANCES – ORDINANCE NO. 1, SERIES OF 2013 – 2ND READING

AN ORDINANCE OF THE CITY OF RIFLE, COLORADO, AMENDING SECTION 13-1-810 OF THE RIFLE MUNICIPAL CODE REGARDING RATES, CHARGES, TOLLS, FEES OR ASSESSMENTS OF WATER AND SEWER SERVICE AND THE APPEAL PROCEDURE REGARDING THE SAME

City Manager John Hier recommended that Council amend the Rifle Municipal Code to allow a utility customer to request relief when that customer has incurred charges as a result of extenuating circumstances beyond the customer's control.

Councilor Carter moved to approve Ordinance No. 1, Series of 2013, on second reading as presented and to order it to be published in full as required by Charter; seconded by Councilor Sanborn.

Roll Call: Yes - Carter, A. Lambert, K. Lambert, Sanborn, Winkler, Miller.

ADMINISTRATIVE REPORTS

Mr. Hier reported to Council on the following issues: snow and ice control; 2012 accomplishment report and 2013 work plans; Police Department retirement plan; employee recruitment; existing and new water treatment plants; and strategic planning retreat.

City Clerk Lisa Cain reported to Council on these issues: records management; employee benefits; and workshop with Rifle Regional Economic Development Corporation on February 13.

Mr. Sturgeon provided a legislative update to Council.

Channel 10 Assistant Manager Michael Churchill reported that staff is working to offer live internet streaming of Council meetings.

EXECUTIVE SESSION

- ***FOR A CONFERENCE WITH THE CITY ATTORNEY FOR THE PURPOSE OF RECEIVING LEGAL ADVICE ON SPECIFIC LEGAL QUESTIONS UNDER CRS SECTION 24-6-402(4)(B); AND FOR THE PURPOSE OF DETERMINING POSITIONS RELATIVE TO MATTERS THAT MAY BE SUBJECT TO NEGOTIATIONS, DEVELOPING STRATEGY FOR NEGOTIATIONS, AND/OR INSTRUCTING NEGOTIATORS, UNDER CRS 24-6-402(4)(E)***
- ***TO DISCUSS PERSONNEL MATTERS UNDER CRS 24-6-402(2)(F) AND NOT INVOLVING: (1) ANY SPECIFIC EMPLOYEES WHO HAVE REQUESTED DISCUSSION OF THE MATTER IN OPEN SESSION; (2) ANY MEMBER OF THIS BODY OR ANY ELECTED OFFICIAL; (3) THE APPOINTMENT OF ANY PERSON TO FILL AN OFFICE OF THIS BODY OR OF AN ELECTED OFFICIAL; OR (4) PERSONNEL POLICIES THAT DO NOT REQUIRE THE DISCUSSION OF MATTERS PERSONAL TO PARTICULAR EMPLOYEES***

Councilor A. Lambert moved to adjourn to executive session to receive legal advice, discuss negotiations, and discuss personnel matters; seconded by Councilor Carter (7:48 p.m.). Roll Call: Yes - Carter, A. Lambert, K. Lambert, Sanborn, Winkler, Miller.

Upon return to open session following conclusion of the executive session, meeting adjourned at 8:37 p.m.

Lisa H. Cain
City Clerk

Jay D. Miller
Mayor

RIFLE CITY COUNCIL MEETING

Wednesday, February 13, 2013

SPECIAL MEETING

7:20 p.m. * Council Chambers

A special meeting of the Rifle City Council was called to order at 7:20 p.m. by Mayor Jay Miller.

PRESENT ON ROLL CALL: Councilors Rich Carter, Alan Lambert, Keith Lambert, Jonathan Rice, and Mayor Jay Miller.

Councilor A. Lambert moved to excuse Councilors Jen Sanborn and Randy Winkler from tonight's meeting; seconded by Councilor K. Lambert. Roll Call: Yes – Carter, A. Lambert, K. Lambert, Rice, Miller.

OTHERS PRESENT: Matt Sturgeon, Assistant City Manager/Director of Planning; and Lisa Cain, City Clerk.

EXECUTIVE SESSION - TO DISCUSS PERSONNEL MATTERS UNDER CRS 24-6-402(2)(F) AND NOT INVOLVING: (1) ANY SPECIFIC EMPLOYEES WHO HAVE REQUESTED DISCUSSION OF THE MATTER IN OPEN SESSION; (2) ANY MEMBER OF THIS BODY OR ANY ELECTED OFFICIAL; (3) THE APPOINTMENT OF ANY PERSON TO FILL AN OFFICE OF THIS BODY OR OF AN ELECTED OFFICIAL; OR (4) PERSONNEL POLICIES THAT DO NOT REQUIRE THE DISCUSSION OF MATTERS PERSONAL TO PARTICULAR EMPLOYEES

Councilor A. Lambert moved to adjourn to executive session to discuss personnel matters; seconded by Councilor Rice (7:22 p.m.). Roll Call: Yes – Carter, A. Lambert, K. Lambert, Rice, Miller.

Council returned to open session following conclusion of the executive session at 8:37 p.m.

Councilor K. Lambert moved to direct the City Clerk to publish a notice as required by the Colorado Revised Statutes naming Matt Sturgeon as the finalist for the position of City Manager; seconded by Councilor A. Lambert. Roll Call: Yes – Carter, A. Lambert, K. Lambert, Rice, Miller.

Meeting adjourned at 8:39 p.m.

Lisa H. Cain
City Clerk

Jay D. Miller
Mayor



Memorandum

To: John Hier, City Manager
From: Kristy Christensen, Deputy City Clerk
Date: Friday, February 15, 2013
Re: Visitor Improvement Fund Advisory Board Appointments

The Visitor Improvement Fund Advisory Board (VIF) currently has two vacant Board positions. One of those positions is for a regular member and one position is an alternate member.

On February 12, 2013, the Visitor Improvement Fund Board voted unanimously to recommend the appointment of Carol Mozingo as regular member of the Board and Ryan Gilbert as alternate member of the Board.

Rifle Municipal Code section 2-12-20 states appointments to the VIF shall be made by the City Council.

Thank you.



Hampton Inn and Suites Rifle, CO

499 Airport Road, Rifle, CO 81650

tel: **970.625.1500**

fax: 970.625.1503

January 15, 2013

City of Rifle

Visitor's Improvement Fund

Dear Committee:

I would like to take this opportunity to express my interest in one of the open positions you have on the VIF board. I think this board is a valuable asset to the community to encourage and promote the City of Rifle in tourism. Because I am a hotel general manager I feel my knowledge of a portion of the tourist industry could make me an asset in decisions being made by the board.

I previously owned a small motel in Kansas and during that time I was both involved in the Chamber of Commerce as a board member and on the tourism commission. I, therefore, have some experience in the workings of and the success of such boards.

Thank you for taking time to review and consider my request.

Sincerely,

Carol Mozingo

General Manager

Hampton Inn & Suites Rifle

970-625-1500

 official sponsor





Ryan Gilbert
January 11, 2013

Rifle

100 East 4th Street
Rifle, Colorado 81650
970-625-9610
Fax 970-625-9616

Visitors Improvement Fund Advisory Board

To whom it may concern:

Please consider me for the opening on the Visitors Improvement Fund Advisory Board. I moved to Rifle in 2001, graduated from Rifle High School in 2003, and Rifle has been home to me ever since.

My background over the past five years has been with Alpine Bank in Rifle as an Information Technology Officer and Banking Officer in Commercial Lending. I am knowledgeable in many types of database applications and financial analysis. My time at Alpine Bank has given me the opportunity to develop outstanding customer service, relations, and communication skills. I also spent 6 years in the Air Force Reserve which taught me how hard work, dedication, perseverance and service before self is key to being successful in any aspect of life.

As a member of this board, I will welcome hard work, be willing to learn new skills, be mindful of details and keep Rifle's best interest to heart. I pride myself on my dependability and ability to work well with others.

I would appreciate an opportunity to work with the Visitors Improvement Fund Advisory Board. Thank you for your time and consideration.

Sincerely,

Ryan Gilbert



Memo

To: City Manager, Honorable Mayor and City Council

From: Tom Whitmore, Parks Director

Date: February 11, 2013

Re: Portable Restroom Bids for 2013 & 2014,
Trash Removal at Rifle Mountain Park for 2013 & 2014

Staff has advertised and received bids for Portable Restroom Service for 2013 and 2014 for Rifle City Parks and Rifle Mountain Park as well as trash removal bids at Rifle Mountain Park.

Though we advertised and directly contacted 5 known portable service providers, only two bids were received. Companies submitting bids were United Site Services and MRI. United Site Services has been our provider for the past two-year term and has provided exceptional service.

Bid results for portable restroom service are as follows:

United Site Services	
Per year for 2013, 2014	\$23,265.00
Two year total	\$46,530.00
MRI	
Per year for 2013, 2014	\$21,835.00
Two year total	\$43,670.00

We requested that vendors also include proposals for trash removal services at Rifle Mountain Park. We received numbers from MRI and United Site Services. MRI presented a format that was more workable and predictable vs. the methodology of United Site Services. United Site Services proposed a 20 yard container, which would not suit our needs.

Our calculations for MRI showed an approximate cost of \$7,275.00 per year.

MRI is eligible for local secondary preference, (in-county) 3%, but because they are the clear low bidder, that calculation is not necessary.





United Site Services purchased Down Valley Septic and maintains a satellite business location in Rifle. According to City of Rifle Purchasing Ordinance No. 10 Series of 2010, Section 2 “Definitions”, and Section 4-3-20 of the Rifle Municipal Code, “Businesses which maintain satellite offices within the City shall not be considered local for purposes of this definition.” United Site Services is therefore not eligible for local preference consideration.

Staff recommends approval of MRI for restroom service at Rifle City Parks and Rifle Mountain Park and trash removal service at Rifle Mountain Park for 2013 and 2014.

Thank you,
Tom



LICENSE AGREEMENT

THIS LICENSE AGREEMENT (this "*License*") is made and entered into this ___ day of February, 2013 ("*Commencement Date*"), by and between THE CITY OF RIFLE , a political subdivision of the State of Colorado ("*Owner*"), and SHDP – RF I, LLC, a Delaware limited liability company ("*Licensee*").

WITNESSETH:

WHEREAS, Owner has constructed, developed and equipped various buildings within Garfield County, Colorado located at the following address (the "*Site*"): 201 E. 18th Street, Rifle, CO 81650 and the legal description of the Site is as set forth on Exhibit B attached hereto;

WHEREAS, upon due consideration Owner has determined that it is desirable and appropriate that electricity grid-connected photovoltaic, solar power plants be developed, constructed, equipped and operated at the Site and on certain other buildings or properties located in Garfield County, Colorado owned by Owner (collectively, the "*Other Properties*"), and that such use is compatible and appropriate within the uses allowed for the Site and the Other Properties, in order to provide for sustainable energy on the Site and the Other Properties;

WHEREAS, Licensee desires to install electricity grid-connected photovoltaic, solar power plants on roofs of one or more buildings and/or at other locations at the Site;

WHEREAS, contemporaneously with the execution of this License, Licensee and Owner intend to execute similar license agreements for the Other Properties and a Solar Power Purchase Agreement of even date herewith (the "*Power Purchase Agreement*"), which provides for the purchase by Owner and the sale by Licensee of the entire energy output of such solar power plants at the Site and the Other Properties; and

WHEREAS, Owner and Licensee desire for Licensee to be permitted access to the Site commencing on the Contract Date and during the term of the Power Purchase Agreement to construct, equip, and operate a solar power plant at the Site, but under and subject to the continuing supervision and control of Owner, all on the terms and conditions set forth herein.

NOW, THEREFORE, Owner, for the Term herein specified, and for and in consideration of the payments herein stated, and of the terms and conditions herein stated on the part of the Licensee to be kept, observed and performed, has demised and licensed, and does by these presents demise and license to Licensee, and the Licensee has agreed to take and does hereby take from Owner, the Accessed Premises, as hereinafter improved, all upon and subject to the following express terms, provisions, and conditions:

1. Definitions

Unless otherwise defined in this License, all capitalized terms shall have the meanings ascribed to those terms in the Power Purchase Agreement.

"*Accessed Premises*" shall mean the Accessed Premises as generally depicted as the cross-hatched area on the Premises described and depicted in Exhibit A. "Accessed Premises" shall include the plural where applicable. The Owner and Licensee acknowledge and agree that the dimensions of the Accessed Premises as set forth Exhibit A are approximate and that the precise dimensions and footage shall be determined by the Authorized Representative and Licensee, acting in good faith, and revisions to Exhibit A will be made, if necessary, depicting the dimensions and footage of the Accessed Premises as actually constructed, each of these actions to be taken without the requirements of a formal amendment to this License.

"*Authorized Representative*" shall mean the duly authorized representative of Owner.

"*Claims*" shall have the meaning given in Section 10(e)(4).

"*Collateral*" shall have the meaning given in Section 10(e)(4).

"*Commencement Date*" shall have the meaning given in the recitals of this License.

"*Construction Conditions*" shall have the meaning given in Section 3(b).

"*Environmental Requirements*" shall have the meaning given in Section 6(e).

"*First Offer Period*" shall have the meaning given in Section 10(f).

"*Future Facility*" shall have the meaning given in Section 10(f).

"*Future Facility Notice*" shall have the meaning given in Section 10(f).

"*Lender*" shall have the meaning given in Section 10(e)(3).

"*License*" has the meaning given to it in the first paragraph of this instrument.

"*Party*" and "*Parties*" means Licensee and/or Owner.

"*Power Purchase Agreement*" shall have the meaning given in the recitals of this License.

"*Power Vendor*" shall have the meaning given in Section 10(e)(2).

"*Premises*" means the buildings and other locations depicted in Exhibit A.

"*Site*" shall have the meaning given in the recitals to this Agreement.

"*Technical Guidelines*" shall mean the criteria established by Owner in its reasonable discretion and as hereafter amended, that may apply to the design, construction and installation of, and signage and related matters to, the Generating Facilities.

"*Term*" shall have the meaning given in Section 3(a).

"*Vendor Agreement*" shall have the meaning given in Section 10(e)(2).

"Vendor Obligations" shall have the meaning given in Section 10(e)(2).

2. Licensee's Rights

(a) *Rights Granted.* Owner grants to Licensee the right to improve the Accessed Premises consistent with and subject to all of the terms and provisions of this License.

(b) *Use of Accessed Premises.* Licensee may use the Accessed Premises only to construct, operate, maintain, use and remove its Generating Facilities on the Accessed Premises consistent with and subject to all of the terms and provisions of this License and the Power Purchase Agreement, and provide related services and for no other purposes, unless otherwise authorized in writing by the Authorized Representative.

(c) *No Interference.* Notwithstanding the Generating Facilities' presence on the Accessed Premises as the personal property of the Licensee, Owner represents to Licensee that Owner has ownership and legal property interest to the Premises and that there are no circumstances known to Owner and no commitments to third parties, including, without limitation, any cell tower arrangements, that may damage, impair, or otherwise adversely affect or interfere with the Generating Facilities or their function by blocking the Generating Facilities' insolation and access to sunlight; furthermore, to the extent it is reasonably able, Owner shall not cause or permit any such interference with the Generating Facilities' insolation and access to sunlight.

(d) *Means of Access.* Licensee, its agents, invitees, guests, employees and suppliers have a non-exclusive right of ingress to and egress from the Premises and access to the Accessed Premises at all times during the Term. Owner has delivered to Licensee the Owner's access procedures. Owner reserves the right to adopt reasonable changes to those access procedures to maintain the security of the Premises. Owner covenants and agrees to provide a copy of the amended access procedures to Licensee promptly following their adoption. Owner, in coordination with Licensee, may at any time close, relocate, reconstruct or modify such means of access, provided that a reasonably convenient and adequate means of ingress and egress is available for the same purposes.

(e) *Right of Inspection.* Owner retains the full right of entry in and to the Accessed Premises without notice for any purpose necessary, incidental to or in connection with its obligations hereunder, or for the purpose of making any inspection or performing any testing it deems necessary; provided, however, that Owner shall exercise a reasonable standard of care in entering or inspecting at the Accessed Premises.

(f) *Acknowledgement of Consideration.* Owner enters into this License for and in consideration of the payment of compensation by Licensee as herein provided, the construction of all improvements by Licensee as herein provided, and the observance by Licensee of the covenants and agreements herein.

3. Term and Termination

(a) *Term.* The term ("*Term*") of this License shall commence on the Commencement Date and expire on the Expiration Date unless earlier terminated in accordance with this License.

(b) *Construction Conditions.* Licensee shall be solely responsible for all costs and the performance of all tasks required for installation of the Generating Facilities. Satisfaction of the following requirements shall be conditions precedent to Licensee's obligations to install and operate Generating Facilities and otherwise perform its obligations under this License (collectively, the "*Construction Conditions*"). Licensee shall:

(1) obtain equity and debt financing, on terms acceptable to Licensee in its sole discretion, necessary to perform its obligations under this Agreement;

(2) obtain solar renewable energy credits for operation of the Generating Facilities;

(3) obtain all permits, contracts and agreements required for installation of the Generating Facilities;

(4) obtain all necessary authority from all regulatory entities for the operation of Generating Facilities and sale and delivery of energy output to Owner;

(5) receive fully executed copies of the Interconnection Agreement required for the Generating Facilities;

(6) enter into the Power Purchase Agreement; and

(7) enter into contract(s) for installation of the Generating Facilities, subject to the terms of this License and any proposed financing.

(c) *Construction Timetable.* Licensee shall (i) use commercially reasonable efforts to cause installation of the Generating Facilities to be completed and to cause all Generating Facilities to begin Commercial Operation on or before March 15, 2014; or (ii) on such date, notify Owner of the actual or estimated Full Commercial Operation Date. The Parties may mutually agree to amend this License to revise the scheduled date for the anticipated Full Commercial Operation Date and the Term.

(d) *Termination of License by Owner.*

(1) Except as provided in subsections (2), (3) and (4) of this Section 3(d), Owner has no right to terminate this License and shall not terminate this License prior to the end of the Term.

(2) If the Construction Conditions are not satisfied or waived by Licensee on or before March 15, 2014, Owner shall have the option, upon written notice to Licensee, to terminate this License.

(3) Owner may terminate this License, following the satisfaction or waiver of the Construction Conditions, only (i) by written agreement with Licensee, (ii) upon termination of the Power Purchase Agreement (A) by Licensee in accordance with Sections 3(h) or 16(b)(1) of the Power Purchase Agreement, (B) by Owner in accordance with Section 16(b)(1) of the Power Purchase Agreement, or (C) automatically in accordance with Section 3(i) of the Power

Purchase Agreement, or (iii) if Licensee is in material breach of this License, Owner has given written notice to Licensee of such material breach, and Licensee has failed to cure such material breach during the ninety (90) days following its receipt of such notice from Owner.

(4) Notwithstanding anything in this License, Owner shall have no right to terminate this License during the Initial Appropriation Period, its rights and remedies being limited to the rights and remedies hereunder other than termination of the License.

(5) Notwithstanding anything in this License, Owner shall have no right to terminate this License upon a Non-Appropriation Event under the Power Purchase Agreement absent election by the Power Provider to terminate the Power Purchase Agreement pursuant to Section 3(g)(7) of the Power Purchase Agreement.

(e) *Termination of License by Licensee.*

(1) Licensee shall have the right to terminate this License without further obligation or liability in accordance with Section 9(a).

(2) If the Construction Conditions are not satisfied on or before March 30, 2014, Licensee shall have the option, upon written notice, to terminate this License, without further liability except for removal of all of its equipment at the Generating Facilities and restoration of the Site.

(3) Licensee may terminate this License, following the satisfaction or waiver of the Construction Conditions, (i) by written agreement with Owner, (ii) upon termination of the Power Purchase Agreement (A) by Licensee in accordance with Sections 3(h) or 16(b)(1) of the Power Purchase Agreement, (B) by Owner in accordance with Section 16(b)(1) of the Power Purchase Agreement, or (C) automatically in accordance with Section 3(i) of the Power Purchase Agreement, or (iii) if Owner is in material breach of this License, Licensee has given written notice to Owner of such material breach, and Owner has failed to cure such material breach during the ninety (90) days following its receipt of such notice from Licensee.

(f) *Surrender of Accessed Premises.* Upon the Expiration Date or earlier authorized termination of this License, Licensee covenants and agrees to surrender possession of the Accessed Premises. Promptly following the Expiration Date or such earlier authorized termination of this License, Licensee shall remove the Generating Facilities and restore the Accessed Premises to the conditions existing prior to the installation of such improvements or applicable portions thereof, ordinary wear and tear excepted unless Owner has elected to purchase the Generating Facilities and the associated solar renewable energy credits in accordance with Section 3(i) of the Power Purchase Agreement. Such removal and restoration shall be done at Licensee's expense. If Licensee fails to remove any of Generating Facilities within one hundred twenty (120) days after the Expiration Date or such earlier authorized termination of this License or within such additional time as is granted by the Authorized Representative, Owner may, at its option, keep and retain any such Generating Facilities or dispose of the same and retain any proceeds therefrom, and Owner shall be entitled to recover from Licensee any costs for removing the same and restoring the Accessed Premises, subject to ordinary wear and tear, in excess of the actual proceeds, if any, received by Owner from

disposition thereof. Notwithstanding the foregoing, if termination of this License is due to any default by Owner hereunder or under the Power Purchase Agreement, removal of the Generating Facilities and restoration of the Accessed Premises shall be at the sole cost and expense of Owner.

(g) *Holding Over.* Nothing herein shall be construed to give Licensee the right to hold over, and Owner may exercise any remedy at law or in equity to recover possession of the Accessed Premises following one hundred twenty (120) days after the Expiration Date of the Term or any extension thereof, as well as any damages incurred by Owner.

4. Compensation

Contemporaneously with the execution and delivery of this License, Licensee has paid to Owner as compensation for the rights and privileges granted by Owner a one-time payment of twenty dollars (\$20.00) for the entire Term.

5. Construction of Generating Facilities

(a) *Facilities to be Constructed.*

(1) Licensee, at its cost shall prepare plans and specifications for the Generating Facilities to be constructed hereunder. The plans and specifications shall be subject to approval by Owner in accordance with its applicable rules, regulations and specifications, which approval shall not be unreasonably withheld. Licensee shall not commence installation of the Generating Facilities until Owner has approved the final design of the Generating Facilities and any changes in the concept or design of the Generating Facilities.

(2) In addition to access to the Accessed Premises, during the construction of the Generating Facilities and through the Full Commercial Operations Date, Owner grants Licensee access to and passage through the Premises and, only to the extent necessary for access to the Accessed Premises, the surrounding or nearby premises owned or controlled by Owner, subject to the provisions of Section 2(d).

(b) *Title to Improvements; Title to the Generating Facilities.* Owner agrees that notwithstanding the Generating Facilities' presence on the Accessed Premises, Licensee shall retain title to and be the legal and beneficial owner of the Generating Facilities at all times. The Generating Facilities are personal property and shall not attach to or be deemed a part of, or fixture to, the Accessed Premises. The Generating Facilities shall at all times retain the legal status of personal property as defined under Article 9 of the Uniform Commercial Code. Owner shall sign any documents reasonably requested by Licensee which show the ownership in the Licensee. Owner consents to Licensee recording this License in the land registry or title records of the county where the Accessed Premises are located or other applicable government office. Licensee shall be entitled to, and is hereby authorized to, file one or more precautionary financing statements or fixture filings in such jurisdictions as it deems appropriate with respect to the Generating Facilities in order to protect Licensee's rights in the Generating Facilities. Owner expressly denies any ownership, interest, operation, responsibility, or liability for the installation,

operation or maintenance of the Generating Facilities at any time during the Term, unless and until Owner has exercised its Purchase Option pursuant to the Power Purchase Agreement.

(c) *Design, Development and Construction of Improvement/Restriction on Changes.*

(1) Site development shall conform to all applicable local, state and federal requirements. This includes, but is not limited to, state and federal environmental protection agency water and air quality requirements.

(2) Licensee shall cooperate with Owner and Licensee's planners, designers, architects, and engineers in the construction and installation of the Generating Facilities on the Premises and comply with the approved plans and specifications of the applicable Building Code, and to the extent applicable, the Technical Guidelines. Licensee shall have sole responsibility to coordinate with Premises staff and applicable State and local governmental authorities to obtain necessary site development and building permits.

(3) Licensee shall be responsible for the costs of all utilities needed during construction.

(4) All construction work, materials, and installations involved in or incidental to the construction on the Premises shall be subject at all times to inspection and approval by Owner. Owner shall at all times have the right of access to the Premises to monitor and inspect the construction of the Generating Facilities to assure that the Generating Facilities are constructed and installed in compliance with the approved plans and specifications.

(5) Owner shall have the right to halt construction or deny access to the Premises at any time if such construction is at material variance from the approved plans and specifications until such material variance is corrected, or if such construction poses an immediate safety hazard at the Premises, until such safety hazard is eliminated. Each of Licensee and Owner shall cooperate and use commercially reasonable efforts to alleviate and resolve any such material variance or impediment to the safe operation of the Premises so as to permit continuation of construction as expeditiously as possible; provided, however, that Licensee acknowledges that it has the obligation to correct or resolve any such material variances.

(6) Thereafter, Licensee agrees not to materially alter, add to, remove, or demolish any of the improvements on the Accessed Premises without the prior written approval of the Authorized Representative. All such alterations or changes shall be made in accordance with the applicable Technical Guidelines.

(d) *As Built Drawings.* Not later than 90 days after completion of all work for the Generating Facilities, Licensee shall provide Owner complete sets of as-built drawings. Licensee agrees that, upon the request of Owner, Licensee will inspect the Accessed Premises jointly with Owner to verify the as-built drawings. All material improvements made by Licensee shall be subject to inspection and approval by Owner and, if disapproved, shall be removed and replaced immediately at Licensee's sole cost and expense.

(e) *Limitation on Liability.* Licensee agrees that no liability shall attach to Owner for any damages or losses incurred or claimed by Licensee or any other person or party on account of the construction or installation of the Generating Facilities or other improvements to or upon the Accessed Premises made by Licensee and Licensee agrees it shall indemnify and hold harmless Owner from and against any and all losses incurred by Owner. Licensee agrees that no liability shall attach to Owner for any interference or delay caused by construction in adjacent areas or the Premises operations, including, without limitation, damages or losses in the nature of delay damages, lost labor productivity, and impact damages. Owner agrees that no liability shall attach to Licensee as a result of any Owner-caused interference or delay.

6. Operation and Use of Accessed Premises

(a) *Operations.* Licensee agrees to operate the Generating Facilities in the following manner:

(1) Licensee shall operate the Generating Facilities in accordance with prudent industry standards.

(2) Licensee shall provide a written list of all Licensee personnel that will be at the Accessed Premises to construct, install, or perform any operation or maintenance on the Generating Facilities, and such Licensee personnel shall be clearly identified as such.

(3) Licensee shall comply with all Applicable Laws, including without limitation those governing operation of energy utilities. Licensee shall allow duly authorized representatives of governmental entities access to the Accessed Premises for inspection purposes. Licensee agrees to obtain at its own expense, and maintain at all times, all licenses and certificates necessary for the operation of the Generating Facilities.

(4) Licensee shall develop and provide to Owner for approval detailed written operating and safety procedures, which Owner shall review within 21 days after receipt. Owner's approval of such operating and safety procedures shall not be unreasonably withheld.

(5) In case of emergency, Owner shall contact Licensee's Project Manager.

(6) The Authorized Representative shall have the right to make reasonable objections to the appearance and condition of the Accessed Premises. Licensee shall promptly discontinue or remedy any objectionable practice or condition within five (5) days after receipt of written notice from the Authorized Representative.

(b) *Hours of Operations.* Licensee agrees to keep the Generating Facilities accessible to the Authorized Representative year round during daylight hours, extenuating circumstances such as weather excepted.

(c) *Care of Area.* Licensee agrees that it will keep the Generating Facilities in the Accessed Premises in a neat, clean, safe, sanitary and orderly condition at all times.

(d) *Compliance with All Laws and Regulations.* Licensee agrees not to use the Accessed Premises for any purpose prohibited by any Applicable Laws or not authorized

hereunder, and it further agrees that it will use the Accessed Premises in accordance with all Applicable Laws while operating its Generating Facilities on the Premises. Licensee further agrees to submit any report or reports or information which Owner may be required by Applicable Laws to obtain from Licensee or which Owner may request relating to Licensee's operations.

(e) *Compliance with Environmental Requirements.*

(1) Licensee, in conducting any activity on the Accessed Premises, shall comply with all applicable local, state or federal environmental rules, regulations, statutes, laws or orders (collectively "*Environmental Requirements*"), including, but not limited to, Environmental Requirements regarding the storage, use and disposal of Hazardous Materials or Special Wastes and regarding releases or threatened releases of Hazardous Materials or Special Wastes to the environment. For purposes of this License the terms "Hazardous Materials" shall refer to those materials, including without limitation asbestos and asbestos-containing materials, polychlorinated biphenyls (PCBs), oil or any other petroleum products, natural gas, source material, pesticides, and any hazardous waste, toxic substance or related material, including any substance defined or treated as a "hazardous substance," "hazardous waste" or "toxic substance" (or comparable term) in the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Sec. 9601 *et seq.* (1990)), the Toxic Substances Control Act (15 U.S.C. Sec. 2601 *et seq.*, (1990)), and any rules or regulations promulgated pursuant to such statutes or any other applicable federal or state statute. "Special Waste" shall be the term as defined by the Environmental Protection Agency or Congress and currently includes cement kiln dust, mining waste, oil and gas drilling muds and oil production brines, phosphate rock mining, beneficiation, and processing waste, uranium waste and utility waste (i.e., fossil fuel combustion waste).

(2) Licensee shall acquire all necessary federal, state and local environmental permits and comply with all applicable federal and state environmental permit requirements.

(3) Licensee agrees to ensure that its Generating Facilities located in the Accessed Premises are designed, constructed, operated and maintained in a manner that minimizes environmental impact through appropriate preventive measures and complies with all applicable Environmental Requirements. Licensee agrees to evaluate methods to reduce the generation and disposal of waste materials or wastewater from maintenance or operational activities as applicable.

(4) In the case of a release, spill or leak as a result of Licensee's construction, operation or maintenance activities, Licensee shall immediately control and remediate the contaminated media to applicable federal, state and local standards. Licensee shall reimburse Owner for any penalties and all cost and expense, including without limitation attorney's fees, incurred by Owner as a result of the release or disposal by Licensee of any pollutant or hazardous material on the Premises.

(f) *Waste or Impairment of Value.* Licensee agrees that nothing shall be done or kept in the Accessed Premises which could reasonably be expected to impair the value of Owner's property or which would constitute waste.

(g) *Hazardous Use.* Licensee agrees that nothing shall be done or kept in the Accessed Premises and no improvements, changes, alterations, additions, maintenance or repairs shall be made to the Accessed Premises which could reasonably be expected to be unsafe or hazardous to any person or property; provided, that nothing herein shall preclude Licensee from bringing, keeping or using on or about the Accessed Premises such materials, supplies, equipment and machinery as are appropriate or customary in carrying on its business, or from carrying on the normal operations contemplated herein.

(h) *Structural, Electrical or Generating Facilities Overloading.* Licensee shall operate the Generating Facilities and appurtenant utilities in a manner that will not create a hazard by overloading the capacity of any structural, roof load, snow load, wind tolerances, electrical or other system facility.

(i) *Accessibility.* Licensee shall not do or permit to be done anything which could reasonably be expected to interfere with or hinder police, firefighting, or other emergency personnel in the discharge of their duties.

7. Utilities and Services

(a) *Maintenance.* Licensee shall, at its sole expense, maintain the Generating Facilities located in the Accessed Premises in accordance with prudent industry standards, including redecoration, painting and repair and replacement of worn furnishings as the Authorized Representative may reasonably require. The cost of maintenance, care and any necessary replacement of the Generating Facilities shall be borne by Licensee. Licensee agrees, at its expense and without cost or expense to Owner, during the Term hereof that:

(1) Licensee shall keep the Generating Facilities in good order and condition and will make all necessary and appropriate repairs and replacements in accordance with industry standards and in a good and workmanlike fashion without diminishing the original quality of such improvements.

(2) Licensee shall not permit any of its rubbish, debris, waste materials or anything unsightly or detrimental to health, or likely to create a fire hazard, or conducive to deterioration, to remain on any part of the Premises or to be disposed of improperly.

(3) Licensee shall provide and maintain obstruction lights and all similar equipment or devices now or at any time required by any Applicable Laws with regards to the Generating Facilities.

(4) Licensee shall be responsible for the removal of snow and ice on the Generating Facilities located in Accessed Premises to the extent Licensee or Owner needs to access the Generating Facilities.

(5) Authorized Representative shall have the right to make reasonable objections regarding the maintenance and appearance of the Generating Facilities. Licensee agrees to promptly discontinue or remedy any reasonably objectionable condition within five (5) days after written notice by Authorized Representative.

(b) *Interruption of Services.* The parties agree that neither party shall be liable for such party's failure to supply any utility services. Owner reserves the right to temporarily discontinue utility services at such time as may be necessary by reason of accident, unavailability of employees, repairs, alterations or improvements or whenever by reason of strikes, lockouts, riots, acts of God or any other happenings beyond the control of Owner, Owner is unable to furnish such utility services. Owner shall not be liable for damages to persons or property for any such discontinuance, nor shall such discontinuance in any way be construed as cause for abatement of compensation or operate to release Licensee from any of its obligations hereunder, except as otherwise provided in Section 9.

8. Insurance

(a) *Insurance.* Licensee acknowledges its obligation to secure and maintain certain insurance coverage in accordance with the Power Purchase Agreement. Acceptance of any submitted insurance coverage requirements or proof is subject to the approval by the other party.

(b) *No Personal Liability.* No director, officer or employee of either party hereto shall be held personally liable under this License or because of its execution or attempted execution.

(c) *Taxes, Licenses, Liens and Fees.* Licensee agrees to promptly pay all taxes, excises, license fees and permit fees of whatever nature applicable to its operations hereunder and to take out and keep current all municipal, state or federal licenses required for the conduct of its business at and upon the Accessed Premises and further agrees not to permit any of said taxes, excises, license fees or permit fees to become delinquent. Licensee also agrees not to permit any mechanic's or materialman's or any other lien to become attached or be foreclosed upon the Accessed Premises or improvements thereto (except with regards to the Collateral, as outlined herein), or any part or parcel thereof, by reason of any work or labor performed or materials furnished by any mechanic or materialman. Licensee agrees to furnish to the Authorized Representative, upon request, duplicate receipts or other satisfactory evidence showing the prompt payment by it of Social Security, unemployment insurance and worker's compensation insurance, and all required licenses and all taxes. Licensee further agrees to promptly pay when due all bills, debts and obligations incurred by it in connection with its operations hereunder and not to permit the same to become delinquent and to suffer no lien, mortgage, judgment or execution to be filed against the Accessed Premises or improvements thereon (except with regards to the Collateral, as outlined herein) which will in any way impair the rights of Owner under this License. However, in the event that any taxes are assessed against the generation, sale, delivery or consumption of energy output, Owner shall pay for all such amounts due as the law may require.

9. Damage, Destruction or Loss

(a) *Damage to or Destruction of Accessed Premises.* If the Accessed Premises, or any portion thereof, is destroyed or damaged by fire or otherwise to an extent which renders it unusable, Owner may rebuild or repair any portions of the building structure destroyed or damaged, and, if the cause was beyond the control of Licensee, the obligation of Licensee to pay the compensation hereunder shall abate as to such damaged or destroyed portions during the time

they are unusable. If Owner elects not to proceed with the rebuilding or repair of the building structure, it shall give notice of its intent within ninety (90) days after the destruction or damage. Licensee may then, at its option, cancel and terminate this License.

(b) *Cooperation in the Event of Loss.* If Owner elects to rebuild, Licensee may replace the Generating Facilities at its sole cost and expense in accordance with the provisions of this License. Owner and Licensee shall cooperate with each other in the collection of any insurance proceeds which may be payable in the event of any loss or damage.

(c) *Loss or Damage to Property.* Owner shall not be liable for any loss of property by theft or burglary from the Accessed Premises or for any damage to person or property on the Accessed Premises resulting from operating elevators or electric lighting, or water, rain or snow, which may come into or issue or flow from any part of the Premises, or from the pipes, plumbing, wiring, gas or sprinklers thereof, and Licensee shall make no claim for any such loss or damage at any time, except for any abatement of compensation or right to insurance proceeds Licensee is entitled to receive.

10. Miscellaneous Provisions

(a) *Owner's Representations and Warranties of Title.* Owner represents and warrants to Licensee as follows: (i) Owner is seized of fee simple title to the Site and has the right and authority to grant the rights to Licensee hereunder; (ii) the Site is and shall be free and clear of all liens, claims, encumbrances and rights of third parties of any kind whatsoever except for such liens, claims, encumbrances and rights that have been specifically subordinated to the rights granted Licensee hereunder pursuant to a fully executed subordination agreement in such recordable form as is required by Licensee; (iii) subject to the terms and conditions of this License, Licensee shall have quiet possession, use and enjoyment of the Site; (iv) there are no aspects of title that might interfere with or be adverse to Licensee's interests in and intended use of the Site; and (v) Owner shall execute such further assurances thereof as may be required by Licensee.

(b) *Advertising and Public Displays.* Licensee shall not install or have installed or allow to be installed upon or within the Accessed Premises, without the prior written approval of the Authorized Representative, any sign, either lighted or unlighted, poster or other display of advertising media, including material supplied by manufacturers of merchandise offered for sale, as well as other types of display otherwise permitted by the applicable zoning standards. Permission shall not be granted for any advertising which fails to comply with applicable zoning standards or any advertising material, fixture or equipment which extends beyond the Accessed Premises. On all permitted signage at the Premises that refers to the Generating Facilities by name, such name shall contain a statement to the effect attributing ownership and operation of the Generating Facilities to Licensee.

(c) *License Binding Upon Successors.* This License, subject to the provisions of Section 10(e), shall be binding upon and extend to the heirs, personal representatives, successors and assigns of the respective parties hereto.

(d) *Governing Law.* This License shall be governed by and construed in accordance with the internal laws of the state in which the Site is located.

(e) *Governmental Immunity.* No term or condition of this License shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections or other provisions of the Colorado Governmental Immunity Act, C.R.S. §§ 24-10-101, et seq.

(f) *Assignment.*

(1) Neither Party shall have the right to assign any of its rights, duties or obligations under this License without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, without the prior consent of Owner, Licensee may (i) make an assignment to an affiliate of Licensee (provided that such assignment shall not release Licensee from its obligations hereunder without the consent of the Owner), (ii) make an assignment through merger, consolidation or sale of all or substantially all of Licensee's equity interests, capital stock or assets, (iii) or make an assignment of this License or the accounts, revenues or proceeds set forth in this License in connection with any financing or other financial arrangements provided by or in connection with a lender or (iv) make a contribution of the Generating Facilities to a partnership, limited liability company or corporation in which Licensee remains the managing partner or member or to a special purpose entity to be formed for the purpose of becoming the "Power Provider" under the Power Purchase Agreement and the owner of the Generating Facilities. Owner's consent to any other assignment shall not be unreasonably withheld if Licensee has been provided with reasonable proof that the proposed assignee: (x) has comparable experience in operating and maintaining photovoltaic solar systems comparable to the Generating Facilities and providing services comparable to Licensee under the Power Purchase Agreement; and (y) has the financial capability to maintain the Generating Facilities and provide the "Energy Output" as described under the Power Purchase Agreement in the manner required by such agreement. A direct assignee from Licensee of this License shall assume in writing, in form and content reasonably satisfactory to Owner, the due performance of all Licensee's obligations under this License, including any accrued obligations at the time of the assignment.

(2) Owner acknowledges that: (i) although Licensee remains primarily responsible for services under this License, Licensee may provide such services through subcontractors and that Licensee reserves the right to substitute such subcontractors with others, in its own discretion, to maintain or enhance service performance hereunder; (ii) Licensee intends to enter into a design, installation, maintenance and operations agreement ("*Vendor Agreement*") with EPC Provider ("*Power Vendor*") for the Generating Facilities; and (iii) Power Vendor shall be primarily responsible for compliance with the technical aspects of this License, including the Generating Facilities' performance levels, and shall provide certain warranties, guarantees and obligations ("*Vendor Obligations*").

(3) With respect to an assignment pursuant to item (iii) of Section 10(e)(1), Owner acknowledges and agrees that, upon receipt of written direction by a financing transaction assignee of Licensee ("*Lender*"), and notwithstanding any instructions to the contrary from

Licensee, Owner will recognize Lender, or any third party to whom Lender has reassigned the rights of Licensee under this License, as the proper and lawful licensee of the Premises and as the proper and lawful successor to Licensee with respect to access to the Premises across or through the Accessed Premises and fully entitled to receive the rights and benefits of Licensee hereunder so long as Licensee (or its assignee) performs the obligations of Licensee hereunder.

(4) Owner agrees to notify Lender in writing, at the address to be designated by Lender upon not less than five (5) Business Days written notice to Owner prior to any notice by Owner hereunder, of any act or event of default of Licensee under the License of which Owner has knowledge that would entitle Owner to cancel, terminate, annul, or modify this License or dispossess or evict Licensee from the Premises or otherwise proceed with enforcement remedies against Licensee, and Lender shall have the same amount of time as Licensee, but at least ten (10) days with respect to any monetary default and at least thirty (30) days with respect to any non-monetary default, to cure any default by Licensee under this License; provided, however, that if such Licensee default cannot reasonably be cured by Lender within such period and Lender commences and continuously pursues cure of such default within such period, such period for cure will be extended for a reasonable period of time under the circumstances, such period not to exceed an additional ninety (90) days; provided, however, that in no event shall Lender be obligated to cure any such default.

(5) Notwithstanding that the Generating Facilities are on the Premises, and subject to the terms and conditions hereof, Owner hereby waives and discharges any lien it may have in and to the property used by Licensee in the conduct of its business and which is or may from time to time hereafter be located at the Premises (including, without limitation, the Generating Facilities), and to which Licensee has granted or will grant a security interest to Lender (all such property and the records relating thereto shall be hereafter called the "*Collateral*") to the lien of Lender; Owner further waives the right, if any, to exercise any lien it may have on any property of Licensee including the Collateral, provided, however, that Owner shall have any right or remedy against Licensee to which Owner may be entitled under the terms of this License or as may be provided by applicable law. Owner recognizes and acknowledges that any claim or claims ("*Claims*") that Lender has or may have against such Collateral by virtue of any lien or security interest, is superior and Owner hereby waives and discharges to any lien, security interest, or claim of any nature which Owner now has or may hereafter have to such Collateral by statute, agreement or otherwise. Owner further agrees to notify any purchaser of the Premises, and any subsequent mortgagee or other Encumbrance holder, of the existence of the foregoing waiver of Owner's lien, which shall be binding upon the executors, administrators, successors and transferees of Owner, and shall inure to the benefit of the successors and assigns of Lender and/or Licensee.

(6) Owner consents to Licensee granting a security interest in the Collateral to Lender and waives all right of levy for rent and all claims and demands of every kind against the Collateral, such waiver to continue so long as any sum remains owing from Licensee.

(7) Owner hereby irrevocably agrees and consents to refrain from taking any action to bar, restrain or otherwise prevent Licensee and/or Lender from the Premises, including without limitation, the Accessed Premises, for the purpose of inspecting, maintaining and repairing the Collateral.

Attn: _____
Facsimile: () _____

Licensee: SHDP – RF I, LLC
260 South Los Robles Avenue, Suite 104
Pasadena, CA 91101
Attn: Greg Bohan
Facsimile: (213) 596-1480

with a copy to: SHDP – RF I, LLC
PO Box 930
Boulder, Colorado, 80306

with a copy to: Burr & Forman LLP
420 North 20th Street, Suite 3400
Birmingham, AL 35203
Attn: David D. Dowd, III
Facsimile: (205) 244-5629

or to such other representative or at such other Party's address as such party may furnish to the other Parties in writing. Any such notice, communication, or delivery will be deemed given or made (a) on the date of delivery if delivered in person, (b) on the first Business Day after delivery to such Party if sent by reputable overnight courier, (c) upon transmission by facsimile if receipt is confirmed by telephone by the person to whom the notice was addressed, or (d) on the fifth Business Day after mailed by registered or certified mail.

(m) *Section Headings.* The section headings herein are for convenience in reference only and are not intended to define or limit the scope of any provision of this License.

(n) *Patents and Trademarks.* Licensee represents that it is the owner of or fully authorized to use any and all services, processes, machines, articles, marks, names or slogans used by it in its operations under this License. Licensee agrees to save and hold harmless Owner, its officers, employees, agents and representatives from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright arising from any alleged or actual unfair competition or other similar claim arising out of the operations of Licensee under this License.

(o) *Severability.* If any provision in this License is held by a court to be invalid, the validity of other provisions herein which are severable shall be unaffected.

(p) *Compliance.* Licensee will comply with all Applicable Laws and other workplace requirements and standards applicable to the provision of services/work performed.

(q) *Third Parties.* This License does not, and shall not be deemed or construed to, confer upon or grant to any third party or parties (except parties to whom Licensee may assign this License in accordance with the terms hereof, including any Lender, and except any successor

to Owner) any right to claim damages or to bring any suit, action or other proceeding against either Owner or Licensee because of any breach hereof or because of any of the terms, covenants, agreements and conditions herein.

(r) *Entire Agreement; Amendment.* The Parties acknowledge and agree that this License embodies the entire agreement of the Parties relating to the subject matter hereof and shall supersede any and all prior agreements, commitments, bids, proposals, requests for proposal, and representations, oral or written, among and between the Parties and their respective representatives (other than the Power Purchase Agreement). In the event of an irreconcilable conflict between a provision of this License and a provision of the Power Purchase Agreement, such that it is impossible to give effect to both, this License shall control to resolve such conflict. No alterations, amendments, changes or modifications, shall be valid unless executed by an instrument in writing by all the Parties or their respective successors in interest with the same formality as this License; provided, however, if Owner has been notified that Licensee has assigned its rights, duties or obligations under this License to a Lender, which has been approved by Owner with an amendment to this License, then the prior written consent of Lender is required as well.

(s) *Final Approval.* This License is expressly subject to and shall not be or become effective or binding on Owner until approved by and fully executed by all signatories of the parties require.

(t) *Estoppel Certificates.* From time to time, upon written request by either Party (or a Lender), the other party shall provide within thirty (30) days thereafter an estoppel certificate attesting, to the knowledge of the other Party, of the other Party's compliance with the terms of this License or detailing any known issues of noncompliance. If the other Party fails to deliver such requested document to the requesting party within such thirty (30) day period, then the requesting Party may make an additional written demand for such requested document and if the other Party does not deliver such requested document within fifteen (15) days following such additional written demand from the requesting Party, then such failure shall constitute an event of default under this License.

(u) *Counterparts.* Any number of counterparts of this License may be executed and each shall have the same force and effect as the original.

(v) *Incorporation of Attached Exhibits and Addenda.* All the Exhibits and Schedules attached to this License shall be deemed incorporated in this License.

[Remainder of page left intentionally blank.]

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

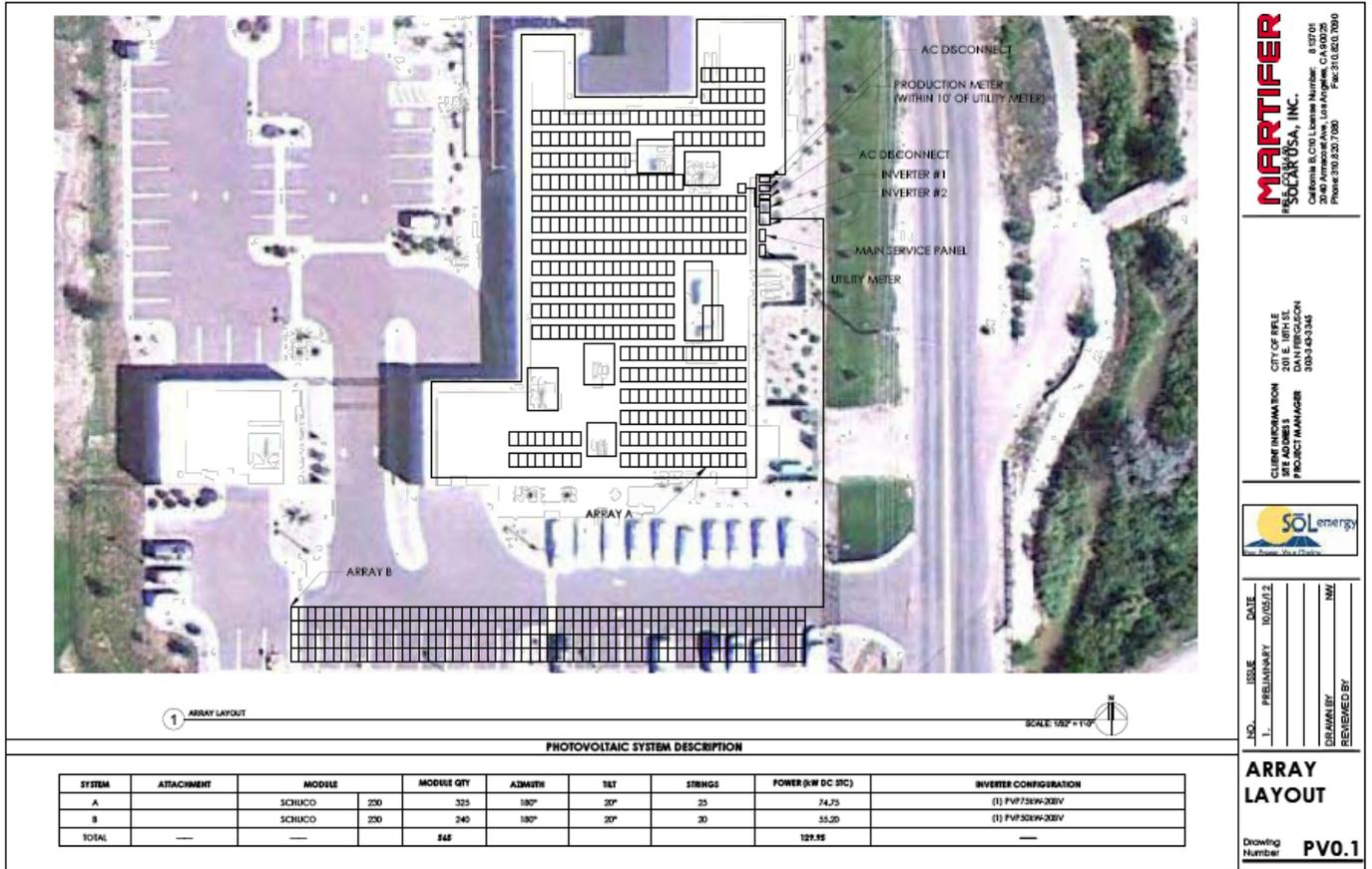
The foregoing instrument was acknowledged before me this ____ day of February, 2013, by Greg Bohan, as Manager of SHDP – RF I, LLC, a Delaware limited liability company.

WITNESS MY HAND AND OFFICIAL SEAL.

My commission expires:_____

Notary Public

EXHIBIT A



1 ARRAY LAYOUT

SCALE: 1/32" = 1'-0"

PHOTOVOLTAIC SYSTEM DESCRIPTION

SYSTEM	ATTACHMENT	MODULE	MODULE QTY	ADMTN	TILT	STRINGS	POWER (KW DC STC)	INVERTER CONFIGURATION
A		SCHUCO	200	325	180°	20°	25	74.75
B		SCHUCO	200	240	180°	30°	30	55.20
TOTAL	—	—	—	565	—	—	—	129.95

MARTIFER
RESOLAR USA, INC.
 California E.C.O. License Number: 813701
 Project License Number: 813701
 Phone: 310.833.7020 Fax: 310.833.7020

CITY OF RILE
 201 E. 18TH ST.
 DAN FERGUSON
 PROJECT MANAGER
 305-4-43345



NO.	DATE	ISSUE	BY	REV.
1	10/05/12	PRELIMINARY		

ARRAY LAYOUT
 Drawing Number: **PV0.1**

EXHIBIT B

Legal Description

Section: 9 Township: 6 Range: 93 Subdivision: NORTH RIFLE ADD. Block: F Lot: 3 THRU:-
Lot: 22, Subdivision: NORTH RIFLE ADD. Block: E Lot: 3 THRU:- Lot: 24 (SENENW)
EXCEPT A TR CONT .62 AC.

SOLAR POWER PURCHASE AGREEMENT

THIS SOLAR POWER PURCHASE AGREEMENT (this "*Agreement*"), is made and entered into this ____ day of February, 2013 ("*Contract Date*"), by and between THE CITY OF RIFLE, a political subdivision of the State of Colorado ("*Purchaser*"), and SHDP – RF I, LLC, a Delaware limited liability company ("*Power Provider*").

W I T N E S S E T H:

WHEREAS, Purchaser has constructed, developed and equipped various buildings within The City of Rifle, Colorado, located at the Sites (as such term is defined herein); and

WHEREAS, upon due consideration Purchaser has determined that in the exercise of its lawful functions, and to serve better the public use of the Sites, it is desirable and appropriate that electricity grid-connected photovoltaic, solar power plants be developed, constructed, equipped and operated on the Sites and that such use is compatible and appropriate within the uses allowed for the Sites, in order to provide for sustainable energy on the Sites and for the benefit of the general public; and

WHEREAS, Power Provider desires to install electricity grid-connected photovoltaic, solar power plants on roofs of one or more buildings and/or at other locations at the Sites; and

WHEREAS, contemporaneously with the execution of this Agreement, Power Provider and Purchaser (or Purchaser's landlord, if applicable) intend to execute a license agreement of even date herewith with respect to each of the Sites (collectively, the "*Licenses*"), each of which provides for Power Provider's access to the applicable Site to construct, equip, and operate such solar power plants; and

WHEREAS, Purchaser desires to purchase from Power Provider and Power Provider desires to sell to Purchaser the entire energy output of such solar power plants;

NOW, THEREFORE, in consideration of the promises and the mutual benefits from the covenants hereinafter set forth, Power Provider and Purchaser agree as follows:

1. Definitions

"*Agreement*" has the meaning given to it in the first paragraph of this instrument.

"*Applicable Laws*" means all laws, statutes, rules, regulations or orders of any federal, state, county, local or other governmental body, agency or other authority having jurisdiction over the parties or the Sites.

"*Assignment*" has the meaning given to it in Section 16(a).

"*Business Day*" means any day other than a Saturday, a Sunday or a day on which banking institutions in Denver, Colorado, are authorized or obligated by law or executive order to be closed.

"*Buyout Price*" means the prices listed by calendar year in Exhibit C attached hereto.

"*Code*" means the Internal Revenue Code of 1986, as amended from time to time (or any corresponding provisions of succeeding law).

"*Commercial Operation*" means, with respect to a particular Site, the condition existing when the Generating Facilities at such Site are (i) mechanically complete and operating, and (ii) energy is delivered

through the Generating Facility's Metering Device to such Site's electrical system under an Interconnection Agreement.

"Commercial Operation Date" means, with respect to a particular Site, the date on which Power Provider notifies Purchaser in accordance with Section 2(a) that the Generating Facilities at such Site have achieved Commercial Operation.

"Contract Date" has the meaning given to it in the first paragraph of this instrument.

"DAS" means data acquisition system.

"Due Date" has the meaning given to it in Section 3(a).

"Encumbrance" means any mortgage, pledge, encumbrance, assessment, security interest, lease, lien, adverse claim, levy, charge, option, right of first refusal, restriction of any kind, or any conditional sale contract, title retention contract or other agreement to give any of the foregoing.

"Energy Deficiency Quantity" has the meaning given to it in Section 7(c)(2)(E).

"Energy Delivery Point" means the energy delivery point within the Site's electrical system on Purchaser's side of the Site's Metering Device, as designated in the applicable Interconnection Agreement.

"Energy Output" means the total quantity of all actual net energy generated by the Generating Facilities (measured in kWh) and delivered in accordance with Section 8 to the Energy Delivery Point, in any given period of time. Energy Output does not include the Environmental Incentives.

"Energy Surplus Quantity" has the meaning given to it in Section 7(c)(2)(E).

"Environmental Attributes" means the characteristics of electric power generation at the Generating Facilities that have intrinsic value, separate and apart from the Energy Output, arising from the perceived environmental benefits of the Generating Facilities of the Energy Output, including but not limited to all environmental and other attributes that differentiate the Generating Facilities or the Energy Output from energy generated by fossil-fuel based generation units, fuels or resources, characteristics of the Generating Facilities that may result in the avoidance of environmental impacts on air, soil or water, such as the absence of emission of any oxides of nitrogen, sulfur or carbon or of mercury, or other gas or chemical, soot, particulate matter or other substances attributable to the Generating Facilities or the compliance of the Generating Facilities or the Energy Output with the law, rules and standards of the United Nations Framework Convention on Climate Change (the "UNFCCC") or the Kyoto Protocol to the UNFCCC or crediting "early action" with a view thereto, or laws or regulations involving or administered by the Clean Air Markets Division of the Environmental Protection Agency or successor administrator or any state or federal entity given jurisdiction over a program involving transferability of rights arising from Environmental Attributes and Reporting Rights.

"Environmental Incentives" means all rights, credits (including tax credits), rebates, benefits, reductions, offsets, and allowances and entitlements of any kind, howsoever entitled or named (including carbon credits and allowances), whether arising under federal, state or local law, international treaty, trade association membership or the like, arising from the Environmental Attributes of the Generating Facilities or the Energy Output or otherwise from the development or installation of the Generating Facilities or the production, sale, purchase, consumption or use of the Energy Output. Without limiting the foregoing, "Environmental Incentives" includes SRECs or other incentive programs offered by the State of Colorado, the right to claim federal income tax credits under Sections 45 and/or 48 of the Code, and the right to receive grants under Section 1603 of the American Recovery and Investment Act of 2009, as may be amended hereafter.

"EPC Provider" means the firm(s) selected by Power Provider to engineer, design, procure and install the Generating Facilities at the Sites.

"Expiration Date" means the last day of the 240th calendar month after the calendar month in which the Full Commercial Operation Date occurs.

"Fair Market Value" means, with respect to any tangible asset or service, the price that would be negotiated in an arm's-length, free market transaction, for cash, between an informed, willing seller and an informed, willing buyer, neither of whom is under compulsion to complete the transaction.

"Force Majeure" means occurrence or events that are beyond the reasonable control and foreseeability of the party affected, including without limitation any of the following: (a) sabotage, riots or civil disturbances, (b) acts of God, (c) acts of the public enemy, (d) terrorist acts affecting the Sites, (e) volcanic eruptions, earthquake, hurricane, flood, ice storms, explosion, fire, lightning, landslide or similarly cataclysmic occurrence, (f) adverse weather conditions not reasonably anticipated and in excess of one hundred fifty percent (150%) of the normal weather (*e.g.*, rain, snow, sleet) for the local geographic area for the past ten (10) years; (g) appropriation or diversion of electricity by sale or order of any Governmental Authority having jurisdiction thereof, and (h) any other action by any Governmental Authority which prevents or prohibits the Parties from carrying out their respective obligations under this Agreement (including, without limitation, an unstayed order of a court or administrative agency having the effect of subjecting the sales of Energy Output to federal or state regulation of prices and/or services, or elimination or alteration of one or more Environmental Incentives or other change in law that results in a material adverse economic impact on Power Provider). Neither economic hardship of any Party nor a Non-Appropriation Event shall constitute Force Majeure under this Agreement.

"Full Commercial Operation Date" means the date on which the Commercial Operation Date of the last Generating Facility occurs.

"Full Insurable Value" means the full replacement value of the Generating Facilities.

"Generating Facilities" means the electric power generation equipment, controls, meters, switches, connections, conduit, wires and other equipment connected to the Energy Delivery Point installed on the Site by Power Provider for the purposes of providing electric power to Purchaser under this Agreement, and which shall be owned solely by Power Provider throughout the term of the Licenses.

"Governing Body" means the board or council of Purchaser that approves the annual budget for the Purchaser.

"Governmental Body" means any (a) nation, state, county, city, town, village, district, or other jurisdiction of any nature; (b) federal, state, local, municipal, foreign, or other government; (c) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official, or entity and any court or other tribunal); (d) multi-national organization or body; or (e) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature.

"Initial Appropriation Period" means the period beginning on the date hereof and ending after expenditure under this Agreement of the full amount of the Initial Appropriation Amount.

"Initial Appropriation Amount" means amount initially appropriated by the Governing Body for monetary obligations under this Agreement in the amount of \$271,670.

"Initial Renewal Date" means the date that is the four year anniversary of the Full Commercial Operation Date.

"Interconnection Agreement" means an interconnection agreement in a form approved by the Utility and providing for the connection of the Generating Facilities to the Utility's electrical distribution system.

"Interest Rate" means interest calculated at the lesser of (a) the per annum rate of interest announced from time to time by Bank of America, N.A., as its "prime" rate for commercial loans plus 2% or (b) the maximum rate permitted by applicable law.

"kWh" means kilowatt-hour alternating current.

"kWh Rate" has the meaning given to it in Section 3(a).

"Legal Requirement" means any federal, state, local, municipal, foreign, international, multinational, or other administrative order, constitution, law, ordinance, principle of common law, regulation, statute, or treaty, as in effect and interpreted on the date of this Agreement.

"Lender" one or more banks or other financing sources selected by Power Provider.

"Licenses" has the meaning given to it in the recitals of this Agreement.

"Loss" means any loss, liability, claim, damage, expense (including costs of investigation and defense and reasonable attorneys' fees), interest, or diminution of value, whether or not involving a third-party claim.

"Metering Devices" has the meaning given to it in Section 7(a).

"NAE Notice" has the meaning given to it in Section 3(h)(1).

"Non-Appropriation Event" has the meaning given to it in Section 3(g)(5).

"Party" and *"Parties"* means Power Provider and/or Purchaser.

"Power Provider" has the meaning given to it in the first paragraph of this instrument.

"Proceeding" means any action, arbitration, audit, hearing, investigation, litigation, or suit (whether civil, criminal, administrative, investigative, or informal) commenced, brought, conducted, or heard by or before, or otherwise involving, any Governmental Body or arbitrator.

"Project Manager" has the meaning given to it in Section 5(a).

"Purchase Option" has the meaning given to it in Section 3(j).

"Purchaser" has the meaning given to it in the first paragraph of this instrument.

"Qualified Assignee" has the meaning given to it in Section 17(d)(5).

"Removal Costs" means all costs associated with the removal of Generating Facilities from the Sites, including repairing any damage to the Sites required by such removal.

"Reporting Rights" means the right of Power Provider to report to any federal, state, or local agency, authority or other party, including without limitation under Section 1605(b) of the Energy Policy Act of 1992 and provisions of the Energy Policy Act of 2005, or under any present or future domestic, international or foreign emissions trading program, that Power Provider owns the Environmental Attributes and the Environmental Incentives associated with the Energy Output.

"*Shading*" means the extent (expressed as a percent of total area) of aggregate physical obstruction per hour between the Generating Facilities' solar arrays and the sun between the hours of 9:00 a.m. and 5:00 p.m. local time.

"*Sites*" means the real property within which are the specific areas and buildings upon which the Generating Facilities will be constructed; the Sites are commonly known by the addresses listed on Exhibit A attached hereto; the Sites include all Substitute Sites agreed upon by the Parties and established in accordance with Section 3(1).

"*Solar Renewable Energy Credits*" or "*SRECs*" means green tags, renewable energy credits, tradable renewable certificates, and portfolio energy credits.

"*SREC Contract*" means, as to each Site, that certain contract between Power Provider and Utility pursuant to which Utility agrees to purchase from Power Provider SRECs generated from the Generating Facilities.

"*State*" means the state in which is the Sites located.

"*Subsequent Appropriation Amount*" means an amount appropriated by the Governing Body for monetary obligations under this Agreement for a Subsequent Appropriation Period in the amount of \$114,143 that is appropriated after and in addition to the Initial Appropriation Amount and any prior Renewal Appropriation Amounts.

"*Subsequent Appropriation Period*" means the date from the end of the Initial Appropriation Period or a prior Subsequent Appropriation Period until expenditure of all of the Subsequent Appropriation Amount for said Subsequent Appropriation Amount.

"*Subsequent Renewal Date*" means the date that is the latter of (i) the one year anniversary of the end of the Initial Renewal Date or (ii) the one year anniversary of the prior Subsequent Renewal Date.

"*Substitute Site*" has the meaning given to it in Section 3(1)(1).

"*Term*" has the meaning given to it in Section 3(f).

"*Utility*" means the local electric distribution owner and operator providing electric distribution and interconnection services to Purchaser at the Sites as of the Contract Date, or any person succeeding to such role after the Contract Date.

"*Utility Production Rebates*" has the meaning given to it in Section 3(e).

2. Installation and Operation of the Generating Facilities

(a) *Installation.* Power Provider shall install the Generating Facilities in accordance with the terms and conditions of the Licenses, which, upon Commercial Operation of all Generating Facilities, are targeted to have a combined cumulative generating capacity rating as shown in Exhibit A hereto. Power Provider shall provide Purchaser reasonable notice of the progress of the installation of the Generating Facilities and shall provide reasonable notice to Purchaser of the Commercial Operation Date as to the Generating Facilities at each Site. The Parties recognize that Purchaser may, pursuant to the terms of the Licenses, inspect any and all installations of Generating Facilities.

(b) *No Interference.* Power Provider shall prevent activities associated with installation, operation and maintenance of the Generating Facilities from disrupting or interfering with Purchaser's operation and use of the Sites.

(c) *Operation and Maintenance.* Power Provider shall be solely responsible for the operation and maintenance of the Generating Facilities and shall, at all times during the Term, maintain the Generating Facilities in good operating condition to maximize Energy Output. Power Provider shall use commercially reasonable efforts to maintain the area in the immediate vicinity of the Generating Facilities in a reasonably neat and clean condition as the Licenses may require. Power Provider shall bear all risk of loss with respect to the Generating Facilities, and shall have full responsibility for their operation and maintenance in compliance with all laws, regulations and governmental permits.

(d) *Power Provider Ownership.* Power Provider and the Purchaser hereby agree and acknowledge that notwithstanding the Generating Facilities' presence on the Site, Purchaser shall have no ownership interest in the Generating Facilities and no responsibility for their operation or maintenance. Neither Purchaser nor any party related thereto shall have the right or be deemed to operate the Generating Facilities for purposes of Section 7701(e)(4)(A)(i) of the Code. As owner of the Generating Facilities, Power Provider shall have sole right to any and all proceeds from condemnation or casualty loss of the Generating Facilities, including from casualty insurance required by the parties under this Agreement.

(e) *Property Taxes.* All property taxes, if any, related to the Generating Facilities shall be the responsibility of Power Provider.

(f) *Insurance.* Power Provider shall provide all insurance coverage required by this Agreement between the Parties.

(g) *Licenses.* Notwithstanding any other provision of this Agreement, the effectiveness of this Agreement, including the obligations and responsibilities of the Parties, is contingent upon the arrangement and entering into of a License with respect to each of the Sites for the length of this Agreement between Purchaser (or its landlord, if applicable) and Power Provider. Notwithstanding the Generating Facilities' presence on the Sites, Purchaser shall not cause or permit any interference with the Generating Facilities' insolation and access to sunlight, as such access exists as of the effective date of this Agreement and Licenses.

(h) *Insolation; Load Configuration.* Purchaser represents to Power Provider that there are no circumstances known to Purchaser and no commitments to third parties that may damage, impair, or otherwise adversely affect the Generating Facilities or their function by blocking sunlight to, or reducing the insolation at, the Generating Facilities. Purchaser acknowledges that materially altering the existing load configuration to the Generating Facilities' meter could adversely affect the Generating Facilities or its function; the Purchaser covenants that it shall not materially alter such load configuration to the Metering Devices. The Purchaser covenants to maintain signage on the Metering Devices at all times during the Term, requesting that Power Provider be contacted before the Purchaser performs any change to the load configuration.

(i) *Press Releases.* The Parties share a common desire to generate favorable publicity regarding the Generating Facilities and their association with them. The Parties agree that they will, from time-to-time, issue press releases regarding the Generating Facilities and that they shall cooperate with each other in connection with the issuance of such releases. Each Party agrees that it shall not issue any press release regarding the Generating Facilities without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed.

3. Purchase and Sale of Power; Term

(a) *Consideration.* Power Provider shall invoice for, and Purchaser shall pay for, the Energy Output delivered at each Site on a monthly basis in arrears. Each invoice shall show the current reading and the previous reading of the Metering Device for the Site, and the invoice amount shall be equal to the product of (i) the difference in those readings, subject to Section 7 hereof, and (ii) the price per kWh for

Energy Output for the year in which such Energy Output was delivered to the Energy Delivery Point as specified in Exhibit B (the "*kWh Rate*"). Purchaser shall pay the invoiced amount on or before thirty (30) days following the date of the invoice, which fifteenth day shall be referred to as the "*Due Date*." If the Due Date is not a Business Day, payment shall be due on the next following Business Day. Power Provider's obligation to deliver invoices and Purchaser's obligation to make payment shall commence when the Commercial Operation Date of the first Generating Facility occurs. Any invoiced amount not paid on or before its Due Date shall bear interest at a rate equal to the Interest Rate in effect from time to time.

(b) *Invoices.* Power Provider shall deliver to Purchaser monthly invoices as provided in Section 3(a). The Power Purchaser's monthly invoice shall be in a form reasonably satisfactory to Purchaser. The Purchaser agrees that Power Provider may from time to time change the format and content of the invoice submitted to the Purchaser.

(c) *Purchase and Use of All Energy Output.*

(1) Subject to Sections 3(g) and 4 hereof, Purchaser covenants and agrees to purchase in accordance with this Agreement one hundred percent (100%) of the Energy Output produced by the Generating Facilities during the Term.

(2) Subject to Sections 3(g) and 4 hereof, Purchaser covenants and agrees to use and consume one hundred percent (100%) of the Energy Output produced by the Generating Facilities during the Term.

(d) *Alteration of Load Configuration.* If Purchaser causes any Generating Facilities to shut down and cease production and delivery of Energy Output due to Purchaser's alteration of the load configuration on the Metering Device for a Generating Facility for three (3) days (a minimum of 6 hours per day) in any ninety (90) day period, Power Provider shall provide notice to Purchaser requesting restoration of such load configuration on such Metering Device. Purchaser shall restore such load configuration within three (3) days upon receipt of such notice. Subject to Section 4 hereof, Purchaser shall pay Power Provider a payment for that number of days in excess of three (3) days (a minimum of 6 hours per day) in any ninety (90) day period during which such Generating Facility was shut down, equal to the sum of (i) the average daily power purchased (determined based on the daily average of a 365-day year at such Generating Facility) and (ii) the Utility Production Rebates that would have been received by Power Provider based on such average daily power purchased had such Generating Facility not been shut down. All such foregoing amounts shall be paid in accordance with the terms of Section 3(a).

(e) *Taxes.* Purchaser certifies that it is not liable for the payment of any taxes, whether local, state or federal sales, use, withholding, excise, personal property, value-added or similar taxes, assessments or duties or any late charges or penalties of any nature, nor does Power Provider anticipate that Purchaser will be assessed any taxes because of the presence of the Generating Facilities. In the event any taxes are assessed for the generation, sale, delivery or consumption of Energy Output by the Generating Facilities by any applicable state, or federal laws for which the Purchaser would otherwise be responsible as a consumer of electricity, then Purchaser will pay or reimburse Power Provider any amounts it has paid on behalf of Purchaser.

(f) *Term.* The term ("*Term*") of this Agreement shall commence on the Contract Date and expire on the Expiration Date unless earlier terminated in accordance with this Agreement.

(g) *Appropriations; Non-Appropriation Event.*

(1) Purchaser has appropriated the Initial Appropriation Amount and such Initial Appropriation Amount shall be a standing and continuing appropriated amount under this Agreement until expended for payment obligations of Purchaser to Power Provider in accordance with this

Agreement. It is contemplated during the Term of this Agreement that Purchaser will appropriate Subsequent Appropriation Amounts under this Agreement for Subsequent Appropriation Periods, which if made shall be standing and continuing appropriated amounts under this Agreement until expended for payment obligations of Purchaser to Power Provider in accordance with this Agreement. Purchaser shall have no right to terminate the appropriation of the Initial Appropriation Amount or the appropriation of any Subsequent Appropriation Amounts without the prior written consent of Power Provider.

(2) If Purchaser does not appropriate the Subsequent Appropriation Amount on or prior to the Initial Renewal Date, an event of non-appropriation shall be deemed to have occurred and Purchaser shall have no obligation to make any further purchases of the Energy Output under Section 3(c)(1) of this Agreement once the Initial Appropriation Amount has been paid out by the Purchaser to Power Provider under this Agreement for the purchase of Energy Output.

(3) If Purchaser does appropriate a Subsequent Appropriation Amount, then the obligation to purchase of the Energy Output under Section 3(c)(1) of this Agreement shall continue for the Subsequent Appropriation Period applicable for said Subsequent Appropriation Amount. For purposes of application of appropriated funds, (i) the Initial Appropriation Amount shall be exhausted prior to application of the Subsequent Appropriation Amount and (ii) any prior Subsequent Appropriation Amount shall be exhausted prior to a later appropriated Subsequent Appropriation Amount.

(4) If Purchaser does appropriate the Subsequent Appropriation Amount and if during said Subsequent Appropriation Period, Purchaser does not appropriate the Subsequent Appropriation Amount on or prior to Subsequent Renewal Date falling during said Subsequent Renewal Period, an event of non-appropriation shall be deemed to have occurred and Purchaser shall have no obligation to make any further purchases of the Energy Output under Section 3(c)(1) of this Agreement once the applicable appropriated Subsequent Appropriation Amount has been paid out by the Purchaser to Power Provider under this Agreement for the purchase of Energy Output.

(5) Events of non-appropriation under subsections (g)(2) and (4) of Section 3, hereof, are defined as "Non-Appropriation Events" for purposes of this Agreement.

(6) In the event of a Non-Appropriation Event, Purchaser shall promptly give written notice of such Non-Appropriation Event (the "*NAE Notice*") to Power Provider. Notwithstanding the occurrence of a Non-Appropriation Event or the delivery of the NAE Notice, Purchaser will not interrupt or impair the delivery of Energy Output or jeopardize Power Provider's sale of SRECs or receipt of Utility Production Rebates.

(7) Following receipt by Power Provider of an NAE Notice, Power Provider, in its sole discretion, (i) may terminate this Agreement and remove the affected Generating Facilities, (ii) may waive a Non-Appropriation Event should Purchaser appropriate the Subsequent Appropriation Amount to continue the purchase of Energy Output under terms agreed to by the parties, (iii) may continue to operate the Generating Facilities and deliver the Energy Output to Purchaser without payment by Purchaser therefor during the applicable fiscal year, (iv) to the extent permitted by Applicable Law, sell the Energy Output to the Utility or other third parties, (v) to the extent permitted by Applicable Law, donate or give the Energy Output to a state or political subdivision, a nonprofit corporation under Section 501(c)(3) of the Internal Revenue Code or some other third party, or (vi) take the Generating Facilities out of production, including disconnection and covering of the Generating Facilities.

(8) Within sixty (60) days of Power Provider's receipt of the NAE Notice, Power Provider shall give notice to Purchaser of Power Provider's current election among options under Section 3(g)(7) above. If Power Provider does not provide notice to Purchaser of Power Provider's election under this Section 3(g)(7) within such period, Power Provider shall be deemed to have elected option (iii) under Section 3(g)(7) above. Power Provider may at numerous times, at its sole discretion and with ten (10) days prior written notice to Purchaser, change its election under Section 3(g)(7). If Power Provider elects

options (iv) or (v) under Section (g)(7), above, Purchaser agrees, at the sole expense of Power Provider, to cooperate and assist with regulatory requirements and technical concerns related to such sale, donation or gift of the Energy Output.

(9) If Power Provider elects option (i) under Section 3(g)(7) above, Power Provider shall cause the Generating Facilities to be disconnected and removed from the Sites, and Power Provider shall pay all Removal Costs.

(10) It is expressly understood and agreed that except as otherwise provided in subsections 3 and 4 of this Section 3(g), Purchaser's obligation to make payments to Power Provider shall extend only to monies appropriated by the Governing Body for the specified Initial Appropriation Period or Subsequent Appropriation Period for which said funds were encumbered for the purposes of this Agreement.

(h) *Termination by Power Provider.* Power Provider shall have the right, but not the obligation, to terminate this Agreement in part or in whole prior to expiration of the Term only upon the occurrence of:

(1) an unstayed order of a court or administrative agency having the effect of subjecting the sales of Energy Output to federal or state regulation of prices;

(2) elimination or alteration of one or more Environmental Incentives or other change in law that results in a material adverse economic impact on Power Provider;

(3) the termination of any License prior to the Expiration Date for any reason other than (i) Power Provider's breach of such License or (ii) in connection with the execution of a new License for a Substitute Site;

(4) in the Event of Default by the Purchaser as provided in Section 16(b); or

(5) a Non-Appropriation Event in accordance with Section 3(g).

(i) *Purchase Option.* In consideration of the amounts paid under this Agreement and so long as an Event of Default by Purchaser has not occurred and is continuing, Purchaser is granted the right and option to purchase the Generating Facilities in their entirety (the "*Purchase Option*"). In order to clarify the Purchase Option, the parties acknowledge that the Purchase Option shall only be an option to purchase all of the Generating Facilities; there is no option to purchase less than all of the Generating Facilities. The Purchase Option shall be exercisable between January 1 and January 15 of each calendar year during the Term, provided that the Purchase Option may not be exercised during the Initial Appropriation Period. To exercise the Purchase Option, Purchaser shall deliver written notice of its decision to exercise to Power Provider during the applicable fifteen (15) day exercise period. The purchase price shall be equal to the greater of the Fair Market Value of the Generating Facilities or the Buyout Price for the appropriate year. Should Purchaser exercise the Purchase Option, the closing of the purchase by Purchaser from Power Provider of the Generating Facilities shall be take place within ninety (90) days of the setting of the purchase price. At such closing, Purchaser shall deliver to Power Provider the purchase price in immediately available funds, and Power Provider shall deliver bills of sale transferring to Purchaser unencumbered title to the Generating Facilities "as is" and all warranties so held by Power Provider, as well as any rights of Power Provider to future rebates and credits associated with the Generating Facilities, to the extent transferable. Additionally, effective upon such closing, this Agreement shall terminate and both parties shall be released of all further obligations hereunder.

(j) *Determination of Fair Market Value.* The Fair Market Value of the Generating Facilities shall be determined by the mutual agreement of the Purchaser and Power Provider; provided however, if Purchaser and Power Provider cannot mutually agree to a Fair Market Value within ten (10) days of the

written notice to Power Provider by Purchaser of its exercise of the purchase option, then the Parties shall mutually select a nationally recognized independent appraiser with experience and expertise in the solar photovoltaic industry to determine Fair Market Value. Such appraiser shall act reasonably and in good faith to determine Fair Market Value and shall set forth such determination in a written opinion delivered to the Parties. The valuation made by the appraiser shall be binding upon the Parties in the absence of fraud or manifest error. Each Party shall be responsible for one-half of the fees and expenses of the appraiser.

(k) *Movement of Generating Facilities; Substitute Sites.*

(1) If Purchaser (i) ceases to conduct business operations at a Site, (ii) vacates a Site, (iii) transfers title to a Site, or (iv) otherwise desires to remove Generating Facilities from a Site, then Purchaser shall provide substitute premises (the "*Substitute Site*") for installation, operation and maintenance of Generating Facilities Notwithstanding this Section 3(k), substitute premises proposed by Purchaser shall not qualify as a Substitute Site unless: (i) the new location is within the Utility's service territory; (ii) the relocation of the Generating Facilities to the new location is estimated by Power Provider to take less than ninety (90) calendar days; and (iii) the new location is reasonably similar to the original Site in access to sunlight and insolation, as such existed on the Contract Date. Purchaser shall provide at least sixty (60) days' written notice to Power Provider prior to the date on which it desires to effect such substitution.

(2) Purchaser shall be responsible for all Removal Costs and associated costs of reinstallation of such Generating Facility to operate as before. Additionally, Purchaser shall pay to Power Provider, in addition to other amounts set forth in this Section 3(k), a monthly payment (prorated as needed) equal to the sum of (i) the average monthly power purchase invoiced in accordance with Section 3(a) for the preceding twelve (12) months, or however long such Generating Facility has been in Commercial Operation if less than twelve (12) months, and (ii) the Utility Production Rebates that would have been received by Power Provider based on such average monthly power purchase. Purchaser shall pay such monthly payments (prorated as needed) for the period of time during which such Generating Facility is not in Commercial Operation due to the movement or replacement. If the Substitute Site has inferior insolation as compared to the Site being abandoned or replaced, Power Provider shall have the right to make an upward adjustment to the kWh Rates for such Substitute Site so that Purchaser's payments to Power Provider are the same as if the relocated Generating Facilities were located at the Site being abandoned or replaced. Power Provider shall utilize commercially reasonable efforts in expeditiously moving or replacing the Generating Facilities to the Substitute Site. The provisions of this Section 3(k)(2) shall not apply where a Generating Facility is not in Commercial Operation due to a Force Majeure event.

(3) If a Force Majeure event occurs at any time during the Initial Appropriation Period, then at Power Provider's option, Purchaser shall provide a Substitute Site in accordance with the provisions Section 3(k)(1) in order to prevent recapture or other prejudice to any tax credits, rebates or other incentives intended to be received by Power Provider hereunder.

(l) *Temporary Removal of Generating Facilities Requested by Purchaser.* If temporary removal of a Generating Facility is required due to work at a Site undertaken by Purchaser unrelated to the Generating Facilities, Purchaser is responsible for all Removal Costs and associated costs of reinstallation and must proceed diligently as outlined in the Licenses between the Parties. Upon completion of the work at such Site undertaken by the Purchaser, Purchaser shall promptly notify Power Provider that such work has been completed. Upon receiving such notice, Power Provider shall utilize commercially reasonable efforts to restore expeditiously the Generating Facility at the Site to Commercial Operation. In the event that Power Provider fails to utilize commercially reasonable efforts to restore expeditiously the Generating Facility, Purchaser shall not be liable for any payments to Power Provider due to the suspension of Commercial Operation of such Generating Facility. During any period while a Generating Facility is off-line in connection with a temporary removal under this Section 3(l), Purchaser

shall pay Power Provider a monthly payment (prorated as needed) equal to the sum of (i) the average monthly power purchase invoiced in accordance with Section 3(a) for the preceding twelve (12) months, or however long such Generating Facility has been in Commercial Operation if less than twelve (12) months, and (ii) the Utility Production Rebates that would have been received by Power Provider based on such average monthly power purchase. Purchaser shall pay such monthly payments (prorated as needed) for the period of time during which such Generating Facility is not in Commercial Operation due to the temporary removal. Purchaser shall notify Power Provider at least 30 days in advance of any activity that may render any Generating Facility inoperable.

(m) *Shading.* Purchaser shall not alter, and shall not cause or permit any interference with, solely to the extent Purchaser is reasonably able to exercise control over the cause of any such interference, the Generating Facilities' insolation and access to sunlight as such access exists as of the Contract Date. At all times during the Term, Purchaser shall ensure, to the extent Purchaser is reasonably able, that Shading of the Generating Facilities' solar arrays does not exceed the Shading as it exists on the Contract Date.

4. Contract Funding

(a) *Nature of Appropriations.*

(1) Purchaser represents, warrants and covenants that the Initial Appropriation Amount is pledged and reserved for payment of all amounts due under this Agreement, including Sections 3(a) and (b) for the Initial Appropriation Period and that the obligations during the Initial Appropriation Period are enforceable and not subject to the claim or condition that such obligations are subject to future annual appropriations under Section 4(c), or otherwise under the Constitution or other Applicable Law of the State.

(2) Purchaser represents, warrants and covenants that any Subsequent Appropriation Amount for which Purchaser has appropriated funds shall be pledged and reserved for payment of all amounts due under Sections 3(a) and (b) of this Agreement for the applicable Subsequent Appropriation Period and that the obligations during said Renewal Appropriation Period will be enforceable and not subject to the claim or condition that such obligations are subject to future annual appropriations under Section 4(c), or otherwise under the State Constitution or other Applicable Law.

(b) *Future Appropriation Requests.* Purchaser agrees that, during the Term, prior to the Initial Renewal Date and any Subsequent Renewal Date, Purchaser will prepare and submit to the Governing Body a request for an appropriation of a sufficient amount to fund the Subsequent Appropriation Amount for such period following the Initial Appropriation Period of the then current Subsequent Appropriation Period. It is the present intention and expectation of the Governing Body to appropriate such funds as contemplated hereunder, within the limits of available funds and revenues, but this declaration of intent shall not be binding upon the Governing Body or any future Governing Body in any future fiscal year, except to the extent of any previously appropriated funds. The Governing Body may determine in its sole discretion, but shall never be required, to make the appropriations so contemplated. Nothing provided in this Section 4(b) shall create or constitute a debt, liability, or multiple fiscal year financial obligation of Purchaser.

(c) *Limitations.* Except as otherwise provided in this Section 4, (i) all payments made by Purchaser under this Agreement shall constitute currently budgeted expenditures and shall not constitute or give rise to a general obligation debt, an indebtedness, or multiple-fiscal year direct or indirect debt or other financial obligation whatsoever within the meaning of any constitutional or statutory provisions or limitation, (ii) this Agreement shall not directly or indirectly obligate Purchaser to make any payment beyond the funds legally available to Purchaser and designated for payment under this Agreement for the current appropriated Initial Appropriation Period or Renewal Appropriation Period, and (iii) this

Agreement and Purchaser's obligations hereunder are expressly subject to and contingent upon funds for that purpose being budgeted, appropriated, and otherwise made available by Purchaser.

(d) *Notice of Appropriations.* Upon written request by Power Provider, Purchaser covenants and agrees to provide notice to Power Provider of the amount appropriated by Purchaser for the Initial Appropriation Period and each Subsequent Renewal Period promptly following such appropriation decisions. In addition, upon written request by Power Provider, Purchaser shall provide evidence each year during the Term with respect to the continuing appropriation of said Initial Appropriation Amount and any Subsequent Appropriation Amount that has been appropriated under this Agreement promptly following the completion of the annual budget of Purchaser.

(e) *Termination by Purchaser.* In accordance with Section 4(a) above, all payments required to be made by Purchaser pursuant to this Agreement for the Initial Appropriation Period are hereby secured by adequate cash reserves pledged by Purchaser in 2013 and held irrevocably for payments due through the Initial Appropriation Period. Therefore, notwithstanding any other provision in this Agreement, Purchaser shall have no right whatsoever to terminate this Agreement during the Initial Appropriation Period and that Purchaser's remedies during said period shall be limited to damages, injunction and specific performance. After the Initial Appropriation Period, Purchaser shall have the right to terminate this Agreement only in accordance with Section 15 hereof.

5. Power Provider's Project Manager

(a) *Project Manager.* Power Provider shall provide a project manager for the Generating Facilities, who shall have full authority to act for Power Provider at all times to carry out the provisions of this Agreement (the "*Project Manager*").

(b) *Inspections.* The Project Manager shall make sufficient regular inspections, or otherwise as necessary, either in person or by a designated representative, to ensure the work is performed as specified. The Project Manager shall provide a copy of all inspection reports to Purchaser.

6. Environmental Attributes

(a) *Delegation of Attributes.* Notwithstanding the Generating Facilities' presence on the Site, Power Provider shall own, and subject to Section 16 hereof, may assign or sell, all right, title and interest associated with or resulting from the development and installation of the Generating Facilities or the production, sale, purchase or use of the Energy Output including, without limitation:

(1) all Environmental Incentives and all Environmental Attributes; and

(2) the Reporting Rights and the exclusive rights to claim that: (A) the Energy Output was generated by the Generating Facilities; (B) Power Provider is responsible for the delivery of the Energy Output to the Energy Delivery Point; (C) Power Provider is responsible for the reductions in emissions of pollution and greenhouse gases resulting from the generation of the Energy Output and the delivery thereof to the Energy Delivery Point; and (D) Power Provider is entitled to all credits, certificates, registrations evidencing or representing any of the foregoing.

(b) *Impairment of Solar Renewable Energy Credits.* Following notice by Power Provider of actions or omissions by or on behalf of Purchaser which could impair or jeopardize either the sale of SRECs to the Utility or the production of power hereunder, Purchaser shall not take any such action or suffer any such omission at the Sites; such Purchaser obligation shall be continuing after a Non-Appropriation Event. To the extent the Purchaser incurs no cost and is able to comply, Purchaser shall take reasonable action or suffer such omission as necessary to assist Power Provider in qualifying for receipt of SRECs payment.

7. Metering

(a) *Metering Devices.* Power Provider shall, at its sole cost and expense, install and maintain a standard revenue quality meter with electronic DAS capabilities at each Site (the "*Metering Devices*") and agrees to work with the City to ensure capatability of the Metering Devises with the City's Energy Navigator for Sites 2, 3, 10 and 13. The Metering Devices shall be owned by Power Provider and shall measure the alternating current output of the Generating Facilities on a continuous basis. Power Provider shall be responsible for maintaining the Metering Devices in good working order.

(b) *Reading Adjustments.* Reading of the Metering Devices shall be conclusive as to the amount of Energy Output at each Site and shall serve as the basis for invoicing Purchaser for all delivered energy; provided that if any of the Metering Devices is out of service, is discovered to be inaccurate pursuant to Section 7(c), or registers inaccurately, measurement of the Energy Output at such Site shall be determined in the following sequence: (1) by estimating by reference to quantities measured during periods of similar conditions when such Metering Device was registering accurately; or (2) if no reliable information exists as to the period of time during which such Metering Device was registering inaccurately, it shall be assumed for correction purposes hereunder that the period of such inaccuracy for the purposes of the correction under Section 7(c) was equal to (A) if the period of inaccuracy can be determined, the actual period during which inaccurate measurements were made; or (B) if the period of inaccuracy cannot be determined, one-half of the period from the date of the last previous test of such Metering Device through the date of the adjustments; provided, however that, in the case of clause (B), the period covered by the correction under this Section 7(b) shall not exceed 6 months.

(c) *Testing and Correction.*

(1) Each Party and its consultants and representatives shall have the right to witness any Metering Device test to verify the accuracy of the measurements and recording of such Metering Device. Power Provider shall provide at least seven (7) calendar days' prior written notice to Purchaser of the date upon which any such test is to occur. Power Provider shall prepare a written report setting forth the results of each such test, and shall, at the request of Purchaser, provide Purchaser with copies of such written report not later than 30 calendar days after completion of the test. Power Provider shall bear the cost of the annual testing of the Metering Devices and the preparation of the Metering Device test reports.

(2) The following steps shall be taken to resolve any disputes regarding the accuracy of the Metering Device:

(A) If Power Provider or Purchaser disputes the accuracy or condition of such Metering Device, such party shall so advise the other party in writing.

(B) Power Provider shall, within fifteen (15) calendar days after receiving such notice from Purchaser or issuing such notice to Purchaser, advise Purchaser in writing as to Power Provider's position concerning the accuracy of such Metering Device and Power Provider's reasons for taking such position.

(C) If Power Provider and Purchaser are unable to resolve the dispute through reasonable negotiations, then either party may request a test of such Metering Device.

(D) If such Metering Device is found to be inaccurate by not more than two percent (2%), any previous recordings of such Metering Device shall be deemed accurate, and the party disputing the accuracy or condition of the Metering Device hereunder shall bear the cost of inspection and testing of such Metering Device.

(E) If such Metering Device is found to be inaccurate by more than two percent (2%) or if such Metering Device is for any reason out of service or fails to register, then (a) Power

Provider shall promptly cause any Metering Device found to be inaccurate to be adjusted to correct, to the extent practical, such inaccuracy, and (b) Power Provider and Purchaser shall estimate the correct amounts of Energy Output delivered during the periods affected by such inaccuracy, service outage or failure to register as provided in Section 7(a). If as a result of such adjustment the quantity of Energy Output for any period is decreased (such quantity, the "*Energy Deficiency Quantity*"), Power Provider shall provide Purchaser a credit against future invoices for the amount paid by Purchaser in consideration for the Energy Deficiency Quantity, and Power Provider shall bear the cost of inspection and testing of such Metering Device. If as a result of such adjustment the quantity of Energy Output for any period is increased (such quantity, the "*Energy Surplus Quantity*"), Purchaser shall pay for the Energy Surplus Quantity at the kWh Rate applicable at such time, and shall bear the cost of inspection and testing of such Metering Device.

(d) *Periodic Reports.* Power Provider shall maintain all DAS data and shall provide to Purchaser a report of each Site's individual metered Energy Output, as read and collected on a monthly basis, once each quarter within forty-five (45) days after the last day of the preceding quarter. Power Provider shall verify and adjust all DAS data at least once per calendar year based on readings from the Metering Devices. Power Provider shall preserve all data compiled hereunder for a period not less than three (3) years. Purchaser shall have the right to audit all such DAS data upon reasonable notice. Purchaser shall have a right of access to all Metering Devices at reasonable times and with reasonable prior notice for the purpose of verifying readings and calibrations.

(e) *Monitoring Equipment.* As part of the Metering Devices, there shall be system monitoring equipment connected to the Metering Devices that monitors the Generating Facilities to the necessary intranet and/or internet networks of Purchaser so that it is possible for Power Provider to remotely monitor the production by the Generating Facilities. Purchaser will provide Power Provider with a working Ethernet connection to intranet and/or internet network located at each Site in the area of the Generating Facilities. In the event Power Provider is unable to determine the Energy Output with respect to a particular Site when Power Provider generates its monthly invoices, whether due to problems with the Metering Device or the internet connection or for other reasons, Power Provider may estimate the Energy Output at such Site and issue the invoice based on such estimate. Power Provider's subsequent invoices can adjust for the estimated charges based on subsequent readings of the Metering Device.

8. Delivery

(a) *Energy Output.* Title and risk of loss of the Energy Output shall pass from Power Provider to Purchaser upon delivery of the Energy Output at the Energy Delivery Point at each Site. All deliveries of Energy Output hereunder shall be in the form of three-phase, sixty-cycle alternating current or similar to properly integrate with the Site's electrical system. Purchaser shall purchase and accept delivery of metered Energy Output at the Energy Delivery Point at each Site.

(b) *Utility Requirements.* Power Provider shall ensure that all energy generated by the Generating Facilities conforms to Utility specifications for energy being generated and delivered to each Site's electric distribution system, which shall include the installation of proper power conditioning and safety equipment, submittal of necessary specifications, coordination of Utility testing and verification, and all related costs. Purchaser shall be responsible for arranging delivery of Energy Output from the Energy Delivery Point to Purchaser's facilities and any installation and operation of equipment on Purchaser's side of the Energy Delivery Point necessary for acceptance and use of the Energy Output. The Parties acknowledge that adjustments in the terms and conditions of this Agreement may be appropriate to account for rule changes in the respective Utility or Utility control areas, by the respective independent system operators, or their successors, that could not be anticipated at the date of execution of this Agreement or that are beyond the control of the Parties, and the Parties agree to make such commercially reasonable amendments as are reasonably required to comply therewith, subject to advance written approval by the Purchaser.

9. Invoice Disputes

Either Party may in good faith dispute the correctness of any invoice under this Agreement at any time within six (6) months following the delivery of the invoice; provided, however, that neither Party may dispute any invoice based on a purported Metering Device error except as provided in Section 7. In the event that either Party wishes to dispute any invoice, such Party shall nonetheless pay the full amount of the applicable invoice less those portions thereof that the objecting Party reasonably believes are inaccurate or are not reasonably supported by documentation. Following resolution of the applicable dispute, any required payment shall be made within five (5) Business Days of such resolution, together with interest accrued at the Interest Rate as follows - if Purchaser is delivering moneys previously invoiced but withheld by Purchaser based on its objection, the interest shall accrue from the applicable Due Date; and if Power Provider is refunding moneys previously paid by Purchaser, the interest shall accrue from the date Power Provider received the moneys from Purchaser.

10. Title to Generating Facilities and other Property Rights

(a) *Power Provider Ownership.* Notwithstanding the Generating Facilities' presence on the Site, Power Provider shall at all times retain title to and be the legal and beneficial owner of the Generating Facilities, and the Generating Facilities shall remain the personal property of Power Provider or Power Provider's permitted assigns. Power Provider shall be entitled to, and is hereby authorized to, file one or more precautionary financing statements or fixture filings in such jurisdictions as it deems appropriate with respect to the Generating Facilities in order to protect its rights in the Generating Facilities.

(b) *Depreciation; Tax Benefits.* The Parties specifically acknowledge and agree that Power Provider shall be the owner of the Generating Facilities for federal income tax purposes, and in that connection, shall be entitled to the depreciation deductions associated with the Generating Facilities as well as any tax credits or other tax benefits provided under the Code to which such Generating Facilities may be entitled.

(c) *No Intellectual Property Conveyance.* Nothing in this Agreement shall be construed to convey to Purchaser a license or other right to trademarks, copyrights, technology or other intellectual property of Power Provider.

(d) *No Encumbrances.* Notwithstanding the Generating Facilities' presence on the Sites, Purchaser shall not directly or indirectly cause, create, incur, assume or suffer to exist any Encumbrance on or with respect to the Generating Facilities or any interest therein. If Purchaser breaches its obligations under this Section 10(d), it shall immediately notify Power Provider in writing and shall promptly cause such Encumbrance to be discharged and released of record without cost to Power Provider.

11. Representations and Warranties

Each Party represents and warrants to the other Party that (a) such Party is duly organized, validly existing and in good standing under the laws of the state of its formation and has all requisite power and authority to enter into this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby; (b) the execution and delivery of this Agreement and the performance of such Party's obligations hereunder have been duly authorized by all necessary action; (c) this Agreement is a legal, valid and binding obligation of such Party enforceable against such Party in accordance with its terms, subject to the qualification, however, that the enforcement of the rights and remedies herein is subject to (i) bankruptcy and other similar laws of general application affecting rights and remedies of creditors and (ii) the application of general principles of equity (regardless of whether considered in a proceeding in equity or at law); and (d) neither the execution and delivery of this Agreement by such Party nor compliance by such Party with any of the terms and provisions of this Agreement conflicts with, breaches or contravenes the provisions of such Party's organizational

documents or any state statutes as applies to such Party. Power Provider further represents and warrants to the Purchaser that, to the best of its knowledge following due diligence inquiry, no governmental approval (other than any governmental approvals which have been previously obtained or disclosed in writing to Purchaser) is required in connection with the due authorization, execution and delivery of this Agreement by Power Provider or the performance by Power Provider of its obligations hereunder which Power Provider has reason to believe that it will be unable to obtain in due course. Purchaser further represents and warrants to Power Provider that to the Purchaser's knowledge, except for building permits, and approval by its governing body, no governmental approval (other than any governmental approvals which have been previously obtained or disclosed in writing to Power Provider) is required in connection with the due authorization, execution and delivery of this Agreement by Purchaser or the performance by Purchaser of its obligations hereunder which Purchaser has reason to believe that it will be unable to obtain in due course.

12. Insurance

(a) *General Conditions.* Prior to the commencement of work on the construction and installation of the Generating Facilities, Power Provider shall secure at its own expense the insurance described in this Section 12 required of it covering operations, goods or services related to the Generating Facilities and its activities. Power Provider shall keep such required insurance coverage in force at all times during the Term, or any extension.

(b) *Property Insurance.* Power Provider shall maintain all risk physical damage insurance on the Generating Facilities sufficient to protect the Full Insurable Value of the Generating Facilities and naming Power Provider "and/or its assigns" as the loss payee.

(c) *General Liability.* Power Provider shall maintain general liability coverage in the form of a single limit policy in the amount of at least \$2,000,000 covering all such risks. Such liability insurance shall name Purchaser as an additional insured.

(d) *Additional Provisions.* For general liability, the policies must provide the following:

- (1) A severability of interests provision;
- (2) Waiver of exclusion for lawsuits by one insured against another;
- (3) A provision that coverage is primary.

(e) *EPC Provider Insurance.* Power Provider shall require EPC Provider to procure and continuously maintain at EPC Provider's sole expense, the insurance coverages set forth in Exhibit D hereto.

13. Jury Waiver.

EACH PARTY HEREBY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM CONCERNING ANY RIGHTS UNDER THIS AGREEMENT, OR UNDER ANY AMENDMENT, WAIVER, CONSENT, INSTRUMENT, DOCUMENT OR OTHER AGREEMENT DELIVERED OR WHICH IN THE FUTURE MAY BE DELIVERED IN CONNECTION THEREWITH, OR ARISING FROM ANY RELATIONSHIP EXISTING IN CONNECTION WITH THIS AGREEMENT OR THE LICENSES, AND AGREE THAT ANY SUCH ACTION, PROCEEDINGS OR COUNTERCLAIM SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. EACH PARTY CERTIFIES THAT NO OFFICER, REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF ANY ACTION, PROCEEDING OR COUNTERCLAIM, SEEK TO ENFORCE THE FOREGOING WAIVERS. EACH

PARTY HEREBY ACKNOWLEDGES THAT THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE OTHER PARTIES ENTERING INTO THIS AGREEMENT.

14. Loss

If any Generating Facility is (i) materially damaged or destroyed, or suffers any other material loss or is (ii) condemned, confiscated or otherwise taken, in whole or in material part, or the use thereof is otherwise diminished so as to render impracticable or unreasonable the continued production of energy, to the extent there are sufficient insurance or condemnation proceeds available to Power Provider, Power Provider shall either cause (A) such Generating Facility to be rebuilt and placed in Commercial Operation at the earliest practical date or (B) another materially identical Generating Facility to be built at the applicable Site and placed in Commercial Operation as soon as commercially practicable. If, in the sole opinion of Power Provider, neither of these options is commercially reasonable, Power Provider shall have the right to retain such insurance or condemnation proceeds and terminate this Agreement.

15. Default and Remedies

(a) *Event of Default.* With respect to a Party, there shall be an event of default if:

(1) such Party fails to pay any amount within thirty (30) days after such amount is due, or as the other Party may otherwise require;

(2) Purchaser is in breach of any obligations provided for in Sections 3(d), 3(k)(2), 3(l), or 3(m), and such breach is not cured within thirty (30) days after notice from Power Provider;

(3) Purchaser during the Initial Appropriation Period (i) terminates, gives notice to Power Provider that it is terminating, threatens to terminate, or takes any other actions in support of terminating or attempting to terminate this Agreement other than as specifically permitted in Section 4(e) hereof, (ii) causes any Generating Facilities to shut down and cease production and delivery of Energy Output due to Purchaser's alteration of the load configuration on the Metering Device for a Generating Facility without the prior written consent of Power Provider or as permitted by Section 3(l), (iii) removes any Generating Facilities from any Site without the prior written consent of Power Provider, (iv) fails or refuses to comply with or otherwise breaches its obligations provided for in Section 3(k)(1), or (v) fails or refuses to comply with or otherwise breaches its obligations provided for in Section 3(c)(2) hereof;

(4) except as otherwise set forth in this Section 15(a), a Party is in breach of any representation or warranty or fails to perform any material obligation as set forth in this Agreement and such breach or failure is not cured within sixty (60) days after notice from the non-defaulting Party; provided, however, that the cure period shall be extended by the number of days during which the defaulting Party is prevented from taking curative action solely by Force Majeure if the defaulting Party had begun curative action and was proceeding diligently, using commercially reasonable efforts, to complete such curative action;

(5) such Party admits in writing its inability to pay its debts generally as they become due;

(6) such Party files a petition or answer seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any State, district or territory thereof;

(7) such Party makes an assignment for the benefit of creditors;

(8) such Party consents to the appointment of a receiver of the whole or any substantial part of its assets;

(9) such Party has a petition in bankruptcy filed against it, and such petition is not dismissed within 90 days after the filing thereof;

(10) a court of competent jurisdiction enters an order, judgment, or decree appointing a receiver of the whole or any substantial part of such Party's assets, and such order, judgment or decree is not vacated or set aside or stayed within 90 days from the date of entry thereof;

(11) under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the whole or any substantial part of such Party's assets and such custody or control is not terminated or stayed within 90 days from the date of assumption of such custody or control; or

(12) Purchaser or Power Provider materially breaches any License.

(b) *Remedies.*

(1) Except as provided in Sections 4(e) and 15(b)(2) hereof, upon default by one Party, the other Party shall have the right, but not the obligation, to terminate this Agreement with respect to all obligations arising after the effective date of such termination (other than payment obligations relating to obligations arising prior to such termination). The Parties agree that in the event of a default that leads to termination, the non-defaulting Party may pursue all remedies available to it in law and in equity.

(2) Purchaser acknowledges and agrees that the production of Energy Output by all Generating Facilities during the Initial Appropriation Period and the use by Purchaser of all such Energy Output during the Initial Appropriation Period are essential to the success of Power Provider, in particular to prevent recapture or other prejudice to any Environmental Incentives intended to be received by Power Provider hereunder. Purchaser further acknowledges and agrees that the damages incurred by Power Provider should an event of default described in Section 15(a)(3) occur, would be difficult to ascertain and for that reason, among others, Power Provider would be irreparably damaged in the event Purchaser's actions resulting in the event of default in items (i), (ii) or (iii) of Section 15(a)(3) are not enjoined, or Purchaser's obligations referenced in items (iv) or (v) of Section 15(a)(3) are not specifically enforced, as applicable. Purchaser further acknowledges and agrees that if a Section 15(a)(3) event of default occurs, Power Provider shall be entitled, in addition to recovering damages, to institute proceedings for, and to obtain, an order from a court of competent jurisdiction enjoining Purchaser's actions resulting in the Section 15(a)(3) event of default and/or specifically enforcing Purchaser's obligations referenced in items (iv) or (v) of Section 15(a)(3), as applicable, without the necessity of showing actual damages and, to the extent allowed under applicable law, without the necessity of posting a bond or otherwise providing security for the proceedings and any action taken as a result thereof. Purchaser further acknowledges and agrees that if a Section 15(a)(3) event of default occurs, Power Provider shall be entitled to reimbursement of and to recover from Purchaser all reasonable attorney's fees and costs, whether or not suit is filed in enforcing or attempting to enforce this Agreement. All remedies provided for herein shall be cumulative and not exclusive and shall be in addition to any other remedies available to Power Provider for any breach of this Agreement.

(c) *No Waiver.* Any waiver at any time by either Party of its rights with respect to an event of default under this Agreement, or with respect to any other matters arising in connection with this Agreement, shall not be deemed to be a waiver with respect to any subsequent default or other matter. Any waiver under this Agreement must be in writing signed by the waiving Party.

(d) *Tax Provisions.* Notwithstanding any provision to the contrary under this Agreement, neither Purchaser nor any party related to Purchaser shall bear or be deemed to bear any significant financial burden if there is nonperformance by Power Provider under this agreement, as the phrase "any significant financial burden if there is nonperformance" is used in Section 7701(e)(4)(A)(ii) of the Code.

(e) *Additional Tax Provisions.* Notwithstanding any provision to the contrary under this Agreement, neither Purchaser nor any party related to Purchaser shall be deemed to receive any significant financial benefit if the operating costs of the Generating Facilities are less than the standard of performance or operation set forth in this Agreement, as the phrase "significant financial benefit if the operating costs of such facility are less than the standards of performance or operation" is used in Section 7701(e)(4)(A)(iii) of the Code.

16. Assignment

(a) *Power Provider Assignment.* Except as otherwise provided in this Section 16(a), Power Provider shall not sell, transfer, assign, pledge or encumber (collectively, an "Assignment") this Agreement or any interest therein, without the prior written consent of Purchaser; provided, however, that, without the prior consent of Purchaser, Power Provider may (i) make an Assignment to an affiliate of Power Provider (provided that such Assignment shall not release Power Provider from its obligations hereunder without the consent of the Purchaser), (ii) make an Assignment through merger, consolidation or sale of all or substantially all of Power Provider's equity interests, capital stock or assets, (iii) make an Assignment of its interest in the Generating Facilities or any monies due under this Agreement (provided that Purchaser will not be required to pay to a third party any monies owed hereunder without the advance written direction of Power Provider), or (iv) make an Assignment of this Agreement or the accounts, revenues or proceeds set forth in this Agreement in connection with any financing or other financial arrangements provided by or in connection with a Lender or the contribution of the Generating Facilities to a partnership, limited liability company or corporation in which Power Provider remains the managing partner or member. Purchaser's consent to any other Assignment shall not be unreasonably withheld if Purchaser has been provided with reasonable proof that the proposed assignee: (x) has comparable experience in operating and maintaining photovoltaic solar systems comparable to the Generating Facilities and providing services comparable to Power Provider; and (y) has the financial capability to maintain the Generating Facilities and provide the Energy Output in the manner required by this Agreement. A direct assignee from Power Provider of this Agreement shall assume in writing, in form and content reasonably satisfactory to Purchaser, the due performance of all Power Provider's obligations under this Agreement, including any accrued obligations at the time of the Assignment.

(b) *Purchaser Assignment.* Purchaser shall not make an Assignment of this Agreement, nor any part thereof, without Power Provider's prior written consent, which consent shall not be unreasonably withheld.

(c) *Financing Accommodations.* Purchaser acknowledges that Power Provider will be financing the acquisition and installation of the Generating Facilities with the Lender and that Power Provider's obligations to the Lender will be secured by, among other collateral, a pledge or collateral assignment of this Agreement and a transfer of an ownership interest in the Generating Facilities. In order to facilitate such necessary financing, Purchaser agrees to consent to the security assignment by Power Provider to the Lender of this Agreement, and an Assignment of Power Provider's right, title and interest in and to the Generating Facilities to the Lender, provided that such Assignment shall not relieve the Power Purchaser of its obligations hereunder.

(d) *Lender's Default Rights.* Notwithstanding any contrary term of this Agreement:

(1) The Lender, as collateral assignee, shall be entitled to exercise, in the place and stead of Power Provider, any and all rights and remedies of Power Provider under this Agreement in accordance with the terms of this Agreement. Lender shall also be entitled to exercise all rights and remedies of secured parties generally with respect to this Agreement and the Generating Facilities.

(2) The Lender shall have the right, but not the obligation, to pay all sums due under this Agreement and to perform any other act, duty or obligation required of Power Provider thereunder or cause to be cured any default of Power Provider thereunder in the time and manner provided by the terms

of this Agreement. Nothing herein requires the Lender to cure any default of Power Provider under this Agreement or (unless the Lender has succeeded to Power Provider's interests under this Agreement) to perform any act, duty or obligation of Power Provider under this Agreement, but Purchaser hereby gives it the option to do so.

(3) Upon the exercise of remedies under its security interest in the Generating Facilities, including any sale thereof by the Lender, whether by judicial proceeding or under any power of sale contained therein, or any Assignment from Power Provider to the Lender (or any Qualified Assignee of the Lender as defined below) in lieu thereof, the Lender shall give notice to Purchaser of the transferee or assignee of this Agreement. Any such exercise of remedies shall not constitute a default under this Agreement.

(4) Upon any rejection or other termination of this Agreement pursuant to any process undertaken with respect to Power Provider under the United States Bankruptcy Code, at the request of Lender made within ninety (90) days of such termination or rejection, Purchaser shall enter into a new agreement with Lender or its Qualified Assignee having substantially the same terms and conditions as this Agreement.

(5) For purposes of this Section 16, a "*Qualified Assignee*" must be a business organization with at least two (2) years experience in the operation, maintenance and management of commercial solar generating systems.

(e) *Right to Cure.*

(1) Purchaser will not exercise any right to terminate this Agreement unless it shall have given the Lender prior written notice of its intent to terminate this Agreement, as required by this Agreement, specifying the condition giving rise to such right, and the Lender shall not have caused to be cured the condition giving rise to the right of termination within thirty (30) days after such notice or (if longer) the periods provided for in this Agreement; provided that if such Power Provider default reasonably cannot be cured by the Lender within such period and the Lender commences and continuously pursues cure of such default within such period, such period for cure will be extended for a reasonable period of time under the circumstances, such period not to exceed an additional thirty (30) days. The Parties' respective obligations will otherwise remain in effect during any cure period.

(2) If the Lender or its Qualified Assignee (including any purchaser or transferee), pursuant to an exercise of remedies by the Lender, shall acquire control of Power Provider's assets and shall, within the time periods described above, cure all defaults under this Agreement existing as of the date of such change in control in the manner required by this Agreement and which are capable of cure by a third person or entity, then such person or entity shall no longer be in default under this Agreement, and this Agreement shall continue in full force and effect.

17. Miscellaneous

(a) *Governing Law.* The Agreement will be construed and enforced in accordance with the laws of the State.

(b) *Governmental Immunity.* No term or condition of this Agreement shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections or other provisions of the Colorado Governmental Immunity Act, C.R.S. §§ 24-10-101, *et seq.*

(c) *Inspection of Records.* In addition to the foregoing, each Party hereto shall keep complete and accurate records of its operations hereunder and shall maintain such data as may be necessary to determine with reasonable accuracy any item relevant to this Agreement. Each Party shall

have the right to examine all such records insofar as may be necessary for the purpose of ascertaining the reasonableness and accuracy of any statements of costs relating to transactions hereunder.

(d) *No Third Party Beneficiaries.* It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to Purchaser and Power Provider (and permitted assigns), and nothing contained in this Agreement shall give or allow any such claim or right of action by any other or third person on such Agreement. It is the express intention of Purchaser and Power Provider that any person other than Purchaser or Power Provider receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

(e) *Independent Contractor.* Power Provider shall at all times have the status of an independent contractor without the right or authority to impose tort or contractual liability upon Purchaser. Nothing in this Agreement shall be construed to mean or imply that Power Provider is a partner, joint venturer, agent or representative of Purchaser. Neither Purchaser nor Power Provider shall represent to others that one Party is a partner, joint venturer, agent or representative of, or otherwise associated with, the other Party. Power Provider lacks any authority to bind Purchaser on any contractual matters.

(f) *Notices.* All notices, communications, and other deliveries under this Agreement will be made in writing signed by or on the delivering Party's behalf and will be delivered personally or by facsimile transmission or sent by registered or certified mail (return receipt requested) or by a reputable overnight courier (with evidence of delivery and postage and other fees prepaid) as follows:

Purchaser:

The City of Rifle
202 Railroad Avenue
Rifle, CO 81650
Attn:

With copy to:

Power Provider:

SHDP – RF I, LLC
260 South Los Robles Avenue, Suite 104
Pasadena, CA 91101
Facsimile: (213) 596-1480
Attn: Greg Bohan

with a copy to:

SHDP – RF I, LLC
PO Box 930
Boulder, Colorado, 80306

with a copy to:

Burr & Forman LLP
420 North 20th Street, Suite 3400
Birmingham, AL 35203
Facsimile: (205) 244-5629
Attn: David D. Dowd, III

or to such other representative or at such other Party's address as such Party may furnish to the other Parties in writing. Any such notice, communication, or delivery will be deemed given or made (i) on the date of delivery if delivered in person, (ii) on the first Business Day after delivery to such Party if sent by reputable overnight courier, (iii) upon transmission by facsimile if receipt is confirmed by telephone by the person to whom the notice was addressed, or (iv) on the fifth Business Day after mailed by registered or certified mail.

(g) *Final Approval.* This Agreement is expressly subject to and shall not be or become effective or binding on either Party until it is approved and fully executed by all signatories hereto, including all signatories of Power Provider and Purchaser.

(h) *Binding Effect.* The terms and provisions of this Agreement, and the respective rights and obligations hereunder of each Party, shall be binding upon, and inure to the benefit of, the Parties and their respective successors and permitted assigns.

(i) *Amendments.* No modification of this Agreement shall be effective except by written amendment executed by the Parties; provided, however, if Purchaser has been notified that Power Provider has assigned any of its rights, duties or obligations under this Agreement to a Lender, then the prior written consent of Lender is required as well.

(j) *Counterparts.* Any number of counterparts of this Agreement may be executed and each shall have the same force and effect as the original.

(k) *Other Agreements.* The parties acknowledge and agree that this Agreement embodies the entire agreement of the parties relating to the subject matter hereof and shall supersede any and all prior agreements, commitments, bids, proposals, requests for proposal, and representations, oral or written, among and between the parties and their respective representatives (other than the Licenses). In the event of an irreconcilable conflict between a provision of this Agreement and a provision of any License, such that it is impossible to give effect to both, such License shall control to resolve such conflict.

(l) *Severability.* Should any provision of this Agreement for any reason be declared invalid or unenforceable by final and non-appealable order of any court or regulatory body having jurisdiction, such decision shall not affect the validity of the remaining portions, and the remaining portions shall remain in full force and effect as if this Agreement had been executed without the invalid portion.

(m) *Survival.* Any provision(s) of this Agreement that expressly or by implication comes into or remains in full force following the termination or expiration of this Agreement shall survive the termination or expiration of this Agreement.

(n) *Legal Effect of Contract.*

(1) The Parties acknowledge and agree that the transaction contemplated under this Agreement constitutes a "forward contract" within the meaning of the United States Bankruptcy Code, and the Parties further acknowledge and agree that each Party is a "forward contract merchant" within the meaning of the United States Bankruptcy Code.

(2) The Parties acknowledge and agree that, for accounting or tax purposes, this Agreement is not and shall not be construed as a capital lease and, pursuant to Section 7701(e)(3) of the Code, this Agreement is and shall be deemed to be a service contract with respect to the sale to the Purchaser of electric energy produced at an alternative energy facility.

(o) *Cooperation.* Upon the receipt of a written request from the other Party and without further consideration, each Party shall provide materials, information, assurances and take such additional

actions as are reasonably necessary and desirable to carry out the terms and intent hereof. Neither Party shall unreasonably withhold, condition or delay its compliance with any reasonable request made pursuant to this section. Without limiting the foregoing, the Parties acknowledge that they are entering into a long-term arrangement in which the cooperation of both of them will be required.

(p) *Waiver.* The waiver by either Party of any breach of any term, condition, or provision herein contained shall not be deemed to be a waiver of such term, condition, or provision, or any subsequent breach of the same, or any other term, condition, or provision contained herein.

(q) *Estoppel Certificates.* From time to time, upon written request by either Party (or a Lender), the other Party shall provide within ten (10) days thereafter an estoppel certificate attesting, to the knowledge of the other Party, of such requesting Party's compliance with the terms of this Agreement or detailing any known issues of noncompliance. If the other Party fails to deliver such requested document to the requesting Party within such ten (10) day period, then the requesting Party may make an additional written demand for such requested document and if the other Party does not deliver the requested document within ten (10) days following such additional written demand from the requesting Party, then such failure shall constitute an event of default under this Agreement.

(r) *Use of Energy.* Purchaser represents and warrants that none of the electricity to be generated by the Generating Facilities will be used to generate energy for the purpose of heating a swimming pool.

(s) *Sale of Energy Output during Event of Default.* Notwithstanding anything contained herein to the contrary, in the event of an event of default by Purchaser under this Agreement, and until such event of default is cured, Power Provider shall have the exclusive right to sell the Energy Output to the Utility or third parties to the extent permitted by Applicable Law.

[Remainder of page left intentionally blank.]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement by and through their duly authorized representatives as of the date first above written.

THE CITY OF RIFLE

Name, Title

ATTEST:

Name, Title

Approved as to form:

City Attorney

Recommended for approval:

SHDP – RF I, LLC,
a Delaware limited liability company

By: _____
Name: Greg Bohan
Title: Manager

EXHIBIT A

Sites & Generating Capacity

Site 2	Police Station	201 E. 18 th Street, Rifle, CO 81650	129.95
Site 3	City Hall	202 Railroad Avenue, Rifle, CO 81650	140.53
Site 4	Taugenbaugh Field Lights	280 E. 30 th Street Apt Park, Rifle, CO 81650	38.64
Site 8	Taugenbaugh Ball Park	451 E. 30 th Street, Rifle, CO 81650	9.40
Site 9	Cemetery Irrigation	777 Birch Avenue Bldg Irrigation, Rifle, CO 81650	9.60
Site 10	Public Works O&M	1221 E. Centennial Pkwy, Rifle, CO 81650	24.00
Site 13	Parks Maintenance A&B	3100 Dokes Lane, Rifle, CO 81650	57.96
Site 16	South Lift Station	Rifle Vlg South Sewer Plant, Rifle, CO 81650	15.51

Total System Size 425.59 kW

EXHIBIT B

kWh Rates

<i>Year*</i>	<i>kWh Rate</i>
1	\$0.0707
2	\$0.0729
3	\$0.0750
4	\$0.0773
5	\$0.0796
6	\$0.0820
7	\$0.0845
8	\$0.0870
9	\$0.0896
10	\$0.0923
11	\$0.0951
12	\$0.0979
13	\$0.1009
14	\$0.1039
15	\$0.1070
16	\$0.1102
17	\$0.1135
18	\$0.1169
19	\$0.1204
20	\$0.1240

* The initial Year shall commence on the Full Commercial Operation Date and shall end the day before the one year anniversary of said commencement date. Each successive Year shall begin on the first day after the end of the prior Year and shall end the day before the one year anniversary of said commencement date for said Year.

EXHIBIT C

Buyout Prices

<i>Year*</i>	<i>Buyout Price</i>
1	N / A
2	N / A
3	N / A
4	N / A
5	N / A
6	\$808,000
7	\$787,000
8	\$762,000
9	\$734,000
10	\$702,000
11	\$667,000
12	\$627,000
13	\$591,000
14	\$561,000
15	\$524,000
16	\$479,000
17	\$425,000
18	\$360,000
19	\$283,000
20	\$241,000

* Each Year shall be a calendar year. The first Year shall begin on the January 1 next following the Full Commercial Operation Date.

EXHIBIT D

EPC Provider Insurance Requirement

Contractor shall secure and maintain the following insurance coverages:

Occurrence-Based Commercial General Liability

Limits of Liability:

\$2,000,000.00 General Aggregate

\$1,000,000.00 Products/Completed Operations Per Occurrence

\$1,000,000.00 Personal & Advertising Injury Per Claim

\$1,000,000.00 Per Occurrence

The Commercial General Liability policy shall be applicable to all premises and operations; and the policy shall include coverage for bodily injury, broad form property damage (including completed operations), personal injury (including coverage for contractual and employee's acts), blanket contractual, products, and completed operations. The products and completed operations coverage shall be maintained during the terms of the Agreement and for three (3) years after the Substantial Completion Date.

Endorsements issued in favor to Client and Purchaser:

- Additional Insured
- 30 days notice of cancellation.

Automobile Liability

Limits of Liability:

\$1,000,000.00 combined single limit applicable to all vehicular operating on Purchaser property and elsewhere (whether owned, hired or nonowned), including auto pollution liability coverage for any vehicle hauling cargo containing pollutants or contaminants. The Automobile Liability policy shall be endorsed to include the Purchaser as an additional insured.

Workers' Compensation

Limits of Liability:

Statutory

Employers' Liability

Limits of Liability:

\$100,000.00 each bodily injury occurrence claim

\$100,000.00 each bodily injury caused by disease claim

\$100,000.00 aggregate bodily injuries caused by disease claims

Additional Provisions for Contractor's Insurance.

For general liability, the policy must provide the following:

- (1) If any aggregate limit is reduced by 25.0% or more by paid or reserved claims, Contractor shall notify Client and Purchaser within ten (10) days and reinstate the aggregates required;
- (2) Unlimited defense costs in excess of policy limits;
- (3) A severability of interests provision;
- (4) Waiver of exclusion for lawsuits by one insured against another;
- (5) A provision that coverage shall be primary; and

QUIT CLAIM PUBLIC ROADWAY RIGHTS-OF-WAY DEED

COUNTY ROAD NOS. 319, 333, AND 352 RIGHTS-OF-WAY

THIS QUITCLAIM PUBLIC ROADWAY RIGHTS-OF-WAY DEED is made this _____ day of _____, 20____, between **Grantor, THE BOARD OF COUNTY COMMISSIONERS of Garfield County, Colorado, a legal and political subdivision of the State of Colorado**, whose legal address is 108 8th Street, Suite 213, Glenwood Springs, Colorado 81601, and **Grantee THE CITY OF RIFLE, a Colorado Home Rule Municipality**, whose legal address is 202 Railroad Avenue, P. O. Box 1908, Rifle, Colorado 81650

KNOW ALL MEN BY THESE PRESENTS, that the **Grantor**, owner by grant or prescriptive right of the public right-of-way easements herein conveyed, for and in consideration of ten dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has remised, released, sold, and **QUITCLAIMED** and by these presents does remise, release, sell and **QUITCLAIM** unto the **Grantee**, its successors and assigns, a perpetual easement for public roadway right-of-way purposes, including associated subsurface support and the location, installation and maintenance of public utilities, subject to easements, exceptions and reservations in place, said easements described as follows:

SEE 8 PAGE METES AND BOUNDS DESCRIPTION of 2.736 acres more or less, 0 ATTACHED HERETO BY THIS REFERENCE AS EXHIBIT A.

SEE 2 PAGE METES AND BOUNDS DESCRIPTION of 1.495 acres, more or less, ATTACHED HERETO BY THIS REFERENCE AS EXHIBIT B.

Such easements are depicted:

- 1. as parts of the rights-of-way of county roads 319, 333, and 352, on sheet 2 of 2 of the "Land Survey Plat of Rifle Airpark Area, Right-of-Way," recorded as Reception No. 824148 on September 14, 2012, in the records of the Garfield County Clerk and Recorder; and**
- 2. as "Annexation parcel B," part of the right of way of county road 319 as annexed by that certain "Garfield County Regional Airport Runway Realignment Project Annexation and Disconnection Plat," recorded as Reception No. 829748 on January 9, 2013, in the records of the Garfield County Clerk and Recorder;**

IN WITNESS WHEREOF, the **Grantor** has hereunto set **Grantor's** hand and seal the day and year first above written.

GRANTOR
THE BOARD OF COUNTY
COMMISSIONERS of Garfield County,
Colorado

By: _____
John Martin, Chairman

ATTEST:

Clerk to the Board

ACCEPTED BY GRANTEE

CITY OF RIFLE, COLORADO

By: _____
Mayor

ATTEST:

Clerk

1COUNTY ROAD NOS. 319, 333, AND 352 RIGHTS-OF-WAY DESCRIPTION
(B.O.C.C. TO CITY OF RIFLE)

COUNTY ROAD NO. 319, 333, AND 352 RIGHTS-OF-WAY LOCATED IN PORTIONS OF THOSE PROPERTIES DESCRIBED AS PARCEL 3 AND PARCEL 4 IN THAT DOCUMENT RECORDED AS RECEPTION NO. 511634, A PORTION OF THAT PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 658577, PORTIONS OF THE PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 299208, THE PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 658581; THE PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 658582, PORTIONS OF THE PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 553480, PORTIONS OF THAT PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 553479, THE PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 675763, THE PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 806009, THE PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 658580, THE PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 658579, A PORTION OF THAT PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 658578, AND THE PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 039674, ALL OF THE GARFIELD COUNTY RECORDS; SAID RIGHTS-OF-WAY SITUATED IN GOVERNMENT LOT 4 OF SECTION 18, TOWNSHIP 6 SOUTH, RANGE 92 WEST AND IN THE S1/2 OF SECTION 13, THE SE1/4SE1/4 AND THE N1/2SE1/4 OF SECTION 14 AND THE N1/2 OF SECTION 24, TOWNSHIP 6 SOUTH, RANGE 93 WEST ALL OF THE 6TH PRINCIPAL MERIDIAN AND IS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT NW CORNER OF SECTION 24 A 1974 GARFIELD COUNTY SURVEYOR BRASS CAP FOUND IN PLACE (WITH ALL BEARINGS CONTAINED HEREIN BASED ON A BEARING OF N.00°02'30"W. BETWEEN THE W1/4 CORNER OF SECTION 24 AND SAID NW CORNER OF SECTION 24 BOTH BEING FOUND 1974 GARFIELD COUNTY SURVEYOR BRASS CAPS IN PLACE); THENCE N.30°57'56"W., A DISTANCE OF 1690.00 FEET TO A POINT ON THE WESTERLY BOUNDARY OF SAID PARCEL 4 AS SHOWN ON THAT LOT LINE ADJUSTMENT PLAT RECORDED AS RECEPTION NO. 751548 OF THE GARFIELD COUNTY RECORDS, SAID POINT ALSO BEING ON THE NORTHERLY BOUNDARY OF SAID PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 658577, THE POINT OF BEGINNING; THENCE THE FOLLOWING EIGHT (8) COURSES ALONG SAID NORTHERLY BOUNDARY:

- 1) S.60°22'43"E., A DISTANCE OF 288.15 FEET;
- 2) A DISTANCE OF 369.36 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 2,060.00 FEET AND A CENTRAL ANGLE OF 10°16'24", (CHORD BEARS S.55°14'31"E., A DISTANCE OF 368.87 FEET);
- 3) S.50°06'19"E., A DISTANCE OF 588.98 FEET;
- 4) A DISTANCE OF 387.14 FEET ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 940.00 FEET AND A CENTRAL ANGLE OF 23°35'50", (CHORD BEARS S.61°54'14"E., A DISTANCE OF 384.41 FEET);
- 5) S.73°42'09"E., A DISTANCE OF 482.38 FEET;
- 6) A DISTANCE OF 389.30 FEET ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 4,940.00 FEET AND A CENTRAL ANGLE OF 04°30'55", (CHORD BEARS S.75°57'36"E., A DISTANCE OF 389.20 FEET);
- 7) S.78°13'04"E., A DISTANCE OF 1,197.04 FEET;
- 8) A DISTANCE OF 333.89 FEET ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 2,940.00 FEET AND A CENTRAL ANGLE OF 06°30'25", (CHORD BEARS S.81°28'16"E., A DISTANCE

OF 333.70 FEET), TO A POINT ON THE BOUNDARY OF SAID PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 299208;

THENCE THE FOLLOWING THREE (3) COURSES ALONG SAID BOUNDARY:

- 1) N.02°50'33"E., A DISTANCE OF 1,116.23 FEET;
 - 2) S.87°09'27"E., A DISTANCE OF 100.00 FEET;
 - 3) S.02°50'33"W., A DISTANCE OF 1,118.85 FEET, TO A POINT ON THE BOUNDARY OF SAID PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 658582;
- THENCE THE FOLLOWING FIVE (5) COURSES ALONG SAID BOUNDARY:

- 1) S.85°41'58"E., A DISTANCE OF 746.11 FEET;
- 2) A DISTANCE OF 1,107.67 FEET ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 3,940.00 FEET AND A CENTRAL ANGLE OF 16°06'28", (CHORD BEARS N.86°14'48"E., A DISTANCE OF 1,104.03 FEET);
- 3) N.78°11'34"E., A DISTANCE OF 369.99 FEET;
- 4) A DISTANCE OF 401.38 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 2,060.00 FEET AND A CENTRAL ANGLE OF 11°09'50", (CHORD BEARS N.83°46'29"E., A DISTANCE OF 400.75 FEET);
- 5) S.00°38'36"E., A DISTANCE OF 23.73 FEET, TO A POINT ON THE BOUNDARY OF SAID PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 299208; THENCE THE FOLLOWING FOUR (4) COURSES ALONG SAID BOUNDARY:

- 1) N.88°23'09"E., A DISTANCE OF 1,147.19 FEET;
- 2) A DISTANCE OF 242.08 FEET ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 350.00 FEET AND A CENTRAL ANGLE OF 39°37'45", (CHORD BEARS N.68°34'16"E., A DISTANCE OF 237.28 FEET), TO A POINT ON THE EAST LINE OF SAID LOT 4 OF SECTION 18;
- 3) S.00°26'56"E., ALONG SAID EAST LINE A DISTANCE OF 180.49 FEET, TO THE S1/4 CORNER OF SAID SECTION 18 A FOUND 1981 GARFIELD COUNTY SURVEYOR ALUMINUM CAP;
- 4) S.88°24'03"W., ALONG THE SOUTH LINE OF SAID LOT 4 A DISTANCE OF 1,620.20 FEET TO THE SOUTHWEST CORNER OF SAID SECTION 18, A FOUND STONE MONUMENT;

THENCE S.00°34'43"E., ALONG THE EASTERLY LINE OF THE N1/2 OF SAID SECTION 24 A DISTANCE OF 8.79 FEET; THENCE LEAVING SAID EAST LINE ALONG THE SOUTHERLY RIGHT-OF-WAY LINE THE FOLLOWING THREE (3) COURSES:

- 1) A DISTANCE OF 125.56 FEET ALONG THE ARC OF A NON TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 1,940.00 FEET AND A CENTRAL ANGLE OF 03°42'30", (CHORD BEARS S.80°02'49"W., A DISTANCE OF 125.54 FEET);
- 2) S.78°11'34"W., A DISTANCE OF 369.99 FEET;
- 3) A DISTANCE OF 957.64 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 4,060.00 FEET AND A CENTRAL ANGLE OF 13°30'52", (CHORD BEARS S.84°57'00"W., A DISTANCE OF 955.42 FEET), TO A POINT ON THE BOUNDARY OF SAID PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 658581; THENCE THE FOLLOWING TWO (2) COURSES ALONG SAID BOUNDARY:

- 1) A DISTANCE OF 183.77 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 4,060.00 FEET AND A CENTRAL ANGLE OF 2°35'36", (CHORD BEARS N.86°59'46"W., A

DISTANCE OF 183.75 FEET)

2) N.85°41'58"W., A DISTANCE OF 749.12 FEET; THENCE S.04°18'02"W., ALONG THE EASTERLY RIGHT-OF-WAY LINE A DISTANCE OF 70.65 FEET; THENCE CONTINUING ALONG SAID EASTERLY RIGHT-OF-WAY LINE A DISTANCE OF 353.04 FEET ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 676.80 FEET AND A CENTRAL ANGLE OF 29°53'13", (CHORD BEARS S.10°38'35"E., A DISTANCE OF 349.05 FEET), TO A POINT ON THE BOUNDARY OF SAID PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 658581; THENCE S.25°35'11"E., ALONG SAID BOUNDARY A DISTANCE OF 450.60 FEET, TO A POINT ON THE BOUNDARY OF SAID PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 553480; THENCE LEAVING SAID BOUNDARY ALONG THE BOUNDARY OF SAID PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 553480 THE FOLLOWING TWENTY (20) COURSES ALONG SAID BOUNDARY:

- 1) S.28°10'52"E., A DISTANCE OF 37.33 FEET;
- 2) A DISTANCE OF 212.66 FEET ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 1,084.94 FEET AND A CENTRAL ANGLE OF 11°13'50", (CHORD BEARS S.33°47'48"E., A DISTANCE OF 212.32 FEET);
- 3) S.39°24'43"E., A DISTANCE OF 331.43 FEET;
- 4) A DISTANCE OF 98.31 FEET ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 292.31 FEET AND A CENTRAL ANGLE OF 19°16'13", (CHORD BEARS S.49°02'47"E., A DISTANCE OF 97.85 FEET);
- 5) S.58°40'52"E., A DISTANCE OF 89.35 FEET;
- 6) A DISTANCE OF 156.24 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 311.22 FEET AND A CENTRAL ANGLE OF 28°45'47", (CHORD BEARS S.44°17'59"E., A DISTANCE OF 154.60 FEET);
- 7) S.29°55'07"E., A DISTANCE OF 58.25 FEET;
- 8) A DISTANCE OF 198.58 FEET ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 995.56 FEET AND A CENTRAL ANGLE OF 11°25'43", (CHORD BEARS S.35°37'58"E., A DISTANCE OF 198.25 FEET);
- 9) A DISTANCE OF 303.87 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 620.04 FEET AND A CENTRAL ANGLE OF 28°04'47", (CHORD BEARS S.27°18'25"E., A DISTANCE OF 300.84 FEET);
- 10) S.13°16'01"E., A DISTANCE OF 555.06 FEET, TO A POINT ON THE SOUTHERLY BOUNDARY OF THE N1/2 OF SAID SECTION 24;
- 11) N.89°55'39"W., ALONG SAID SOUTHERLY LINE A DISTANCE OF 61.66 FEET;
- 12) N.13°16'01"W., A DISTANCE OF 540.84 FEET;
- 13) A DISTANCE OF 274.47 FEET ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 560.04 FEET AND A CENTRAL ANGLE OF 28°04'47", (CHORD BEARS N.27°18'25"W., A DISTANCE OF 271.73 FEET);
- 14) A DISTANCE OF 210.55 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 1,055.56 FEET AND A CENTRAL ANGLE OF 11°25'43", (CHORD BEARS N.35°37'58"W., A DISTANCE OF 210.20 FEET);
- 15) N.29°55'07"W., A DISTANCE OF 58.25 FEET;
- 16) A DISTANCE OF 126.11 FEET ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 251.22 FEET AND A CENTRAL ANGLE OF 28°45'47", (CHORD BEARS N.44°17'59"W., A DISTANCE OF 124.79 FEET);
- 17) N.58°40'52"W., A DISTANCE OF 89.35 FEET;
- 18) A DISTANCE OF 118.49 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 352.31 FEET AND A CENTRAL ANGLE OF 19°16'13", (CHORD BEARS N.49°02'47"W., A

DISTANCE OF 117.93 FEET);

19) N.39°24'43"W., A DISTANCE OF 331.43 FEET;

20) A DISTANCE OF 224.42 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 1,144.94 FEET AND A CENTRAL ANGLE OF 11°13'50", (CHORD BEARS N.33°47'48"W., A DISTANCE OF 224.06 FEET);

THENCE ALONG THE SOUTHERLY RIGHT-OF-WAY LINE THE FOLLOWING THREE (3) COURSES:

1) N.28°10'52"W., A DISTANCE OF 38.69 FEET;

2) N.25°35'11"W., A DISTANCE OF 501.53 FEET;

3) A DISTANCE OF 209.49 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 630.00 FEET AND A CENTRAL ANGLE OF 19°03'09", (CHORD BEARS N.16°03'36"W., A DISTANCE OF 208.53 FEET), TO A POINT ON THE BOUNDARY OF SAID PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 658581; THENCE THE FOLLOWING THREE (3) COURSES ALONG SAID BOUNDARY:

1) A DISTANCE OF 119.13 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 630.00 FEET AND A CENTRAL ANGLE OF 10°50'05", (CHORD BEARS N.01°06'59"W., A DISTANCE OF 118.96 FEET)

2) N.04°18'02"E., A DISTANCE OF 80.61 FEET;

3) A DISTANCE OF 222.42 FEET ALONG THE ARC OF A NON TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 3,060.00 FEET AND A CENTRAL ANGLE OF 04°09'53", (CHORD BEARS N.83°10'38"W., A DISTANCE OF 222.37 FEET);

THENCE ALONG THE SOUTHERLY RIGHT-OF-WAY LINE THE FOLLOWING THREE (3) COURSES:

1) A DISTANCE OF 153.66 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 3,060.00 FEET AND A CENTRAL ANGLE OF 02°52'37", (CHORD BEARS N.79°39'23"W., A DISTANCE OF 153.64 FEET);

2) N.78°13'04"W., A DISTANCE OF 1,197.04 FEET;

3) A DISTANCE OF 63.24 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 5,060.00 FEET AND A CENTRAL ANGLE OF 00°42'58", (CHORD BEARS N.77°51'34"W., A DISTANCE OF 63.24 FEET), TO A POINT ON THE BOUNDARY OF SAID PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 675763;

THENCE ALONG SAID BOUNDARY A DISTANCE OF 110.05 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 5,060.00 FEET AND A CENTRAL ANGLE OF 01°14'46", (CHORD BEARS N.76°52'43"W., A DISTANCE OF 110.05 FEET) TO A POINT ON THE BOUNDARY OF LOT 2, ACCORDING TO THE BOUNDARY LINE ADJUSTMENT OF AMENDED C.T.D.C. EXEMPTION PLAT RECORDED AS RECEPTION NO. 611420; THENCE ALONG SAID BOUNDARY THE FOLLOWING FOUR (4) COURSES:

1) N.01°35'05"W., A DISTANCE OF 2.05 FEET;

2) A DISTANCE OF 48.42 FEET ALONG THE ARC OF A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 7417.42 FEET AND A CENTRAL ANGLE OF 00°22'26", (CHORD BEARS N.75°06'57"W., A DISTANCE OF 48.42 FEET);

3) N.74°55'44"W., A DISTANCE OF 93.36 FEET;

4) S.14°21'36"W., A DISTANCE OF 3.10 FEET TO A POINT ON THE BOUNDARY OF SAID PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 806009;

THENCE LEAVING SAID BOUNDARY ALONG THE BOUNDARY OF SAID PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 806009 THE FOLLOWING TWO (2) COURSES:

- 1) A DISTANCE OF 83.13 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 5,060.00 FEET AND A CENTRAL ANGLE OF 00°56'29", (CHORD BEARS N.74°10'23"W., A DISTANCE OF 83.13 FEET)
- 2) N.73°42'09"W., A DISTANCE OF 102.05 FEET;

THENCE N.73°42'09"W., ALONG THE SOUTHERLY RIGHT-OF-WAY LINE A DISTANCE OF 32.26 FEET; THENCE CONTINUING ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE S.63°50'17"W., A DISTANCE OF 1.05 FEET TO A POINT ON THE BOUNDARY OF SAID PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 806009;

THENCE THE FOLLOWING FOUR (4) COURSES ALONG SAID BOUNDARY:

- 1) S.63°50'17"W., A DISTANCE OF 109.60 FEET;
- 2) S.21°22'51"W., A DISTANCE OF 407.72 FEET;
- 3) A DISTANCE OF 233.38 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 1,040.00 FEET AND A CENTRAL ANGLE OF 12°51'26", (CHORD BEARS S.27°48'34"W., A DISTANCE OF 232.89 FEET);
- 4) S.34°14'17"W., A DISTANCE OF 41.90 FEET;

THENCE ALONG THE EASTERLY RIGHT-OF-WAY THE FOLLOWING FOUR (4) COURSES:

- 1) S.34°14'17"W., A DISTANCE OF 113.94 FEET;
- 2) A DISTANCE OF 242.91 FEET ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 960.00 FEET AND A CENTRAL ANGLE OF 14°29'51", (CHORD BEARS S.26°59'22"W., A DISTANCE OF 242.26 FEET);
- 3) S.19°44'27"W., A DISTANCE OF 242.75 FEET;
- 4) A DISTANCE OF 316.59 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 1,458.00 FEET AND A CENTRAL ANGLE OF 12°26'29", (CHORD BEARS S.25°57'41"W., A DISTANCE OF 315.97 FEET), TO A POINT ON THE WESTERLY LINE OF THE N1/2 OF SAID SECTION 24;

THENCE N.00°02'30"W., ALONG SAID WESTERLY LINE A DISTANCE OF 163.00 FEET, TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE; THENCE THE FOLLOWING SIX (6) COURSES ALONG SAID WESTERLY LINE:

- 1) A DISTANCE OF 161.10 FEET ALONG THE ARC OF A NON TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 1,378.00 FEET AND A CENTRAL ANGLE OF 06°41'54", (CHORD BEARS N.23°05'24"E., A DISTANCE OF 161.00 FEET);
- 2) N.19°44'27"E., A DISTANCE OF 242.75 FEET;
- 3) A DISTANCE OF 263.15 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 1,040.00 FEET AND A CENTRAL ANGLE OF 14°29'51", (CHORD BEARS N.26°59'23"E., A DISTANCE OF 262.45 FEET);
- 4) N.34°14'17"E., A DISTANCE OF 155.84 FEET;
- 5) A DISTANCE OF 215.43 FEET ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 960.00 FEET AND A CENTRAL ANGLE OF 12°51'26", (CHORD BEARS N.27°48'34"E., A DISTANCE

OF 214.98 FEET);

6) N.21°22'51"E., A DISTANCE OF 130.68 FEET, TO A POINT ON THE BOUNDARY OF SAID PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 658580; THENCE THE FOLLOWING TWO (2) COURSES ALONG SAID BOUNDARY:

1) N.21°22'51"E., A DISTANCE OF 269.91 FEET;

2) N.26°09'39"W., A DISTANCE OF 100.21 FEET; THENCE N.71°04'22"W., ALONG THE SOUTHERLY RIGHT-OF-WAY LINE A DISTANCE OF 16.99 FEET, TO A POINT ON THE BOUNDARY OF SAID PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 658579; THENCE THE FOLLOWING TWO (2) COURSES ALONG SAID BOUNDARY:

1) N.73°42'09"W., A DISTANCE OF 101.49 FEET;

2) A DISTANCE OF 242.94 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 1,060.00 FEET AND A CENTRAL ANGLE OF 13°07'54", (CHORD BEARS N.67°08'12"W., A DISTANCE OF 242.41 FEET); THENCE ALONG THE SOUTHERLY RIGHT-OF-WAY THE FOLLOWING THREE (3) COURSES:

1) A DISTANCE OF 193.62 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 1,060.00 FEET AND A CENTRAL ANGLE OF 10°27'57", (CHORD BEARS N.55°20'17"W., A DISTANCE OF 193.35 FEET);

2) N.50°06'19"W., A DISTANCE OF 588.98 FEET;

3) A DISTANCE OF 322.09 FEET ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 1,940.00 FEET AND A CENTRAL ANGLE OF 09°30'45", (CHORD BEARS N.54°51'42"W., A DISTANCE OF 321.72 FEET), TO A POINT ON THE BOUNDARY OF SAID PROPERTY DESCRIBED IN THAT DOCUMENT RECORDED AS RECEPTION NO. 658578;

THENCE THE FOLLOWING TWO (2) COURSES ALONG SAID BOUNDARY:

1) A DISTANCE OF 25.76 FEET ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 1,940.00 FEET AND A CENTRAL ANGLE OF 00°45'39", (CHORD BEARS N.59°59'54"W., A DISTANCE OF 25.76 FEET);

2) N.60°22'43"W., A DISTANCE OF 185.41 FEET, TO A POINT ON THE WESTERLY BOUNDARY OF SAID PARCEL 4 AS SHOWN ON THAT LOT LINE ADJUSTMENT PLAT RECORDED AS RECEPTION NO. 751548 OF THE GARFIELD COUNTY RECORDS;

THENCE ALONG SAID WESTERLY BOUNDARY THE FOLLOWING THREE (3) COURSES:

1) N.29°13'37"E., A DISTANCE OF 9.39 FEET,

2) N.60°46'23"W., A DISTANCE OF 90.79 FEET;

3) N.23°31'16"E., A DISTANCE OF 111.87 FEET TO THE POINT OF BEGINNING.

CONTAINING 1,379,161 SQUARE FEET OR 31.661 ACRES, MORE OR LESS.

TOGETHER WITH

AN 80 FOOT WIDE COUNTY ROAD NO. 319 RIGHT-OF-WAY LOCATED IN A PORTION OF THAT PROPERTY DESCRIBED AS PARCEL 4 IN THAT DOCUMENT RECORDED AS RECEPTION NO. 511634 OF THE GARFIELD

COUNTY RECORDS; SAID RIGHT-OF-WAY SITUATED IN THE NE1/4SE1/4 OF SECTION 23, TOWNSHIP 6 SOUTH, RANGE 93 WEST OF THE 6TH PRINCIPAL MERIDIAN AND IS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT E1/4 OF SECTION 23 A 1974 GARFIELD COUNTY SURVEYOR BRASS CAP FOUND IN PLACE (WITH ALL BEARINGS CONTAINED HEREIN BASED ON A BEARING OF N.00°02'30"W. BETWEEN SAID E1/4 CORNER AND THE NE CORNER OF SECTION 23 BOTH BEING FOUND 1974 GARFIELD COUNTY SURVEYOR BRASS CAPS IN PLACE); THENCE N.89°52'18"E. ALONG THE EAST-WEST CENTERLINE OF SAID SECTION 23, A DISTANCE OF 612.77 FEET TO THE POINT OF BEGINNING; THENCE LEAVING THE EAST-WEST CENTERLINE OF SAID SECTION 23 A DISTANCE OF 440.03 FEET ALONG THE ARC OF A NON TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 630.00 FEET AND A CENTRAL ANGLE OF 40°01'07", (CHORD BEARS S.22°56'25"W., A DISTANCE OF 431.14 FEET); THENCE S.42°56'59"W., A DISTANCE OF 171.53 FEET; THENCE A DISTANCE OF 678.82 FEET ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 1,160.00 FEET AND A CENTRAL ANGLE OF 33°31'45", (CHORD BEARS S.26°11'07"W., A DISTANCE OF 669.18 FEET); THENCE S.09°25'14"W., A DISTANCE OF 199.33 FEET TO A POINT ON THE SOUTHERLY LINE OF SAID NE1/4SE1/4 OF SECTION 23; THENCE S.89°47'40"W. ALONG THE SOUTHERLY LINE OF SAID NE1/4SE1/4, A DISTANCE OF 81.14 FEET; THENCE LEAVING THE SOUTHERLY LINE OF SAID NE1/4SE1/4 N.09°25'14"E., A DISTANCE OF 212.90 FEET; THENCE A DISTANCE OF 725.64 FEET ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 1,240.00 FEET AND A CENTRAL ANGLE OF 33°31'45", (CHORD BEARS N.26°11'07"E., A DISTANCE OF 715.33 FEET); THENCE N.42°56'59"E., A DISTANCE OF 171.53 FEET; THENCE A DISTANCE OF 379.88 FEET ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 550.00 FEET AND A CENTRAL ANGLE OF 39°34'24", (CHORD BEARS N.23°09'47"E., A DISTANCE OF 372.37 FEET) TO A POINT ON THE EAST-WEST CENTERLINE OF SAID SECTION 23; THENCE N.89°52'18"E. ALONG THE EAST-WEST CENTERLINE OF SAID SECTION 23, A DISTANCE OF 80.13 FEET TO THE POINT OF BEGINNING.

SAID COUNTY ROAD NO. 319 RIGHT-OF-WAY CONTAINING 119,184 SQUARE FEET OR 2.736 ACRES, MORE OR LESS

DESCRIPTION OF DEEDS REFERENCED IN FIRST PARAGRAPH

RECEPTION NO. 039674 – W.D. CONVEYED TO B.O.C.C. (PORTION CR319)
RECEPTION NO. 299208 - S.W.D. FROM R.L.A. TO B.O.C.C. (PORTION CR352)
RECEPTION NO. 511634 – Q.C.D. FROM R.L.A. TO A.L.P. (ALL PARCELS)
RECEPTION NO. 553479 – S.W.D. FROM A.L.P. TO B.O.C.C. ("BOOT" PARCEL)
RECEPTION NO. 553480 – Q.C.D. FROM A.L.P. TO B.O.C.C. (PORTION CR333)
RECEPTION NO. 658577 – Q.C.D. FROM A.L.P. TO B.O.C.C. (NORTHERLY PORTION OF CR 352, WEST OF AIRPORT ACCESS ROAD)
RECEPTION NO. 658578 – Q.C.D. FROM A.L.P. TO B.O.C.C. (SOUTHERLY PORTION OF CR 352 WEST OF AIRPORT ACCESS ROAD)
RECEPTION NO. 658579 – Q.C.D. FROM A.L.P. TO B.O.C.C. (SOUTHERLY PORTION OF CR 352 WEST OF AIRPORT ACCESS ROAD)
RECEPTION NO. 658580 – Q.C.D. FROM A.L.P. TO B.O.C.C. (SOUTHERLY PORTION OF CR 352 AT INTERSECTION WITH WESTERLY PORTION OF CR 319)
RECEPTION NO. 658581 – Q.C.D. FROM A.L.P. TO B.O.C.C. (SOUTHERLY PORTION OF CR 352 AND NORTHERLY PORTION OF CR 333)
RECEPTION NO. 658582 – Q.C.D. FROM A.L.P. TO B.O.C.C. (NORTHERLY PORTION OF CR 352 EAST OF AIRPORT ACCESS ROAD)

RECEPTION NO. 675763 - Q.C.D. FROM TRI-STATE GEN. & TRAN. TO B.O.C.C. (SOUTHERLY PORTION OF CR 352)

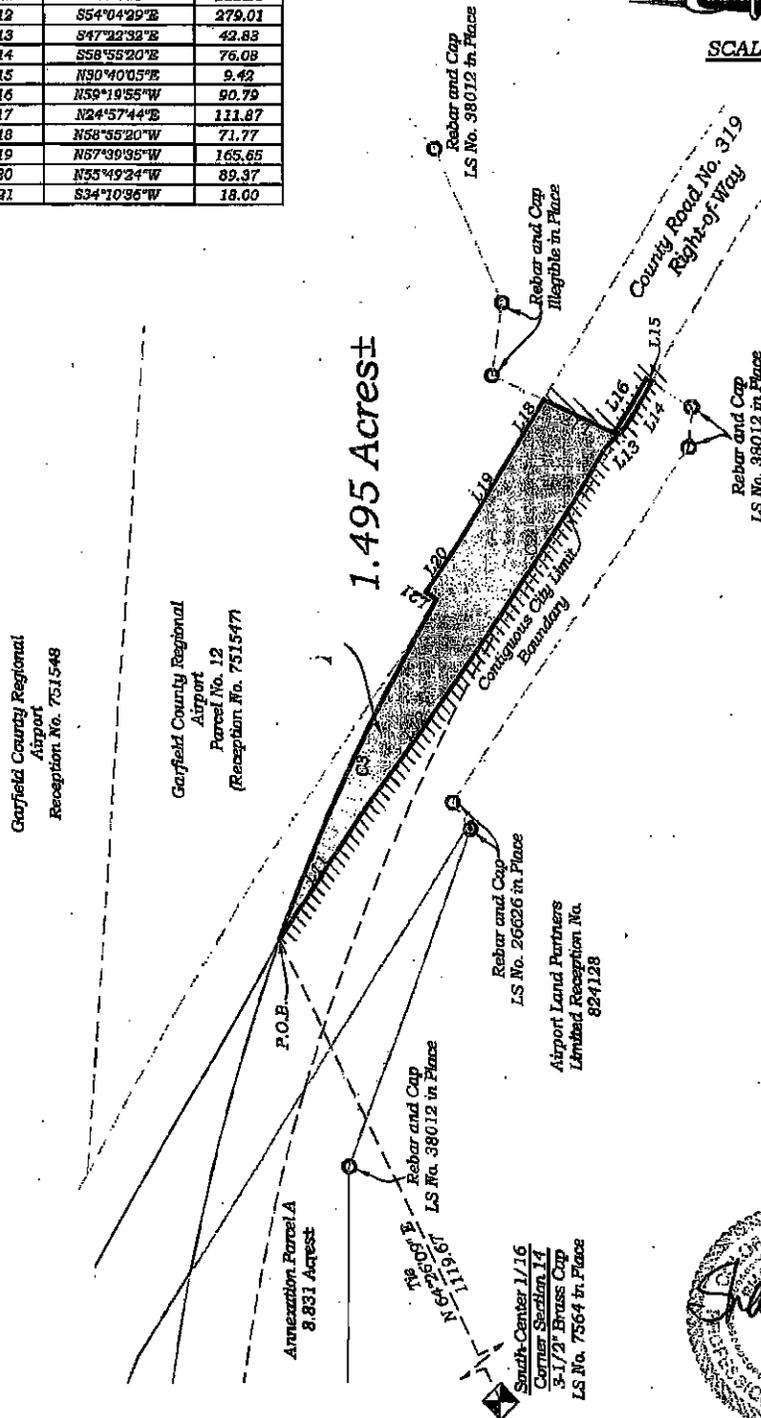
RECEPTION NO. 806009 - Q.C.D. FROM GRAND RIVER PLAZA DEVELOPMENT, LLC TO B.O.C.C. (PORTIONS OF CR319 & CR352)

ALL DOCUMENTS OF RECORD IN THE GARFIELD COUNTY CLERK AND RECORDER'S OFFICE

PREPARED BY SOPRIS ENGINEERING, LLC. 502 MAIN ST. SUITE A3, CARBONDALE CO, 81623

LINE TABLE		
LINE	BEARING	DISTANCE
L11	S56°22'50"E	223.21
L12	S54°04'29"E	279.01
L13	S47°22'32"E	42.83
L14	S58°55'20"E	76.08
L15	N90°40'05"E	9.42
L16	N58°19'55"W	90.79
L17	N24°57'44"E	111.87
L18	N58°55'20"W	71.77
L19	N87°39'35"W	163.65
L20	N55°49'24"W	89.37
L21	S34°10'36"W	18.00

SCALE: 1" = 200'



CURVE TABLE					
CURVE	RADIUS	LENGTH	CHORD	BEARING	DELTA
C2	3750.00'	845.86'	845.74'	S 56°43'01" E	5°17'04"
C3	3050.59'	536.71'	536.01'	N 64°50'00" W	10°04'49"



BOOKCLIFF
 Survey Services, Inc.

DATE: DECEMBER 19, 2012

JOB NO: 09045-03

A PARCEL OF LAND BEING A PORTION OF THE GARFIELD COUNTY REGIONAL AIRPORT DESCRIBED IN RECEPTION NO. 751547 AS FILED WITH THE GARFIELD COUNTY CLERK AND RECORDERS OFFICE, SITUATE IN THE S1/2 OF SECTION 14, TOWNSHIP 6 SOUTH, RANGE 93 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF GARFIELD, STATE OF COLORADO. ALL BEARINGS RELATIVE TO A BEARING OF S79°14'53"E BETWEEN THE SOUTH CENTER 1/16 CORNER SECTION 14, A 3-1/2" DIAMETER BRASS CAP LS NO. 7564 IN PLACE AND THE SOUTH EAST CORNER SECTION 13, A STONE MONUMENT IN PLACE. SAID PARCEL OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT SAID SOUTH CENTER 1/16 CORNER SECTION 14; THENCE N64°26'09"E 1119.67 FEET TO THE TRUE POINT OF BEGINNING; THENCE S56°22'50"E 222.21 FEET; THENCE S54°04'29"E 279.01 FEET; THENCE ALONG THE ARC OF A TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 3750.00 FEET, AN ARC LENGTH OF 345.86 FEET (CHORD BEARS S56°43'01"E 345.74 FEET); THENCE S47°22'32"E 42.83 FEET; THENCE S58°55'20"E 76.08 FEET; THENCE N30°40'05"E 9.42 FEET; THENCE N59°19'55"W 90.79 FEET; THENCE N24°57'44"E 111.87 FEET; THENCE N58°55'20"W 71.77 FEET; THENCE N57°39'35"W 165.65 FEET; THENCE N55°49'24"W 89.37 FEET; THENCE S34°10'36"W 18.00 FEET; THENCE ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 3050.59 FEET, AN ARC LENGTH OF 536.71 FEET (CHORD BEARS N64°50'00"W 536.01 FEET) TO THE POINT OF BEGINNING. SAID PARCEL OF LAND CONTAINING 1.495 ACRES, MORE OR LESS.

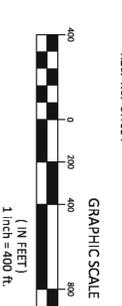
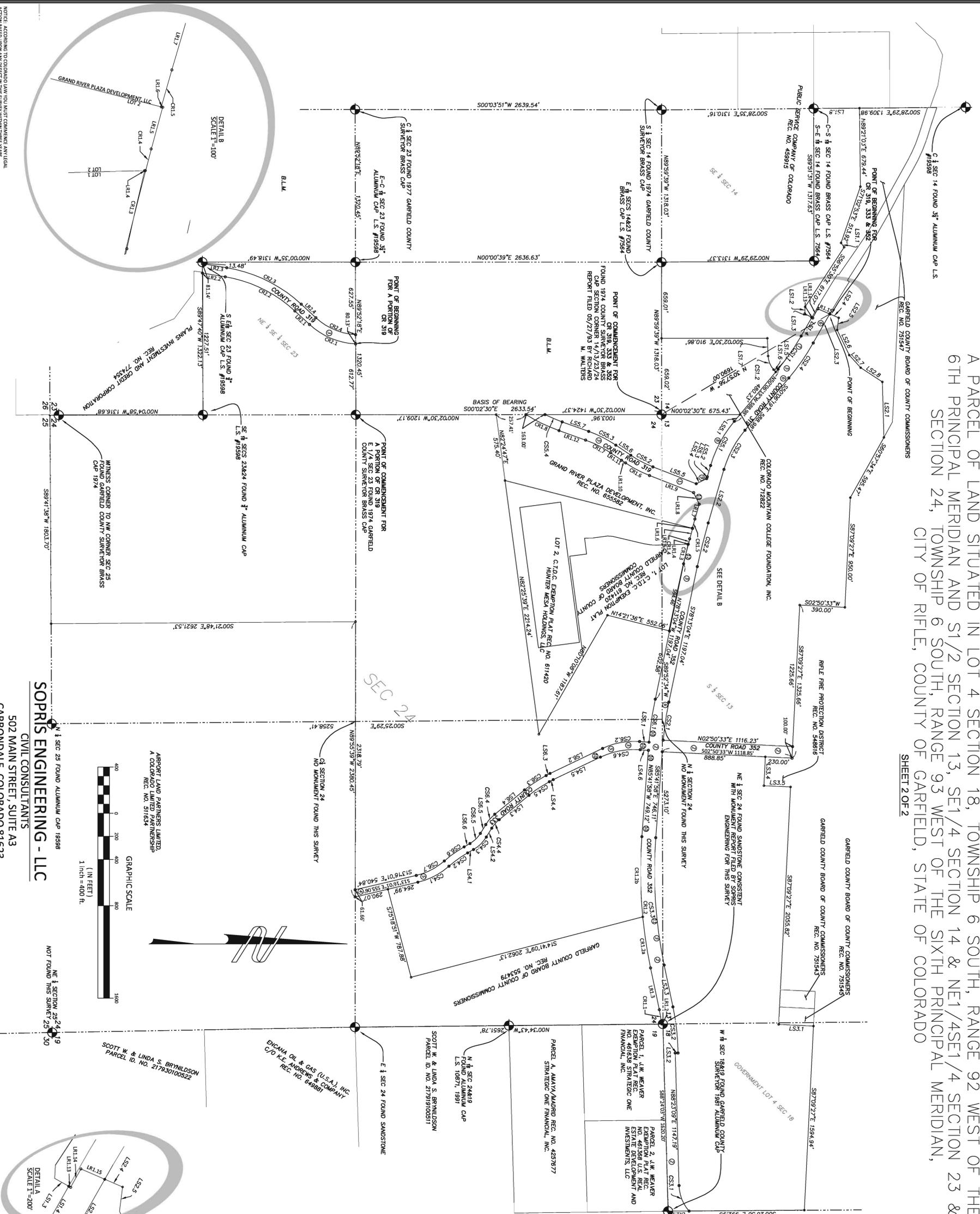


DATE: DECEMBER 19, 2012

JOB NO: 09045-03

LAND SURVEY PLAT OF: RIFLE AIRPARK AREA, RIGHT-OF-WAY

A PARCEL OF LAND SITUATED IN LOT 4 SECTION 18, TOWNSHIP 6 SOUTH, RANGE 92 WEST OF THE
6TH PRINCIPAL MERIDIAN AND S1/2 SECTION 13, SE1/4 SECTION 14 & NE1/4SE1/4 SECTION 23 &
SECTION 24, TOWNSHIP 6 SOUTH, RANGE 93 WEST OF THE SIXTH PRINCIPAL MERIDIAN,
CITY OF RIFLE, COUNTY OF GARFIELD, STATE OF COLORADO
SHEET 2 OF 2



LINE	LENGTH	BEARING	CHORD
LS1.1	45.82	S87°13.48'E	45.82
LS1.2	57.77	S87°15.13'E	57.77
LS1.3	69.04	N29°13.37'W	69.04
LS1.4	185.41	N60°22.43'W	185.41
LS1.5	32.60	S50°06.19'E	32.60
LS1.6	27.08	S48°21.28'W	27.08
LS1.7	153.65	S87°30.23'W	153.65
LS1.8	394.90	N00°28.29'W	394.90

LINE	LENGTH	BEARING	CHORD
LS2.1	480.74	N88°25.93'E	480.74
LS2.2	482.38	S73°42.09'E	482.38
LS2.3	288.15	S07°22.93'E	288.15
LS2.4	283.48	N23°31.16'E	283.48
LS2.5	105.24	S82°34.98'E	105.24
LS2.6	24.51	N84°02.93'E	24.51
LS2.7	24.49	N83°16.21'E	24.49

LINE	LENGTH	BEARING	CHORD
LS3.1	300.00	N02°50.33'E	300.00
LS3.2	23.23	S00°38.93'E	23.23
LS3.3	369.97	N87°11.94'E	369.97
LS3.4	250.00	S87°09.27'E	250.00
LS3.5	230.00	N02°50.33'E	230.00

LINE	LENGTH	BEARING	CHORD
LS4.1	58.25	S29°55.07'E	58.25
LS4.2	89.35	S87°40.52'E	89.35
LS4.3	331.43	S39°24.43'W	331.43
LS4.4	37.33	S28°10.52'E	37.33
LS4.5	450.60	S25°35.11'E	450.60
LS4.6	70.65	S04°18.02'W	70.65

LINE	LENGTH	BEARING	CHORD
LS5.1	76.15	S57°06.19'E	76.15
LS5.2	101.84	N73°02.93'W	101.84
LS5.3	16.97	N12°09.27'W	16.97
LS5.4	400.60	N12°25.51'W	400.60
LS5.5	155.94	N34°14.71'E	155.94
LS5.7	242.25	N19°44.27'E	242.25

LINE	LENGTH	BEARING	CHORD
LS6.1	80.51	N04°18.02'E	80.51
LS6.2	501.53	N25°51.11'W	501.53
LS6.3	224.42	N144.94	224.42
LS6.4	31.43	N87°24.43'W	31.43
LS6.5	89.35	N87°40.52'W	89.35
LS6.6	210.55	N05°55.07'W	210.55

LINE	LENGTH	BEARING	CHORD
LS7.1	180.49	S00°26.95'E	180.49
LS7.2	8.79	S00°34.43'E	8.79
LS7.3	369.97	S78°11.94'W	369.97
LS7.4	2.05	N01°35.05'W	2.05
LS7.5	93.38	N24°55.44'W	93.38
LS7.6	3.01	S14°21.98'W	3.01
LS7.7	134.31	N73°42.09'W	134.31
LS7.8	10.06	S85°30.72'W	10.06
LS7.9	407.26	S44°44.71'W	407.26
LS7.11	113.94	S34°14.71'W	113.94
LS7.12	242.25	S19°44.27'W	242.25
LS7.13	9.39	N29°13.37'E	9.39
LS7.14	80.79	N60°22.43'W	80.79
LS7.15	111.87	N23°31.16'E	111.87

LINE	LENGTH	BEARING	CHORD
LS8.1	375.08	S06.00	375.08
LS8.2	328.62	630.00	328.62
LS8.3	224.42	1144.94	224.42
LS8.4	118.49	352.31	118.49
LS8.5	126.11	251.22	126.11
LS8.6	210.55	105.55	210.55
LS8.7	274.47	560.00	274.47

LINE	LENGTH	BEARING	CHORD
CS1.1	303.87	620.00	303.87
CS1.2	198.88	995.56	198.88
CS1.3	156.24	311.22	156.24
CS1.4	98.31	292.31	98.31
CS1.5	212.66	1084.94	212.66
CS1.6	353.04	676.80	353.04

LINE	LENGTH	BEARING	CHORD
CS2.1	436.58	1069.00	436.58
CS2.2	215.41	950.00	215.41
CS2.3	268.15	129.23	268.15
CS2.4	181.10	1978.00	181.10

LINE	LENGTH	BEARING	CHORD
CS3.1	424.08	300.00	424.08
CS3.2	401.38	2060.00	401.38
CS3.3	1107.67	3940.00	1107.67

LINE	LENGTH	BEARING	CHORD
CS4.1	303.87	620.00	303.87
CS4.2	198.88	995.56	198.88
CS4.3	156.24	311.22	156.24
CS4.4	98.31	292.31	98.31
CS4.5	212.66	1084.94	212.66
CS4.6	353.04	676.80	353.04

LINE	LENGTH	BEARING	CHORD
CS5.1	436.58	1069.00	436.58
CS5.2	215.41	950.00	215.41
CS5.3	268.15	129.23	268.15
CS5.4	181.10	1978.00	181.10

LINE	LENGTH	BEARING	CHORD
CS6.1	375.08	S06.00	375.08
CS6.2	328.62	630.00	328.62
CS6.3	224.42	1144.94	224.42
CS6.4	118.49	352.31	118.49
CS6.5	126.11	251.22	126.11
CS6.6	210.55	105.55	210.55
CS6.7	274.47	560.00	274.47

NOTICE: ACCORDING TO COLORADO LAW YOU MUST COMMENCE AN ACTION TO ENFORCE THIS SURVEY PLAT WITHIN THREE YEARS AFTER YOU FIRST DISCOVER SUCH DEFECT. IN NO EVENT SHALL ANY ACTION BE BRINGED TO ENFORCE THIS SURVEY PLAT AFTER THE THREE YEAR PERIOD HAS EXPIRED. THE DATE OF DISCOVERY SHALL BE THE DATE OF CERTIFICATION SHOWN HEREON.



Memo

To: City Manager, Honorable Mayor and Council

From: Tom Whitmore, Parks Director

Date: February 14, 2013

Re: Resolution 3, Series 2013. FMLD Grant Proposal

Staff is requesting approval of the attached resolution to move forward with a \$350,000.00 grant application to the Federal Mineral Lease District for improvements at Deerfield Regional Park.

This application will essentially be the same as the recent application that was rejected by GOCO. GOCO's main reason for rejecting our last application was that the Deerfield project required a large investment in infrastructure.

If awarded, the FMLD grant will be matched with \$600,000.00 that Garfield RE-2 has committed to the project as well as \$155,000.00 budgeted to be transferred from the Parkland Dedication Fund and \$195,000.00 budgeted from the Conservation Trust Fund. The total \$1.3 million will be going to improvements at Cooper Field at Deerfield Regional Park.

The project is planned to include:

- Infrastructure improvements to the building such as electrical, communications, water and sewer.
- A concession stand/restroom/press box building
- Bleachers
- In-ground dugouts
- Concrete plaza improvements
- Landscaping
- Parking lot lighting

The application is due February 28th and we expect to hear back in May.

Thank you,
Tom



**CITY OF RIFLE, COLORADO
RESOLUTION NO. 3
SERIES OF 2013**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIFLE,
COLORADO, SUPPORTING THE GRANT APPLICATION FOR A GRANT
FROM THE GARFIELD COUNTY FEDERAL MINERAL LEASE DISTRICT
FOR DEERFIELD REGIONAL PARK PHASE 1.

WHEREAS, the City of Rifle has requested \$350,000 from the Garfield County Federal Mineral Lease District to construct permanent restrooms, bleachers, in-ground dug outs, and a plaza behind Cooper Field as well as to install lighting and landscaping in the parking lot at Deerfield Regional Park (“Deerfield Regional Park Phase 1”); and

WHEREAS, the City Council of the City of Rifle supports the Garfield County Federal Mineral Lease District grant application for Deerfield Regional Park Phase 1 and will support the completion of Deerfield Regional Park Phase 1 as a recreational amenity for its citizens upon receipt of the grant.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RIFLE, COLORADO, THAT:

1. The City incorporates the foregoing recitals as findings by the City Council.
2. The City Council of the City of Rifle strongly supports the application and has appropriated matching funds for a grant with Garfield County Federal Mineral Lease District.
3. If the grant is awarded, the City Council of the City of Rifle strongly supports the completion of the project.
4. The City Council of the City of Rifle authorizes the expenditure of funds necessary to meet the terms and obligations of any Grant awarded.
5. The project site is owned by the City of Rifle and will be owned by the City for the next 25 years.
6. The City Council of the City of Rifle will continue to maintain the engineering and design of the Deerfield Regional Park in a high quality condition and will appropriate funds for maintenance annually.
7. If the grant is awarded, the City Council of the City of Rifle hereby authorizes the City Manager or his designee to sign the grant agreement with Garfield County Federal Mineral Lease District.
8. Nothing herein constitutes the approval of a multiple fiscal-year expenditure by the Rifle City Council.

9. The effective date of this Resolution is the date passed and approved below.

THIS RESOLUTION was read, passed, and adopted by the Rifle City Council at a regular meeting held this 20th day of February, 2013.

Dated this _____ day of _____, 2013.

CITY OF RIFLE, COLORADO

By _____
Mayor

ATTEST:

City Clerk



MEMORANDUM

To: John Hier, City Manager
 From: Charles Kelty, Finance Director
 Date: February 14, 2013
 Subject: December 2012 Sales, Use, and Lodging Tax Report

Total Sales, Use, and Lodging Tax revenues, for the year ending December 31, 2012, is \$7,083,126, a 2.3% decrease from the previous year's \$7,250,701.

Sales tax revenues are \$6,409,773 a 2.0% decrease from the previous year's \$6,541,604. Building and Motor Vehicle Use Tax revenues are \$563,471, a 2.7% decrease from the previous year's \$579,131. Lodging Taxes revenues are \$109,883 a 15.5% decrease from the previous year's \$129,965.

**Sales Tax Report
 Prior Year Comparison**

Business Category	For Sales in December			Year-to-Date		
	2011	2012	% Change	2011	2012	% Change
Bars and Restaurants	\$ 52,273	\$ 47,989	-8%	\$ 631,288	\$ 645,468	2%
Car Parts and Sales	47,286	38,639	-18%	473,381	465,145	-2%
Food	126,156	123,012	-2%	910,968	900,838	-1%
General Retail	276,503	272,479	-1%	2,546,171	2,480,076	-3%
Hardware	40,790	41,211	1%	352,419	381,337	8%
Liquor Stores	18,914	15,855	-16%	191,055	178,982	-6%
Motels	11,051	9,741	-12%	184,324	161,341	-12%
Oil & Gas	95,748	42,617	-55%	567,458	525,607	-7%
Leasing/Misc	22,399	22,572	1%	121,791	149,996	23%
Utilities	56,417	44,165	-22%	562,750	520,981	-7%
Total	\$ 747,537	\$ 658,280	-12%	\$ 6,541,604	\$ 6,409,773	-2%



**Building and Motor Vehicle Use Taxes
Prior Year Comparison**

Business Category	For Sales in December			Year-to-Date		
	2011	2012	% Change	2011	2012	% Change
Building Use Taxes	\$2,165	\$1,102	-49%	\$193,133	\$78,707	-59%
Motor Vehicle Use Tax	27,884	30,960	11%	385,998	484,764	26%
Total Use Tax	\$ 30,049	\$ 32,062	7%	\$ 579,131	\$ 563,471	-3%

**Lodging Taxes
Prior Year Comparison**

Business Category	For Sales in December			Year-to-Date		
	2011	2012	% Change	2011	2012	% Change
Lodging Taxes	\$7,825	\$6,897	-12%	\$129,965	\$109,883	-15%
Total Lodging Tax	\$ 7,825	\$ 6,897	-12%	\$ 129,965	\$ 109,883	-15%





MEMORANDUM

To: John Hier, City Manager
From: Charles Kelty, Finance Director
Date: February 14, 2013
Subject: Unaudited December 2012 Financial Reports

Attached are the Financial Reports for the year ending December 31, 2012. Below are a few comments:

- Page 1 **General Fund Revenues** – Total revenues are \$8,651,571, which compared to the prior year's \$8,836,775 is \$185,204 and 2% lower. Sales and Use Tax revenues are approximately 2% less than previous year as well.
- General Fund Expenditures** – Total expenditures are \$9,494,290, which compared to the prior year's \$8,465,074 is \$1,029,216 and 12% higher. Two grants (HUD and DOT) have incurred expenses during 2012, which are included in the Planning Department. Additionally, City Council approved paying the remaining debt for the Police Department, i.e. Justice Center, building.
- Page 2 **Visitor Improvement Fund** – Total revenues are \$111,335, which compared to the prior year's \$132,235 is \$20,900 and 16% lower. Total expenses are \$188,307, which compared to the prior year's \$121,415 is \$66,892 and 55% higher.
- Page 3 **Parks & Recreation Fund Revenues** – Total revenues are \$2,451,202, which compared to the prior year's \$2,510,537 is \$59,335 and 2% less.
- Parks & Recreation Fund Expenditures** – Expenditures are \$2,513,275, which compared to the prior year's \$2,450,494 is \$62,781 and 3% higher.
- Page 4 **Water Fund Revenues** – Overall, revenues are \$28,042,071, which compared to the prior year's \$3,357,554 is \$24,684,517 higher. The main reason for the revenue increase is the \$25 million Water Treatment Plant Construction project loan closed in August. Additionally, water user fees increased on September 1 to help fund the debt service of the loan. Operating revenues were 22% higher than the prior year. Water rights revenues were \$65,855 higher than prior year. Capital revenues were \$24,227,184 more than the prior year.
- Water Fund Expenses** – Overall, total expenses are \$3,282,364, which compared to the prior year of \$3,286,788 is \$4,424 and 0.1% lower. Operating and Maintenance expenses are 22% less than last year. Water rights expenses are 6% less than last year. Water System Improvements (Capital) expenses is \$673,416 higher than last year.

Page 5

Wastewater Fund Revenue – Total revenues are \$2,772,997, which compared to the prior year's \$2,600,399 is \$172,598 and 7% higher. Operating Revenues are 11% higher and Capital Revenues are 24% less than prior year.

Wastewater Expenses – Total expenses were \$2,716,930, which compared to the prior year's \$3,626,518 is \$909,588 and 25% less.

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Sanitation Fund Revenues – Total revenues are \$483,433, which compared to the prior year's \$767,887 is \$284,454 less. The reason for the decrease in revenues this year is due to the fact the City of Rifle outsourced the sanitation pick-up services to MRI, Inc. As part of the agreement, MRI, Inc. purchased the sanitation trucks; gain on sale of those assets posted in November 2011.

Sanitation Fund Expenses – Total expenses are \$489,776, which compared to the prior year's \$619,513 is \$129,738 and 21% less.

CITY OF RIFLE
 FUND SUMMARY WITH COMPARISON TO PRIOR YEAR
 FOR THE 12 MONTHS ENDING DECEMBER 31, 2012

GENERAL FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	BUD REMAINING	PRIOR YTD ACT
<u>REVENUE</u>					
GENERAL REVENUES	7,445,079.00	715,793.43	8,651,570.72	(1,206,491.72)	8,836,775.25
	<u>7,445,079.00</u>	<u>715,793.43</u>	<u>8,651,570.72</u>	<u>(1,206,491.72)</u>	<u>8,836,775.25</u>
<u>EXPENDITURES</u>					
MAYOR/COUNCIL	82,250.00	18,791.41	81,594.17	655.83	76,410.19
CITY CLERK	163,237.00	11,007.62	160,267.45	2,969.55	157,567.51
MUNICIPAL COURT	182,794.00	15,301.95	168,846.88	13,947.12	168,010.08
CITY MANAGER	172,633.00	13,374.11	177,394.91	(4,761.91)	173,340.30
GOVERNMENT AFFAIRS	155,964.00	9,140.82	134,230.53	21,733.47	138,293.45
FINANCE	466,224.00	33,113.88	455,424.33	10,799.67	425,056.81
ATTORNEY	224,500.00	17,829.91	239,978.38	(15,478.38)	240,356.25
PLANNING/ZONNING	875,316.00	55,684.10	835,517.21	39,798.79	405,099.84
CITY HALL	184,027.00	14,887.02	166,264.75	17,762.25	135,325.29
GROUNDS AND FACILITY MAINT.	69,536.00	9,135.08	49,943.17	19,592.83	30,523.80
COMMUNITY ACCESS TV	119,360.00	11,485.21	118,169.63	1,190.37	115,086.32
POLICE	2,410,146.00	169,442.80	2,261,935.32	148,210.68	2,258,435.68
JUSTICE CENTER BLDG. OPERATION	1,572,202.00	1,194,115.87	1,555,659.83	16,542.17	371,954.05
BUILDING INSPECTIONS	150,125.00	12,052.47	142,284.82	7,840.18	147,512.99
STREETS	1,143,580.00	81,072.47	1,180,414.01	(36,834.01)	887,971.36
CONSTRUCTION CREW - INHOUSE	211,601.00	6,277.44	190,591.03	21,009.97	174,493.34
PUBLIC WORKS	202,414.00	21,078.64	236,892.64	(34,478.64)	219,245.83
ANIMAL SHELTER	91,303.00	126.08	85,967.31	5,335.69	90,868.98
CEMETERY O & H	69,181.00	4,381.51	65,787.15	3,393.85	62,582.31
SENIOR CENTER	460,496.00	27,390.58	469,102.70	(8,606.70)	416,499.95
NON DEPARTMENTAL	530,219.00	51,464.56	428,023.84	102,195.16	615,440.09
OPERATING TRANSFERS OUT	566,089.00	.00	290,000.00	276,089.00	1,155,000.00
	<u>10,103,197.00</u>	<u>1,777,153.53</u>	<u>9,494,290.06</u>	<u>608,906.94</u>	<u>8,465,074.42</u>
	<u>(2,658,118.00)</u>	<u>(1,061,360.10)</u>	<u>(842,719.34)</u>	<u>(1,815,398.66)</u>	<u>371,700.83</u>

CITY OF RIFLE
 FUND SUMMARY WITH COMPARISON TO PRIOR YEAR
 FOR THE 12 MONTHS ENDING DECEMBER 31, 2012

VISITOR IMPROVEMENT FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	BUD REMAINING	PRIOR YTD ACT
<u>REVENUE</u>					
VISITOR IMPROVEMENT	135,876.00	6,895.58	111,334.74	24,541.26	132,235.46
	135,876.00	6,895.58	111,334.74	24,541.26	132,235.46
<u>EXPENDITURES</u>					
VISITOR IMPROVEMENT	249,392.00	3,887.13	188,307.43	61,084.57	121,414.50
	249,392.00	3,887.13	188,307.43	61,084.57	121,414.50
	(113,516.00)	3,008.45	(76,972.69)	(36,543.31)	10,820.96

CITY OF RIFLE
 FUND SUMMARY WITH COMPARISON TO PRIOR YEAR
 FOR THE 12 MONTHS ENDING DECEMBER 31, 2012

PARKS & RECREATION

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	BUD REMAINING	PRIOR YTD ACT
<u>REVENUE</u>					
PARKS AND REC REVENUE	2,956,799.00	222,572.79	2,451,202.27	505,596.73	2,510,537.39
	2,956,799.00	222,572.79	2,451,202.27	505,596.73	2,510,537.39
<u>EXPENDITURES</u>					
RECREATION	481,988.00	32,123.32	476,136.19	5,851.81	586,756.35
POOL	206,711.00	264.36	200,417.25	6,293.75	194,640.94
RIFLE FITNESS CENTER	384,157.00	33,196.48	301,916.28	82,240.72	168,839.42
COMMUNITY EVENTS	97,602.00	4,995.75	86,252.26	11,349.74	(81.65)
PARK MAINTENANCE	1,037,424.00	48,183.25	966,274.37	71,149.63	893,461.86
PARKS CAPITAL	344,827.00	21,782.11	345,044.83	(217.83)	451,509.69
NON-DEPARTMENTAL	93,810.00	4,156.38	68,778.86	25,031.14	88,449.92
OPERATING TRANSFER OUT	71,917.00	5,576.42	68,455.12	3,461.88	66,917.04
	2,718,436.00	150,278.07	2,513,275.16	205,160.84	2,450,493.57
	238,363.00	72,294.72	(62,072.89)	300,435.89	60,043.82

CITY OF RIFLE
 FUND SUMMARY WITH COMPARISON TO PRIOR YEAR
 FOR THE 12 MONTHS ENDING DECEMBER 31, 2012

WATER FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	BUD REMAINING	PRIOR YTD ACT
<u>REVENUE</u>					
WATER REVENUE	2,387,389.00	223,779.01	2,922,883.43	(535,494.43)	2,399,695.95
WATER RIGHTS REVENUE	64,500.00	(107.02)	29,274.83	35,225.17	95,129.74
CAPITAL REVENUE	7,962,000.00	1,310.00	25,089,912.86	(17,127,912.86)	862,728.51
	<u>10,413,889.00</u>	<u>224,981.99</u>	<u>28,042,071.12</u>	<u>(17,628,182.12)</u>	<u>3,357,554.20</u>
<u>EXPENDITURES</u>					
WATER O&H	1,881,772.00	127,794.04	2,356,979.33	(475,207.33)	3,026,101.18
WATER RIGHTS	134,000.00	6,748.10	137,628.46	(3,628.46)	146,346.49
WATER SYSTEM IMPROVEMENTS	4,865,593.00	13,986.17	787,756.02	4,077,836.98	114,340.22
	<u>6,881,365.00</u>	<u>148,528.31</u>	<u>3,282,363.81</u>	<u>3,599,001.19</u>	<u>3,286,787.89</u>
	<u>3,532,524.00</u>	<u>76,453.68</u>	<u>24,759,707.31</u>	<u>(21,227,183.31)</u>	<u>70,766.31</u>

CITY OF RIFLE
 FUND SUMMARY WITH COMPARISON TO PRIOR YEAR
 FOR THE 12 MONTHS ENDING DECEMBER 31, 2012

WASTEWATER FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	BUD REMAINING	PRIOR YTD ACT
<u>REVENUE</u>					
WASTE WATER REVENUE	2,568,910.00	195,335.63	2,516,831.35	52,078.65	2,265,145.66
WASTE WATER REVENUE	327,000.00	501.29	256,165.60	70,834.40	335,253.22
	<u>2,895,910.00</u>	<u>195,836.92</u>	<u>2,772,996.95</u>	<u>122,913.05</u>	<u>2,600,398.88</u>
<u>EXPENDITURES</u>					
SEWER O&H	2,797,073.00	85,123.73	2,597,097.83	199,975.17	3,562,038.05
SEWER SYSTEM IMPROVEMENTS	75,000.00	.00	119,832.07	(44,832.07)	64,480.09
	<u>2,872,073.00</u>	<u>85,123.73</u>	<u>2,716,929.90</u>	<u>155,143.10</u>	<u>3,626,518.14</u>
	<u>23,837.00</u>	<u>110,713.19</u>	<u>56,067.05</u>	<u>(32,230.05)</u>	<u>(1,026,119.26)</u>

CITY OF RIFLE
 FUND SUMMARY WITH COMPARISON TO PRIOR YEAR
 FOR THE 12 MONTHS ENDING DECEMBER 31, 2012

SANITATION FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	BUD REMAINING	PRIOR YTD ACT
<u>REVENUE</u>					
SANITATION FUND	494,097.00	40,015.62	483,432.96	10,664.04	767,886.89
	494,097.00	40,015.62	483,432.96	10,664.04	767,886.89
<u>EXPENDITURES</u>					
SANITATION	504,026.00	38,836.48	489,775.60	14,250.40	603,233.67
DEPARTMENT 4900	.00	.00	.00	.00	16,279.75
	504,026.00	38,836.48	489,775.60	14,250.40	619,513.42
	(9,929.00)	1,179.14	(6,342.64)	(3,586.36)	148,373.47

Report Criteria:

Summary report.

Invoices with totals above \$0 included.

Paid and unpaid invoices included.

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
1003						
Action Shop Services, Inc						
	RI35996	MINI SKID VERMEER	12/13/2012	680.00	680.00	02/08/2013
Total 1003:				680.00	680.00	
1004						
Verizon Wireless						
	1156445340	CITY OF RIFLE-CELL PHONES	01/18/2013	4,587.91	4,587.91	02/01/2013
Total 1004:				4,587.91	4,587.91	
1009						
B & B Plumbing, Inc						
	123112	RIFLE BUCKS	12/31/2012	120.00	120.00	02/01/2013
	38469	BLUE FILTERS	01/30/2013	11.00	.00	
	38479	REPAIR/	01/23/2013	248.35	.00	
	38518	REPAIR/	02/07/2013	110.00	.00	
Total 1009:				489.35	120.00	
1018						
Valley Lumber						
	75548	CONSTRUCTION FIR	12/13/2012	150.02	.00	
	75634	MAGNESIUM FLOAT	12/17/2012	23.99	.00	
	76925	SNOW PUSHER	01/31/2013	37.98	.00	
	77061	HOLE SAW	02/05/2013	40.78	.00	
	77081	STEEL POST	02/05/2013	73.93	.00	
	77083	SAW BLADE	02/05/2013	35.97	.00	
	77098	GROUT	02/06/2013	29.98	.00	
	77108	PLASTIC ROLLER TRAY LINER	02/06/2013	14.94	.00	
Total 1018:				407.59	.00	
1022						
Central Distributing Co						
	929793	Supplies	12/05/2012	222.66	.00	
	935635	Supplies	01/30/2013	87.49	.00	
	936090	Supplies	02/01/2013	116.55	.00	
	936356	Supplies	02/05/2013	26.46	.00	
	936402	Supplies	02/06/2013	330.58	.00	
	936407	Supplies	02/06/2013	81.62	.00	
	936648	Supplies	02/07/2013	42.96	.00	
Total 1022:				908.32	.00	
1055						
Columbine Ford, Inc						
	115541	ALTERNATOR	01/17/2013	327.87	.00	
	115562	CORE RETURN	01/17/2013	75.00-	.00	
Total 1055:				252.87	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
1059						
Consolidated Electrical Distr						
	4983-535970	ROOF CLIP	01/18/2013	600.49-	.00	
	4983-535970.	ROOF CLIP	01/18/2013	660.49	660.49	02/08/2013
Total 1059:				60.00	660.49	
1065						
Dodson Engineered Products Inc						
	164510	OVAL FLG KIT	01/30/2013	60.15	.00	
Total 1065:				60.15	.00	
1076						
Garfield County Treasurer						
	013113	Landfill	01/31/2013	36.54	.00	
Total 1076:				36.54	.00	
1087						
Grainger						
	9059061227	GATE VALVE LOCKOUT	02/05/2013	58.71	.00	
Total 1087:				58.71	.00	
1097						
Johnson Construction Inc						
	122812	EIC Phase II expansion, roads, uti	12/28/2012	42,792.19-	.00	
	209200	EIC Phase II expansion, roads, uti	12/28/2012	36,035.53-	.00	
Total 1097:				78,827.72-	.00	
1100						
Karp, Neu, Hanlon P.c.						
	13045	GENERAL NON PLANNING	01/31/2013	10,962.45	.00	
	13046	wASTEWATER	01/31/2013	3,363.25	.00	
	13047	GENERAL PLANNING	01/31/2013	1,541.00	.00	
	13048	UMPTRA	01/31/2013	475.00	.00	
	13049	PIONEER	01/31/2013	401.25	.00	
	13051	ANTERO	01/31/2013	301.00	.00	
	13052	SPECIAL PROJECTS	01/31/2013	304.00	.00	
	13053	PARKS REC	01/31/2013	304.00	.00	
	13054	WPX WATERSHED PERMIT	01/31/2013	107.50	.00	
	13057	SILLS REZONE	01/31/2013	387.00	.00	
Total 1100:				18,146.45	.00	
1105						
Meadow Gold Dairies						
	50212633	DAIRY PRODUCTS/SENIOR CT	02/05/2013	94.74	.00	
Total 1105:				94.74	.00	
1110						
Napa Auto Parts						
	261550	FLOOR MAT	12/07/2012	54.88	54.88	02/08/2013
	265805	DRIVEBELT	01/09/2013	22.19	.00	
	265813	REMAN ALTERNATOR	01/09/2013	370.99	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
	265853	RESURFACE DOWELS	01/09/2013	27.00	.00	
	265879	GASKET	01/09/2013	12.02	.00	
	266502	CLUTCH	01/14/2013	670.99	.00	
	266504	SHOCK	01/14/2013	134.66	.00	
	266548	BRAKE PADS	01/14/2013	100.03	.00	
	266719	TIGHTNER	01/15/2013	103.98	.00	
	266778	OIL SEAL	01/15/2013	43.98	.00	
	266799	ALTERNATOR	01/15/2013	194.47-	.00	
	266834	CLUTCH SET	01/15/2013	650.93	.00	
	266859	CLUTCH KIT	01/16/2013	670.99-	.00	
	266884	REMAN ALTERNATOR	01/16/2013	176.52-	.00	
	266935	TRANS FL	01/16/2013	1.67	.00	
	267056	PREFILLED HYD ASSY	01/17/2013	204.99	.00	
	267077	THERMOSTAT	01/17/2013	27.38	.00	
	267086	RELAY	01/17/2013	9.00	.00	
	267104	IMPACT SOCKET	01/17/2013	5.04	.00	
	267119	DIGITAL RET PCKT GAUG	01/17/2013	16.09	.00	
	267130	IMPACT SOCKET SET	01/17/2013	5.04	.00	
	267172	FUEL PUMP	01/17/2013	302.99	.00	
	267175	MULTIMETER	01/17/2013	30.39	.00	
	267195	SY SHIFT II	01/17/2013	24.88	.00	
	267278	U-BOLT	01/18/2013	69.16	.00	
	267608	FUSE ASSORT	01/21/2013	20.39	.00	
	267621	COOLANT FAN RELAY	01/21/2013	30.29	.00	
	267657	BACK UP LIGHT SWITCH	01/21/2013	103.44	.00	
	267694	PWR SER SUPPLEMENT	01/21/2013	19.37	.00	
	267935	AIR FRES	01/23/2013	15.96	.00	
	267940	BOLT	01/23/2013	19.85	.00	
	267943	BATTERY	01/23/2013	3.59	.00	
	267972	ADAPTER	01/23/2013	28.61	.00	
	267981	OIL FILTER WRENCH	01/23/2013	20.10-	.00	
	267998	1/2 NPT	01/23/2013	1.25	.00	
	268134	PWR SER SUPPLEMENT	01/24/2013	33.43	.00	
	268212	CORE DEPOSIT	01/24/2013	12.00-	.00	
	268353	WARRANTY	01/25/2013	15.77-	.00	
	268417	PLASTHBX	01/26/2013	23.99	.00	
	268486	PWR SER SUPPLEMENT	01/26/2013	19.37	.00	
	268582	PWR SER SUPPLEMENT	01/28/2013	43.50	.00	
	268597	PWR SER SUPPLEMENT	01/28/2013	38.74	.00	
	268717	BATTERY CABLE	01/28/2013	5.54	.00	
	268760	DIELECTRIC GREASE	01/29/2013	19.57	.00	
	268761	WIRE BRUSH KIT	01/29/2013	17.88	.00	
	268765	TOW STRAP	01/29/2013	37.19	.00	
	268817	PIN PULL	01/29/2013	9.99	.00	
	268851	LEN TAPE	01/29/2013	14.97	.00	
	268971	FUELFIL	01/30/2013	28.38	.00	
	269078	NAPAGOLD FUEL FILTER	01/31/2013	21.77	.00	
	269199	MACS IGNITION SEALER	01/31/2013	17.35	.00	
	269279	PLUG	02/01/2013	25.36	.00	
	269366	FIRE EXT	02/01/2013	51.99	.00	
	269595	IMPACT SOCKET SET	02/04/2013	44.51	.00	
	269596	LAMP	02/04/2013	12.09	.00	
	269780	MULTIREG NOZZLE	02/05/2013	41.89	.00	
	269886	TIRE PRESSURE MONITOR	02/06/2013	77.99	.00	
	269961	CRC DUSTER	02/06/2013	21.38	.00	
	270016	TIRE PRESSURE MONITOR	02/07/2013	77.99	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 1110:				2,726.05	54.88	
1118						
Parts House						
	5613-23848	CLUTCH KITS	01/09/2013	120.99	.00	
	5613-23897	MIRROR	01/10/2013	123.37	.00	
	5613-24272	STD MINIATURE LAMP	02/04/2013	8.90	.00	
Total 1118:				253.26	.00	
1120						
Xcel Energy Inc						
	0456317136	1221 E CENTENIAL PKWY	01/24/2013	14.25	14.25	02/01/2013
	0457060400	250 E 16TH ST	01/29/2013	105.04	105.04	02/08/2013
	354064810	CITY STREET LIGHTS	01/15/2013	19,562.78	19,562.78	02/01/2013
	354756387	STREET LIGHTS	01/21/2013	1,688.94	1,688.94	02/01/2013
	356216808	2515 W CENTENNIAL PKWY W	01/31/2013	6,356.94	6,356.94	02/08/2013
Total 1120:				27,727.95	27,727.95	
1138						
Schmueser/Gordon/Meyer, Inc						
	99055P-2	CDOT Water Treatment Plant per	01/24/2013	4,620.00	.00	
Total 1138:				4,620.00	.00	
1143						
Swallow Oil Company						
	011513	INV 137602	01/15/2013	5,664.56	.00	
	013113	UNLEADED /FLEET	01/31/2013	8,893.62	.00	
Total 1143:				14,558.18	.00	
1181						
Garfield Steel & Machine, Inc						
	00084419	MC10 ACETYLENE CYLINDER	01/25/2013	103.88	.00	
	00084466	STRIP	01/31/2013	81.05	.00	
Total 1181:				184.93	.00	
1188						
Jean's Printing						
	123491	printing	01/02/2013	91.43	.00	
	123492	printing	01/02/2013	146.57	.00	
	130060	printing	01/11/2013	142.50	.00	
	130248	printing	01/31/2013	228.56	.00	
Total 1188:				609.06	.00	
1191						
Lewan & Associates, Inc						
	246182	B&W METER	01/25/2013	220.47	.00	
	250531	B&W METER	02/01/2013	14.04	.00	
Total 1191:				234.51	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
1256						
Resource Engineering, Inc						
	12039	341-10.15 ANTERO RESOURCE	01/31/2013	438.00	.00	
	12040	341-10.4 WPX ENERGY	01/31/2013	328.50	.00	
	12041	341-10.7 ENCANA WATERSHED	01/31/2013	73.00	.00	
Total 1256:				839.50	.00	
1258						
Hach Company						
	8137616	FIXED VOLUME PIPETTE	02/05/2013	60.45	.00	
Total 1258:				60.45	.00	
1271						
Daily Sentinel						
	14	AD	01/16/2013	37.56	37.56	02/01/2013
Total 1271:				37.56	37.56	
1312						
Honnen Equipment Co.						
	447436	TOOTH 290 EXTRA	01/25/2013	361.86	.00	
Total 1312:				361.86	.00	
1339						
Grand Junction Pipe & Supply						
	C2381352	CURB BOX KEY	01/15/2013	119.47	.00	
	C2381541	BALL CURB	01/24/2013	550.99	.00	
	C2381661	MEGAPLUG	02/01/2013	1,406.58	.00	
Total 1339:				2,077.04	.00	
1381						
Zee Medical, Inc						
	0011042534	FIRST AID SUPPLIES	01/29/2013	141.03	.00	
	0011042574	FIRST AID SUPPLIES	01/31/2013	56.95	.00	
Total 1381:				197.98	.00	
1407						
Usa Blue Book						
	859223	BRASS HYDRANT ADAPTER	01/15/2013	292.57	292.57	02/08/2013
	872985	RING STYLE RED	01/30/2013	43.58	.00	
Total 1407:				336.15	292.57	
1505						
Markertek Video Supply						
	1058554	GMP HOSA	02/04/2013	21.92	.00	
Total 1505:				21.92	.00	
1560						
Applied Concepts,inc						
	229840	STALKER MOVING FASTEST DI	01/03/2013	75.00	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 1560:				75.00	.00	
1563						
Quill Corporation						
	8243318	SUPPLIES	01/02/2013	281.95	.00	
	8245926	SUPPLIES	01/02/2013	15.03	.00	
	8250029	SUPPLIES	01/02/2013	12.63	.00	
	8315529	SUPPLIES	01/04/2013	351.45	.00	
Total 1563:				661.06	.00	
1653						
Millers Dry Goods						
	096978	FLEECE	01/03/2013	58.80	.00	
	096981	BLK KNIT HAT	01/03/2013	17.95	.00	
	097137	OIL RIG WONENS 7	01/11/2013	119.95	.00	
Total 1653:				196.70	.00	
1692						
A-1 Traffic Control						
	29694	SIGN RENTAL	01/31/2013	434.00	.00	
	29695	SIGN RENTAL	01/31/2013	868.00	.00	
	29696	SIGN RENTAL	01/31/2013	186.00	.00	
Total 1692:				1,488.00	.00	
1709						
J.p. Cooke Co						
	216361	300 A-9 PLAN ALUM	01/08/2013	59.50	.00	
Total 1709:				59.50	.00	
1734						
United Companies/Oldcastle SW Group Inc						
	905449	ROAD BASE	01/31/2013	30.56	.00	
Total 1734:				30.56	.00	
1768						
Faris Machinery Company						
	PS0002453-1	BELT	01/10/2013	109.15	.00	
	PS0003011-1	AIR HOSE	01/31/2013	223.64	.00	
Total 1768:				332.79	.00	
1830						
Grand Valley Foods						
	125217	FOOD PRODUCT/SR CENTER	02/01/2013	798.00	.00	
	125294	FOOD PRODUCT/SR CENTER	02/08/2013	526.79	.00	
Total 1830:				1,324.79	.00	
2054						
Sirchie Finger Print Lab., Inc						
	0106656-IN	PATROL LATENT PRINT KIT	01/03/2013	135.88	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 2054:				135.88	.00	
2122						
Utility Notification Center Co						
	21301603	RTL TRANSMISSIONS	01/31/2013	52.16	.00	
Total 2122:				52.16	.00	
2169						
Information Systems Consulting						
	0065515-IN	SOLARWINDS 1 YEAR MAINT	02/11/2013	836.92	.00	
	SIN000186	802.11N CAP W.CLEANAIR	01/16/2013	1,853.84	.00	
Total 2169:				2,690.76	.00	
2181						
Nalco Chemical Company						
	97208346	Drum 210 LITER	02/04/2013	1,390.84	.00	
Total 2181:				1,390.84	.00	
2208						
Amerigas						
	3014378049	PROPANE/CE	01/22/2013	219.60	.00	
	3014589898	PROPANE/WATER	01/30/2013	660.63	.00	
Total 2208:				880.23	.00	
2343						
Mountain Pest Control						
	0307735	PEST CONTROL	12/05/2012	66.00	.00	
Total 2343:				66.00	.00	
2409						
Reserve Account						
	JAN 2013-POS	POSTAGE	01/31/2013	1,399.78	1,399.78	02/01/2013
Total 2409:				1,399.78	1,399.78	
2412						
B&H Photo - Video, Inc						
	68457514	APPLE THUNDERBOLT	01/28/2013	81.57	.00	
Total 2412:				81.57	.00	
2540						
Walker Electric						
	4379	ADD RECEPABLE SAFETY SIG	01/09/2013	126.30	.00	
	4414	SERVICE CALL	01/30/2013	75.00	.00	
Total 2540:				201.30	.00	
2573						
Mountain West Office Products						
	2866911	supplies	01/25/2013	36.83	.00	
	286893	supplies	01/30/2013	5.58	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 2573:				42.41	.00	
2622						
Edgeton, Wayne						
	020813	REIMBURSE EXPENSES	02/08/2013	29.63	29.63	02/08/2013
Total 2622:				29.63	29.63	
2803						
ALL TEMP SERVICES						
	30424GDV	LABOR	01/28/2013	99.00	99.00	02/08/2013
Total 2803:				99.00	99.00	
2846						
Colo Mtn News Media						
	2756489	AD	12/31/2012	63.00	63.00	02/08/2013
	8864494A 020	AD	02/01/2013	14.92	14.92	02/01/2013
Total 2846:				77.92	77.92	
2960						
Walmart Community						
	008413 010813	SUPPLIES	01/08/2013	29.11	29.11	02/08/2013
	009792	SUPPLIES	01/09/2013	12.77	12.77	02/08/2013
	028302	SUPPLIES	01/28/2013	138.11	138.11	02/08/2013
	030631	SUPPLIES	01/30/2013	53.82	53.82	02/01/2013
Total 2960:				233.81	233.81	
3015						
Kroger/King Sooper Cust Charge						
	010313	ALAD TIMBLER	01/03/2013	16.21	16.21	02/08/2013
	011361	PRAB LUNCH	01/28/2013	72.35	72.35	02/01/2013
	089960	FOOD SUPPLIES	01/30/2013	72.84	72.84	02/08/2013
	096527	supplies	01/23/2013	52.34	52.34	02/08/2013
	179403	FOOD SUPPLIES	01/25/2013	541.96	541.96	02/01/2013
Total 3015:				755.70	755.70	
3016						
Flattops Fencing And Supply						
	1140	CHAIN LINK RENTAL PANEL	01/18/2013	60.00	.00	
Total 3016:				60.00	.00	
3035						
Rocky Mountain Supply Co.						
	12161	SNOW EDGE/STREETS	01/29/2013	1,038.26	.00	
Total 3035:				1,038.26	.00	
3083						
ALSCO						
	1271095	SUPPLIES	01/22/2013	25.00	.00	
	1274074	SUPPLIES	01/29/2013	25.00	.00	
	1277070	SUPPLIES	02/05/2013	25.00	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
	1277071	LAUNDRY/senior center	02/05/2013	61.16	.00	
Total 3083:				136.16	.00	
3088						
Enviro Tech Services Inc						
	CD201305694	Ice Slice RS Bulk shipment	01/14/2013	2,103.75	.00	
	CD201306420	Ice Slice RS Bulk shipment	01/21/2013	2,056.50	.00	
	CD201306421	Ice Slice RS Bulk shipment	01/21/2013	2,056.50	.00	
	CD201306605	Ice Slice RS Bulk shipment	01/23/2013	2,057.33	.00	
	CD201306606	Ice Slice RS Bulk shipment	01/23/2013	2,070.59	.00	
Total 3088:				10,344.67	.00	
3156						
Superwash Of Rifle						
	2025 011713	CAR WASH	01/17/2013	49.11	.00	
	2030 011713	CAR WASH	01/17/2013	13.59	.00	
	2030 121112	CAR WASH	12/11/2012	26.96	.00	
Total 3156:				89.66	.00	
3178						
Hanson Equipment,inc						
	227067	SPRING	01/09/2013	265.18	.00	
Total 3178:				265.18	.00	
3285						
Johnson-Carter Architects, PC						
	1301U-1	ARCHITECTURAL SERVICES	01/25/2013	800.00	800.00	02/01/2013
Total 3285:				800.00	800.00	
3347						
V.I.P. Trash Services LLC						
	47596	TRASH PICKUP/DDA	02/01/2013	140.00	140.00	02/08/2013
Total 3347:				140.00	140.00	
3389						
Sandy's Office Supply Inc						
	005150	SUPPLIES	12/10/2012	595.38	.00	
	008845	SUPPLIES	01/03/2013	188.93	.00	
	009290	SUPPLIES	01/07/2013	25.38	.00	
	011241	SUPPLIES	01/16/2013	17.86	.00	
	012940	SUPPLIES	01/28/2013	47.48	.00	
	014144	SUPPLIES	12/10/2012	595.38-	.00	
Total 3389:				279.65	.00	
3446						
Staples Business Advantage						
	8024208424	supplies	01/05/2013	268.36	268.36	02/01/2013
	8024282595	supplies	01/12/2013	441.52	441.52	02/08/2013
	8024431093	supplies	01/26/2013	427.04	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 3446:				1,136.92	709.88	
3654						
Mark Briels Electric Inc						
	4627	PROJECT WWTP GATE TIMER	02/04/2013	197.00	.00	
Total 3654:				197.00	.00	
3707						
Interstate Battery System Inc						
	22034374	BATTERIES	02/08/2013	289.85	.00	
Total 3707:				289.85	.00	
3780						
Concrete Equipment						
	136555	EPOXY UNICARTRIDGE	02/05/2013	115.06	.00	
Total 3780:				115.06	.00	
3798						
Ace Industrial Supplies						
	1237107	SHOVEL-ROUND	01/23/2013	621.35	.00	
Total 3798:				621.35	.00	
3960						
Lowe's Home Improvement Wareho						
	011713	SUPPLIES	01/17/2013	356.59	356.59	02/01/2013
Total 3960:				356.59	356.59	
4055						
UPS/United Parcel Service						
	Y2097W023	SHIPPING	01/12/2013	19.48	19.48	02/08/2013
	Y2097W502	SHIPPING	12/15/2012	42.32	42.32	02/08/2013
Total 4055:				61.80	61.80	
4141						
True Brew Coffee Service						
	147924	COFFEE	02/01/2013	151.99	.00	
	147925	COFFEE	02/01/2013	56.21	.00	
Total 4141:				208.20	.00	
4215						
Ziegler, James						
	67198	VERDICT SCAN	01/08/2013	4,659.99	4,659.99	02/08/2013
Total 4215:				4,659.99	4,659.99	
4240						
Platinum Plus For Business						
	HIER 011113	LUNCH ENGINEERS	01/11/2013	262.65	262.65	02/01/2013
	KEHOE 01111	SUPPLIES	01/11/2013	282.41	282.41	02/01/2013

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 4240:				545.06	545.06	
4345						
Helen Artist-Rogers/HR Design						
	020113	DDA MANAGEMENT	02/01/2013	2,500.00	2,500.00	02/01/2013
	020613	REIMBURSEMENT CONFERENC	02/06/2013	295.00	295.00	02/08/2013
Total 4345:				2,795.00	2,795.00	
4507						
Neopost Inc/Neofunds						
	010113	postage	01/01/2013	297.79	297.79	02/08/2013
Total 4507:				297.79	297.79	
4552						
Complete Mailing Solutions						
	60551	LABELS	01/04/2013	52.62	.00	
Total 4552:				52.62	.00	
4602						
Anytime Sewer & Drain Company						
	443939	REPAIR	02/06/2013	85.00	.00	
Total 4602:				85.00	.00	
4701						
Tri County Fire Protection						
	96835	ANNUAL MAIN INSPECTION	01/31/2013	331.00	.00	
Total 4701:				331.00	.00	
4708						
H&h Woodworking Inc						
	8478	REPAIR FITNESS CENTER	02/05/2013	1,658.25	.00	
Total 4708:				1,658.25	.00	
4753						
Rifle Truck & Trailer						
	6190	807 CMK MECH FUEL METER	02/05/2013	681.00	.00	
Total 4753:				681.00	.00	
4796						
Mountain Air Mechanical Hvac						
	020613	8 ROOFTOP PACKAGE UNITS	02/06/2013	1,200.00	.00	
Total 4796:				1,200.00	.00	
4811						
United Site Services Inc						
	114-1051724	PORTABLE RESTROOM METR	01/14/2013	65.00	.00	
	114-1051725	PORTABLE RESTROOM MOUN	01/14/2013	140.00	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 4811:				205.00	.00	
4825						
Cross Propane Gas						
	034419	Propane Gas at O&M Shop	01/09/2013	2,027.30	.00	
	40552	Propane Gas at O&M Shop	01/28/2013	2,296.40	.00	
Total 4825:				4,323.70	.00	
4963						
Intellipay Inc						
	641	transaction fee	01/31/2013	139.20	.00	
Total 4963:				139.20	.00	
4989						
Mr Power S/Sandor Drucker						
	211	LIGHTS REMOVE FROM TREES	02/03/2013	450.00	450.00	02/08/2013
Total 4989:				450.00	450.00	
5064						
MOUNTAIN MICROFILM INC						
	11867	ROLLER KIT CANON SCANNER	02/05/2013	75.00	.00	
Total 5064:				75.00	.00	
5253						
FASTENAL						
	54654	CLEANING TOWELS	01/18/2013	39.45	.00	
	54702	HEX NUT	01/22/2013	17.29	.00	
	54858	LOCTITIE	01/31/2013	79.11	.00	
Total 5253:				135.85	.00	
5260						
ESRI						
	25555585	ArcEditor concurrent use MAINTENANCE	01/01/2013	3,450.00	.00	
Total 5260:				3,450.00	.00	
5503						
JAY-MAX SALES						
	226522-00	HEX NUT	01/29/2013	116.55	.00	
	226522-01	METRIC FLAT WASHER	02/05/2013	9.00	.00	
	226690-00	COTTON RAGS	02/05/2013	17.00	.00	
Total 5503:				142.55	.00	
5540						
BOBCAT OF THE ROCKIES						
	12046346	PLOW BOLT	01/21/2013	360.43	.00	
Total 5540:				360.43	.00	
5613						

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
SunEdison, LLC/pump station	771302018097	PUMP STATION #1	02/01/2013	2,730.61	2,730.61	02/08/2013
Total 5613:				2,730.61	2,730.61	
5648						
REDI SERVICES, LLC	18254	SERVICED WINTERIZED PORT	12/31/2012	40.00	.00	
	18737	SERVICED WINTERIZED PORT	01/23/2013	160.00	.00	
Total 5648:				200.00	.00	
5668						
Kenny's Overhead Doors, Inc.	7541	Shop Door Repairs	01/18/2013	180.00	.00	
Total 5668:				180.00	.00	
5714						
TRINITY HIGHWAY PRODUCTS, LLC	HS518278	W-BEAM BRG RAIL COMP	01/23/2013	2,489.03	.00	
Total 5714:				2,489.03	.00	
5752						
Accutest Mountain States	D1-34207	alkalinity, organic carbon/water te	01/28/2013	870.00	.00	
	DZ-32749	alkalinity, organic carbon/water te	12/04/2012	642.00	.00	
Total 5752:				1,512.00	.00	
5796						
Norit Americas Inc.	525327	Powdered Activated Carbon (PAC	02/05/2013	1,825.00	.00	
Total 5796:				1,825.00	.00	
5833						
SunEdison, LLC/SunE U6 holding	781302018096	energy innovation center	02/01/2013	6,982.89	6,982.89	02/08/2013
Total 5833:				6,982.89	6,982.89	
5846						
Mesa County Health Department	403-13	Water Testing	02/07/2013	20.00	20.00	02/08/2013
	405-13	Water Testing	02/07/2013	20.00	20.00	02/08/2013
	407-13	Water Testing	02/07/2013	20.00	20.00	02/08/2013
Total 5846:				60.00	60.00	
5849						
NUTECH SPECIALTIES, INC	91676	BRAKE PARTS CLEANER	01/04/2013	58.80	.00	
Total 5849:				58.80	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
5926						
Law Enforcement Alliance for Defense						
	12739	LEGAL DEFENSE FUND	01/14/2013	294.00	294.00	02/08/2013
Total 5926:				294.00	294.00	
5960						
Recreation Fee Refunds						
	2000849.002	REC FEE REFUND	01/31/2013	15.00	15.00	02/01/2013
Total 5960:				15.00	15.00	
6043						
Wilkins Angie						
	013113	REIMBURSEMENT MILAGE	01/31/2013	28.60	28.60	02/01/2013
Total 6043:				28.60	28.60	
6063						
Colorado Dept of Public Health						
	25387	DEC 2012 TOXICOLOGY	01/16/2013	36.00	36.00	02/08/2013
Total 6063:				36.00	36.00	
6064						
Evident Crime Scene Products						
	73670A	METHAMPHETAMINE	01/03/2013	47.00	.00	
Total 6064:				47.00	.00	
6067						
Mountain Roll-offs, Inc.						
	020813	MONTHLY FEE	02/08/2013	35,993.92	.00	
Total 6067:				35,993.92	.00	
6137						
Impressions of Aspen						
	17306	SUPPLIES	01/28/2013	78.58	.00	
	17320	SUPPLIES	01/29/2013	575.75	.00	
	3225CM	SUPPLIES	01/17/2013	168.33	.00	
Total 6137:				486.00	.00	
6195						
Western Slope Communications						
	36630	ADVERTISEMENT\	01/28/2013	320.00	320.00	02/08/2013
	36631	ADVERTISEMENT	01/28/2013	320.00	320.00	02/08/2013
Total 6195:				640.00	640.00	
6200						
CAMCA						
	020513	2013 TRAINING REGISTRATION	02/05/2013	40.00	40.00	02/08/2013
Total 6200:				40.00	40.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
6220						
Grand Mesa Nordic Council						
	020513	CROSS COUNTRY SKI OUTING	02/05/2013	50.00	50.00	02/08/2013
Total 6220:				50.00	50.00	
6225						
BRUBACHER DESIGN						
	786	FILM WINDOW	02/07/2013	231.00	.00	
Total 6225:				231.00	.00	
6242						
Xerox Corporation						
	066310553	BASE CHARGE	02/01/2013	258.65	.00	
Total 6242:				258.65	.00	
6297						
Valley Towing Inc.						
	4022	TOWING	01/22/2013	50.00	.00	
	4023	TOWING	01/22/2013	50.00	.00	
Total 6297:				100.00	.00	
6300						
SIEMENS INDUSTRY INC						
	901086343	W2T407002	01/29/2013	2,080.00	.00	
Total 6300:				2,080.00	.00	
6303						
Law Office of Angela Roff, PC						
	1142	CITY PROSECUTOR	01/31/2013	4,183.70	.00	
Total 6303:				4,183.70	.00	
6330						
COUNTY HEALTH POOL						
	020113	IT	02/01/2013	100,028.49	100,028.49	02/01/2013
	020113.	COBRA	02/01/2013	2,671.24	2,671.24	02/01/2013
Total 6330:				102,699.73	102,699.73	
6332						
DIRECTV						
	19681989322	MONTHLY FEE	01/29/2013	150.99	150.99	02/08/2013
Total 6332:				150.99	150.99	
6335						
FitnessTech						
	18780	LABOR SERVICE REPAIR	01/26/2013	205.00	205.00	02/08/2013
Total 6335:				205.00	205.00	
6354						

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
ALL SEASONS LAUNDRY						
	24357	GYM TOWELS	01/31/2013	217.83	217.83	02/08/2013
Total 6354:				217.83	217.83	
6402 CENTURY LINK						
	6250108 01221	FITNESS CENTER	01/22/2013	143.22	143.22	02/01/2013
	6254904 01221	POLICE	01/22/2013	102.96	102.96	02/01/2013
	6254960 01221	POLICE	01/22/2013	113.23	113.23	02/01/2013
	6257330 01221	OM	01/22/2013	420.73	420.73	02/01/2013
	6259179 01221	FINANCE	01/22/2013	90.34	90.34	02/01/2013
	K7191113095	FITNESS CENTER	01/22/2013	962.98	962.98	02/01/2013
Total 6402:				1,833.46	1,833.46	
6409 RIFLE TOWING						
	17580	TOWING	12/17/2012	50.00	.00	
Total 6409:				50.00	.00	
6441 Rocky Mountain ALternative Fueling						
	013113	COMPRESSED NATURAL GAS	01/31/2013	31.96	.00	
Total 6441:				31.96	.00	
6485 Tisco Inc/Energy Equip-GrandJct						
	10625 013013	SUPPLIES	01/30/2013	391.81	.00	
	10626 013013	SUPPLIES	01/30/2013	276.66	.00	
	10627 013013	SUPPLIES	01/30/2013	22.33	.00	
	10628 013013	SUPPLIES	01/30/2013	177.00	.00	
	10629 013013	SUPPLIES	01/30/2013	5.48	.00	
Total 6485:				873.28	.00	
6509 POLYDYNE INC.						
	779206	CLARIFLOC	01/24/2013	3,294.00	.00	
Total 6509:				3,294.00	.00	
6568 MICRO PLASTICS						
	94966	METAL WALL NAME PLATE	01/24/2013	72.80	.00	
Total 6568:				72.80	.00	
6572 KUM & GO						
	021213	DEPOSIT REFUND-120 E 26TH	02/12/2013	171,343.18	.00	
Total 6572:				171,343.18	.00	
6573						

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
APRENDI INC						
	20197	LEGAL INTERPRETATION	01/15/2013	140.00	140.00	02/08/2013
Total 6573:				140.00	140.00	
6587						
CITI CHEMICAL INC						
	24630	INSULATED WINTER GLOVES	01/23/2013	227.40	.00	
Total 6587:				227.40	.00	
6606						
Western Slope Supplies, Inc.						
	682967	BOTTLED WATER	12/31/2012	7.35	.00	
	683507	BOTTLED WATER	01/15/2013	15.00	.00	
	8218526	BOTTLED WATER	01/09/2013	48.45	.00	
	8218527	BOTTLED WATER	01/09/2013	7.35	.00	
	8218626	BOTTLED WATER	01/15/2013	7.35	.00	
	8218646	BOTTLED WATER	01/15/2013	7.35	.00	
	8218647	BOTTLED WATER	01/15/2013	27.90	.00	
	8218723	BOTTLED WATER	01/21/2013	7.35	.00	
	8218724	BOTTLED WATER	01/21/2013	34.75	.00	
	8218823	BOTTLED WATER	01/29/2013	7.35	.00	
	8218837	BOTTLED WATER	01/29/2013	41.60	.00	
	8218968	BOTTLED WATER	02/05/2013	7.35	.00	
	8218969	BOTTLED WATER	02/05/2013	27.90	.00	
Total 6606:				247.05	.00	
6612						
CEDAR NETWORKS						
	158357	INTERNET CONNECTIONS	02/01/2013	2,260.00	.00	
Total 6612:				2,260.00	.00	
6650						
StepSaver, Inc.						
	T410080	NSF CERTIFIED SOLAR SALT	01/25/2013	2,860.74	.00	
Total 6650:				2,860.74	.00	
6669						
SKAGGS						
	1983172RI	MEDAL OF VALOR NICKEL	12/28/2012	303.95	.00	
Total 6669:				303.95	.00	
6672						
DYE, CHARLES						
	013113	SEMINAR	01/31/2013	397.12	397.12	02/01/2013
Total 6672:				397.12	397.12	
6675						
PARKSON CORPORATION						
	AR1/51002762	MIOX	01/30/2013	349.81	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 6675:				349.81	.00	
6677						
AUTOPAYCHECKS, INC						
	42786A	SCHEDULING SOFTWARE	02/05/2013	30.00	30.00	02/08/2013
Total 6677:				30.00	30.00	
6716						
SIMPLIFILE, LC						
	120112	RECORD FEES	12/01/2012	108.00	108.00	02/01/2013
	123112	RECORD FEES	12/31/2012	624.00	624.00	02/01/2013
Total 6716:				732.00	732.00	
6728						
CB INDUSTRIES-DELTA, INC.						
	020113	BIOSOLIDS DISPOSAL JAN	02/01/2013	6,836.62	.00	
Total 6728:				6,836.62	.00	
6731						
ALL AROUND SWEEPING						
	1598	SNOW REMOVAL	01/30/2013	1,400.00	.00	
	1599	SNOW REMOVAL	01/30/2013	3,855.00	.00	
Total 6731:				5,255.00	.00	
6740						
FLOSOURCE						
	31392	KEYSTONE PNEMATIC	12/20/2012	170.00	.00	
Total 6740:				170.00	.00	
6744						
LSC Transportation Consultants						
	46435	Updated previous traffic study per	02/05/2013	4,094.86	.00	
Total 6744:				4,094.86	.00	
6772						
RADIO ACCOUNTING SERVICE						
	KZKSF0030	SALUTE TROOPS	01/28/2013	160.00	160.00	02/01/2013
Total 6772:				160.00	160.00	
6773						
AMERICAN HEALTH HOLDING, INC						
	020813	CONSULT-A-DOC	02/08/2013	198.00	198.00	02/08/2013
Total 6773:				198.00	198.00	
6774						
SNEAD, KENNON						
	020513	RIFLE POLAR BEAR REFUND-4	02/05/2013	101.50	101.50	02/08/2013

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 6774:				101.50	101.50	
6775						
BEST WESTERN KIVA INN						
	020613	RESERVATION -HAYES	02/06/2013	59.99	59.99	02/08/2013
Total 6775:				59.99	59.99	
6776						
NAGLE SIGNS INC						
	020813	REFUND- OVERPMT SIGN PER	02/08/2013	446.25	446.25	02/08/2013
Total 6776:				446.25	446.25	
6777						
MASTER PETROLEUM						
	297911	DIESEL	12/28/2012	1,556.75	.00	
	298933	DIESEL	01/22/2013	937.75	.00	
Total 6777:				2,494.50	.00	
6778						
J.J. KELLER & ASSOCIATES, INC.						
	900346380	D DVIR BOND BK	12/06/2012	271.18	.00	
Total 6778:				271.18	.00	
6779						
COMMERCIAL TIRE SERVICE, INC						
	30683	GOODYEAR WRANGLER RTS	02/04/2013	444.32	.00	
	30684	GOODYEARS WRGLR SILENT A	02/04/2013	530.32	.00	
Total 6779:				974.64	.00	
6780						
POSTNET						
	200773	COLOR COPIES	01/31/2013	117.92	.00	
Total 6780:				117.92	.00	
6781						
MANTEK						
	880294	ELITE RED CS/48	01/15/2013	305.90	.00	
Total 6781:				305.90	.00	
6782						
ECLIPSE SURVEYING, INC.						
	2013-2	CONCEPUTUAL LAYOUT	02/02/2013	2,425.00	.00	
Total 6782:				2,425.00	.00	
6783						
SCHAEFFER MFG CO						
	632162-INV1	30 TUBE CASE MOLY GREASE	01/25/2013	141.67	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 6783:				141.67	.00	
6784						
CC ENTERPRISES						
	43232	FLAGGER CLASS FEE	01/10/2013	600.00	.00	
Total 6784:				600.00	.00	
6785						
ARROWHEAD SCIENTIFIC INC						
	60418	STAT LIFT VINYL STAIC LIFTER	01/07/2013	66.90	.00	
Total 6785:				66.90	.00	
6786						
MER-TEC , INC						
	7304	SUB SURFACE INS	02/05/2013	3,500.00	.00	
	7306	ON SITE TRAINING AML LOCAT	02/05/2013	250.00	.00	
Total 6786:				3,750.00	.00	
Grand Totals:				429,146.92	165,822.28	

Dated: _____

City Finance Director: _____

Report Criteria:

- Summary report.
- Invoices with totals above \$0 included.
- Paid and unpaid invoices included.



Sander N. Karp
James S. Neu
Karl J. Hanlon
Michael J. Sawyer
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February 14, 2013

Mayor Jay Miller
Rifle City Council
P. O. Box 1908
Rifle, Colorado 81650

Re: February 20, 2013 City Council Meeting

Dear Mayor Miller and Members of the Rifle City Council:

The purpose of this letter is to briefly outline items we worked on for the February 20, 2013 Rifle City Council Meeting.

1. Martifer Solar License Agreements and Power Purchase Agreement. At your last meeting we discussed the Power Purchase Agreement and License Agreements with Martifer Solar for its placement of solar arrays on eight different City facilities. We recommended that Council table any decision on these documents until staff followed up on a couple matters, the primary one being the appropriation of \$271,670 required by the Power Purchase Agreement. This amount guarantees Martifer that the City will purchase that amount of power, which will take about five years to do, making this project financially viable to the investors and utilizing all available tax credits. The Finance Director identified a General Fund contingency of \$300,000 in the 2013 Budget that has already been appropriated that can be designated for this requirement. If any future contingent matter arises later this year, we'll propose a supplemental appropriation at that time and identify the source of the funds. Again, the City is not spending this amount, it is simply appropriating it to be spent and the City will be buying power for these facilities regardless and the Power Purchase Agreement gives the City a better rate. There were some non-substantive changes to the Agreement since your last meeting, but they do not alter the overall deal.

We recommend approval of the Power Purchase Agreement and form License Agreement on your Consent Agenda.

2. Quit Claim Deed from County to City for Rifle Airpark PUD Rights-of-Way. The City annexed Rifle Airpark PUD in 2008 and by that annexation acquired jurisdiction and ownership of the County road rights-of-way through the annexed property. The City and

KARP NEU HANLON, P.C.

Mayor Jay Miller
Rifle City Council
Page 2

Garfield County entered into an IGA regarding the maintenance of those roads until development commences, and that IGA is still in affect. As with many county roads, Garfield County received most of those rights-of-way through use over time (prescription) and did not own them in fee simple or to any standard width. The Owner and Developer of Rifle Airpark worked with the County to survey the rights-of-way and then conveyed them to the County to clean up title and confirm the exact location and width. However, the conveyance from Airport Land Partners to the County did not occur until after the recording of the Rifle Airpark Annexation Map, so the City currently only has jurisdiction/ownership of the prescriptive rights-of-way. The County is now conveying those rights-of-way to the City so it will be the beneficiary of this clean up work. A map showing the locations of the rights-of-way is included in your packet in addition to the form quit claim deed to be signed by the County. The acceptance of the rights-of-way is on your Consent Agenda; if you have any questions, please feel free to pull the item for discussion.

We recommend accepting the Quit Claim Deed from Garfield County to the City for the rights-of-way through Rifle Airpark PUD.

3. Ordinance No. 2, Series of 2013 approving 139 Railroad Avenue Lease. City Council approved a Property Lease with 139 Railroad, LLC late last year and the property owner is currently seeking tax relief from the County Assessor as allowed by statute. The County Assessor's Office is taking the position that the Property Lease must be approved by ordinance, which is required for statutory municipalities and not home rule cities. Rather than argue the point with the County and to assist the property owner in obtaining the tax exemption authorized with the City's possession of the Property, Ordinance No. 2 approves the Property Lease.

We recommend approval of Ordinance No. 2, Series of 2013 on first reading.

4. First Amendment to Watershed District Permit No. 3-09 (WPX Energy Waterline in Beaver Creek). In 2009, the City approved Watershed District Permit No. 3-09 for Williams Production RMT to drill and operate natural gas wells, including gathering and transmission lines and associated facilities within the Beaver Creek Watershed. Williams Production RMT has since changed its name to WPX Energy. As part of its operations in Beaver Creek permitted under Permit No. 3-09, WPX desires to construct and operate buried production water pipelines and related facilities to minimize truck traffic and WPX applied to the City for an amendment to Permit No. 3-09 to include the activity. Michael Erion has reviewed the application materials and plans for the activity and his comment letter is in your packet. We drafted the enclosed First Amendment to Watershed Permit No. 3-09 for Council's consideration at a public hearing. Public Notice was published as required by the Code. Representatives from WPX will be at your meeting to present and answer any questions.

5. Ordinance No. 3, Series of 2013 (McLearn Orchard Lands Lots 4 and 5 Rezone from DR to LI). Mark Sills applied for a rezoning of Lots 4 and 5, McLearn Orchard Lands from DR to LI. The staff report provides details on the application and conditions of approval.

KARP NEU HANLON, P.C.

Mayor Jay Miller
Rifle City Council
Page 3

Ordinance No. 3, Series of 2013 rezones the Property once those conditions are satisfied, which must occur by September 15, 2013. A public hearing must be opened for consideration of the Ordinance.

We recommend approval of Ordinance No. 3, Series of 2013 on first reading.

As always, please feel free to call us prior to the meeting if you have any questions.

Very truly yours,

KARP NEU HANLON, P.C.

James S. Neu



To: Mayor and City Council; John Hier, City Manager
From: Lisa Cain, City Clerk
Date: Friday, February 15, 2013
Subject: Liquor License Application – Brenden Rifle 7 Theatres

A LIQUOR LICENSE APPLICATION HAS BEEN RECEIVED FOR:

Brenden Theatre Corporation d/b/a Brenden Rifle 7 Theatres
250 West 2nd Street
Rifle, CO

Type of License: Beer and Wine

According to Rifle Municipal Code §6-5-50, it is the Clerk's responsibility, on behalf of the Liquor Licensing Authority, to investigate the following:

1. Whether the prohibitions contained in CRS §12-46-104 or §12-47-313 apply to the applicant

FINDING: The prohibitions in the referenced sections do not apply to Brenden Rifle 7 Theatres.

2. The number and type of outlets of a nature similar to the applicant's within one (1) mile in any direction of the proposed location

FINDING: There are 2 other locations within one mile with Beer and Wine Licenses: Base Camp Café and Creekbend Coffee, Inc.

The application is complete and the fees for this application have been paid.

This hearing was properly noticed in the newspaper and on the premises.

At staff's request, the Rifle Fire Protection District reviewed this application. The District provided these comments:

The fire district has reviewed the Liquor License Application dated October 9, 2012 for Brenden Theatre located at 250 W. 2nd St.

The fire district has no comments and recommends approval.

FYI-The Brenden Theatre is scheduled to have an annual fire inspection in September of each year

The application includes a letter dated December 2012 signed by Brenden Corporation Vice President Walter Eichinger. The letter, along with 2 attachments, is an operations plan for keeping alcohol out of the hands of minors at the theatre.

The City has not yet received the results of background checks on the applicant's officers.

Staff recommends that Council take one of the following actions with respect to this application:

1. Continue the public hearing to March 6, 2013, by which time the City might receive the results of the background checks; or
2. Approve the application with 2 conditions:
 - a. The City's receipt of acceptable background check results on the applicant's officers; and
 - b. The applicant's adherence to its operations plan for keeping alcohol out of the hands of minors at the theatre.

Mr. Eichinger will attend the meeting on February 20 to answer questions that Council might have about the application.

Thank you.

LEE CRANER, CFO

RECEIVED

OCT 15 2012

City of Rifle
Clerk's Office



4321 WEST FLAMINGO ROAD
LAS VEGAS, NEVADA 89103
702-507-1522 FAX: 702-507-1530

October 9, 2012

Lisa Cain, City Clerk
City of Rifle
202 Railroad Avenue
Rifle, CO 81650

Dear Lisa:

In support of our liquor license application, please find enclosed:

Colorado Liquor Retail License Application
Colorado Secretary of State Certification of Registration for Brenden Theatre Corporation
Copy of the Ground Lease for our theatre
Diagram of Premises of the theatre
City of Rifle Liquor License Fee Schedule
Check payable to the City of Rifle for \$1,602.75
Check payable to the Colorado Department of Revenue for \$1,476.25
Four Affidavits Concerning Criminal History for the officers and owners of Brenden Theatre Corporation
Four Individual History Records for the officers and owners of Brenden Theatre Corporation
Four Fingerprint, Background Check and Disclosure Notices for the officers and owners of Brenden Theatre Corporation

Under separate cover, I have mailed the four original fingerprint cards for the officers and owners of Brenden Theatre Corporation directly to Valerie Shanahan at the Rifle Police Department.

Cordially,

A handwritten signature in black ink, appearing to read "Lee Craner", is written over a printed name. The signature is fluid and cursive, with a large initial "L" and "C".

Lee Craner

APPLICATION DOCUMENTS CHECKLIST AND WORKSHEET

Instructions: This check list should be utilized to assist applicants with filing all required documents for licensure. All documents must be properly signed and correspond with the name of the applicant exactly. All documents must be typed or legibly printed. Upon final State approval the license will be mailed to the local licensing authority. Application fees are nonrefundable.

ITEMS SUBMITTED, PLEASE CHECK ALL APPROPRIATE BOXES COMPLETED OR DOCUMENTS SUBMITTED

I. APPLICANT INFORMATION

- A. Applicant/Licensee identified.
- B. State sales tax license number listed or applied for at time of application.
- C. License type or other transaction identified.
- D. Return originals to local authority.
- E. Additional information may be required by the local licensing authority.

II. DIAGRAM OF THE PREMISES

- A. No larger than 8 1/2" X 11".
- B. Dimensions included (doesn't have to be to scale). Exterior areas should show control (fences, walls, etc.).
- C. Separate diagram for each floor (if multiple levels).
- D. Kitchen - identified if Hotel and Restaurant.

III. PROOF OF PROPERTY POSSESSION

- A. Deed in name of the Applicant ONLY (or)
- B. Lease in the name of the Applicant ONLY.
- C. Lease Assignment in the name of the Applicant (ONLY) with proper consent from the Landlord and acceptance by the Applicant.
- D. Other Agreement if not deed or lease.

IV. BACKGROUND INFORMATION AND FINANCIAL DOCUMENTS

- A. Individual History Record(s) (Form DR 8404-I).
- B. Fingerprints taken and submitted to local authority. (State authority for master file applicants.)
- C. Purchase agreement, stock transfer agreement, and or authorization to transfer license.
- D. List of all notes and loans.

V. CORPORATE APPLICANT INFORMATION (If Applicable)

- A. Certificate of Incorporation (and/or)
- B. Certificate of Good Standing if incorporated more than 2 years ago.
- C. Certificate of Authorization if foreign corporation.
- D. List of officers, directors and stockholders of parent corporation (designate 1 person as "principal officer").

VI. PARTNERSHIP APPLICANT INFORMATION (If Applicable)

- A. Partnership Agreement (general or limited). Not needed if husband and wife.

VII. LIMITED LIABILITY COMPANY APPLICANT INFORMATION (If Applicable)

- A. Copy of articles of organization (date stamped by Colorado Secretary of State's Office).
- B. Copy of operating agreement.
- C. Certificate of Authority (if foreign company).

VIII. MANAGER REGISTRATION FOR HOTEL AND RESTAURANT, TAVERN LICENSES WHEN INCLUDED WITH THIS APPLICATION

- A. \$75.00 fee.
- B. Individual History Record (DR 8404-I).

6. Is the applicant (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation) or manager under the age of twenty-one years?	Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>												
7. Has the applicant (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation) or manager ever (in Colorado or any other state); (a) been denied an alcohol beverage license? (b) had an alcohol beverage license suspended or revoked? (c) had interest in another entity that had an alcohol beverage license suspended or revoked? If you answered yes to 7a, b or c, explain in detail on a separate sheet.	<input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/>												
8. Has a liquor license application (same license class), that was located within 500 feet of the proposed premises, been denied within the preceding two years? If "yes," explain in detail.	<input type="checkbox"/> <input checked="" type="checkbox"/>												
9. Are the premises to be licensed within 500 feet of any public or private school that meets compulsory education requirements of Colorado law, or the principal campus of any college, university or seminary?	<input type="checkbox"/> <input checked="" type="checkbox"/>												
10. Has a liquor or beer license ever been issued to the applicant (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation)? If yes, identify the name of the business and list any current or former financial interest in said business including any loans to or from a licensee.	<input type="checkbox"/> <input checked="" type="checkbox"/>												
11. Does the Applicant, as listed on line 2 of this application, have legal possession of the premises by virtue of ownership, lease or other arrangement? <input type="checkbox"/> Ownership <input checked="" type="checkbox"/> Lease <input type="checkbox"/> Other (Explain in Detail) _____	<input type="checkbox"/> <input type="checkbox"/>												
a. If leased, list name of landlord and tenant, and date of expiration, EXACTLY as they appear on the lease:													
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:33%; padding: 2px;">Landlord City of Rifle, CO</td> <td style="width:33%; padding: 2px;">Tenant Brenden Theatre Corporation</td> <td style="width:34%; padding: 2px;">Expires Nov 30, 2021</td> </tr> </table>	Landlord City of Rifle, CO	Tenant Brenden Theatre Corporation	Expires Nov 30, 2021										
Landlord City of Rifle, CO	Tenant Brenden Theatre Corporation	Expires Nov 30, 2021											
Attach a diagram and outline or designate the area to be licensed (including dimensions) which shows the bars, brewery, walls, partitions, entrances, exits and what each room shall be utilized for in this business. This diagram should be no larger than 8 1/2" X 11". (Doesn't have to be to scale)													
12. Who, besides the owners listed in this application (including persons, firms, partnerships, corporations, limited liability companies), will loan or give money, inventory, furniture or equipment to or for use in this business; or who will receive money from this business. Attach a separate sheet if necessary.													
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:35%;">NAME</th> <th style="width:15%;">DATE OF BIRTH</th> <th style="width:20%;">FEIN OR SSN</th> <th style="width:30%;">INTEREST</th> </tr> </thead> <tbody> <tr> <td colspan="4" style="text-align: center; padding: 5px;">None</td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	NAME	DATE OF BIRTH	FEIN OR SSN	INTEREST	None								
NAME	DATE OF BIRTH	FEIN OR SSN	INTEREST										
None													
Attach copies of all notes and security instruments, and any written agreement, or details of any oral agreement, by which any person (including partnerships, corporations, limited liability companies, etc.) will share in the profit or gross proceeds of this establishment, and any agreement relating to the business which is contingent or conditional in any way by volume, profit, sales, giving of advice or consultation.													
13. Optional Premises or Hotel and Restaurant Licenses with Optional Premises Has a local ordinance or resolution authorizing optional premises been adopted?	Yes No <input type="checkbox"/> <input type="checkbox"/>												
Number of separate Optional Premises areas requested. _____ (See License Fee Chart)													
14. Liquor Licensed Drug Store applicants, answer the following: (a) Does the applicant for a Liquor Licensed Drug Store have a license issued by the Colorado Board of Pharmacy? COPY MUST BE ATTACHED.	Yes No <input type="checkbox"/> <input type="checkbox"/>												
15. Club Liquor License applicants answer the following and attach: (a) Is the applicant organization operated solely for a national, social, fraternal, patriotic, political or athletic purpose and not for pecuniary gain? (b) Is the applicant organization a regularly chartered branch, lodge or chapter of a national organization which is operated solely for the object of a patriotic or fraternal organization or society, but not for pecuniary gain? (c) How long has the club been incorporated? _____ (Three years required) (d) Has applicant occupied an establishment for three years that was operated solely for the reasons stated above?	Yes No <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>												
16. Brew-Pub License or Vintner Restaurant Applicants answer the following: (a) Has the applicant received or applied for a Federal Permit? (Copy of permit or application must be attached)	Yes No <input type="checkbox"/> <input type="checkbox"/>												
17a. Name of Manager (for all on-premises applicants) <u>Walter Eichinger</u> (If this is an application for a Hotel, Restaurant or Tavern License, the manager must also submit an Individual History Record (DR 8404-I)).	Date of Birth 02/09/62												
17b. Does this manager act as the manager of, or have a financial interest in, any other liquor licensed establishment in the State of Colorado? If yes, provide name, type of license and account number.	Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>												
18. Tax Distraint Information. Does the applicant or any other person listed on this application and including its partners, officers, directors, stockholders, members (LLC) or managing members (LLC) and any other persons with a 10% or greater financial interest in the applicant currently have an outstanding tax distraint issued to them by the Colorado Department of Revenue? If yes, provide an explanation and include copies of any payment agreements.	Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>												

OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO

CERTIFICATE

I, Scott Gessler, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

Brenden Theatre Corporation

is an entity formed or registered under the law of California has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20111468660.

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 10/05/2011 that have been posted, and by documents delivered to this office electronically through 10/06/2011 @ 14:54:02.

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, authenticated, issued, delivered and communicated this official certificate at Denver, Colorado on 10/06/2011 @ 14:54:02 pursuant to and in accordance with applicable law. This certificate is assigned Confirmation Number 8060752.



A handwritten signature in black ink, appearing to read "Scott Gessler".

Secretary of State of the State of Colorado

*****End of Certificate*****

Notice: A certificate issued electronically from the Colorado Secretary of State's Web site is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Certificate Confirmation Page of the Secretary of State's Web site, <http://www.sos.state.co.us/biz/CertificateSearch/Criteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our Web site, <http://www.sos.state.co.us/> click Business Center and select "Frequently Asked Questions."

**CITY OF RIFLE/BRENDEN THEATRE CORPORATION
THEATRE PAD SITE
GROUND LEASE**

THIS GROUND LEASE, is entered into this 20th day of January, 2011 ("Lease"), by and between the City of Rifle, Colorado, a Colorado home rule municipality whose address is 202 Railroad Avenue, P.O. Box 1908, Rifle, Colorado 81650 ("Lessor" or "the City"), and Brenden Theatre Corporation, a California corporation whose address is 4321 West Flamingo Road, Las Vegas, Nevada 89103 ("Lessee" or "Brenden").

WITNESSETH:

WHEREAS, the City is the owner of certain property known as the "Valley Lumber Property" as generally shown on Exhibit A attached hereto and incorporated herein by this reference); and

~~WHEREAS, the parties desire to set forth the terms and conditions of the ground lease of a~~ portion of the Valley Lumber Property known as the ("Theatre Pad Site") as more particularly described on Exhibit B attached hereto and incorporated herein by this reference.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained herein, the adequacy and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

**SECTION I
THE THEATRE**

This Lease is entered into by the parties to facilitate Brenden's construction of an all digital, state of the art six to ten screen theater complex (the "Theatre") on the Theatre Pad Site. The Theatre will encompass 18,000 to 24,000 square feet and have a seating capacity of 675 to 900. Although design of the Theatre will be at Brenden's discretion, Brenden shall work closely with the City to develop mutually agreeable site plan and architectural drawings that correspond with the City's long-term vision for the Valley Lumber Property as a vibrant, mixed-use entertainment district with an urban character. Brenden acknowledges and agrees to abide by all City of Rifle ordinances and regulations regarding design, zoning and construction. The Theatre will be operated in the same manner as Brenden's theatres in California, Nevada and Arizona and will show first-run "mainstream" films. In addition, Brenden will make the Theatre available for rental to local businesses, civic organizations, and similar entities, as studio film commitments will permit.

**SECTION II
LEASED PREMISES**

The City hereby leases unto Brenden for the term and upon the rentals, fees, charges and conditions hereinafter stated a parcel of land situate in the City of Rifle, County of Garfield, and State of Colorado, known as the Theatre Pad Site also generally shown on Exhibit A (also referred herein as the "Leased Premises"). Upon the completion of construction of the foundation for the Theatre, an exhibit showing the actual Theatre Pad Site and future expansion of the Theatre shall be prepared by Brenden and appended to this Lease as Exhibit B and will be the "Leased Premises". Appurtenant to the Theatre Pad Site, the City hereby further grants to Brenden a right of access across the Valley Lumber Property from adjacent public right-of-ways to the Theatre Pad Site and the non-exclusive use of a sufficient number of parking spaces to meet the Theatre's needs for the current and any future expansion of the Theatre, as further set forth in Section IV, below. Further, appurtenant to the Theatre Pad Site, Lessor hereby further grants a temporary construction easement reasonably necessary for the construction of the Theatre and any future expansion of the Theatre. The parties will negotiate in good faith the details and extent of the temporary construction easement to facilitate Brenden's construction and future expansion of the Theatre and memorialize such by separate instrument, if necessary.

**SECTION III
IMPROVEMENTS**

A. Improvements to Valley Lumber Property

The City shall, at its own cost and expense, design and construct all infrastructure necessary to serve the Valley Lumber Property and the Theatre Pad Site including any necessary pad excavation and preparation to the determined finish floor elevation (but not engineered compaction specific to the structure; provided, however any fill material used by the City in site preparation shall be non-expansive soils and compacted to 95%), parking, sidewalks, lighting, utilities, street entrances, and common area landscaping as generally shown on the site plan attached hereto as Exhibit A, which is only a general depiction of the location of the Theatre Pad Site, as discussed above, and the location of parking and appurtenant improvements, all of which will be finalized as part of the site plan and building permit process.

B. Improvements to Theatre Pad Site

Brenden shall, at its own cost and expense, design and construct sidewalks, curbs and gutters, and other facilities as specified in the site plan and within the Theatre Pad Site in compliance with the Rifle Municipal Code and as approved by the City in Brenden's site plan application for the

Theatre. Further, Brenden shall, at its sole cost and expense, provide all work and materials of whatsoever nature in order to construct a first class Theatre on the Theatre Pad Site as described in Section I.,. Brenden's obligation for the Theatre will include, but is not limited to: (i) architectural and engineering services for design and construction of the Theatre; and (ii) all costs associated with constructing, equipping, and operating the Theatre. Construction of the Theatre shall be substantially completed by December 31, 2011, subject to delays beyond the reasonable control of Brenden. For purposes of this provision, "completion" shall mean the issuance of a final Certificate of Occupancy for the Theatre. If the completion of the Theatre has not occurred by June 30, 2012, the City shall have the right, at its option, to terminate this Lease and take control of the Leased Premises and any improvements thereon.

C. Title to Theatre Improvements

Upon expiration or the earlier termination of the Base Term or any extension term(s), described in Section V. below, title to the Theatre, including fixtures, shall vest in and become the property of the City without any additional compensation or further instrument of conveyance. Brenden shall, if so requested, deliver, at no cost or expense to the City, a confirmatory deed or other document requested by the City of the foregoing. The Theatre shall be surrendered and transferred to the City free and clear of all liens or claims, and Brenden shall defend and indemnify the City against all liability or loss arising from such liens or claims. Notwithstanding the foregoing, until such expiration or earlier termination of the Base Term or any extension term(s), Brenden alone shall have the right to deduct all depreciation on Brenden's income tax returns for the Improvements and any alterations, improvements or additions thereto and title to all Improvements shall be vested in Brenden; provided, however, all of Brenden's right, title and interest in and to the Improvements shall be non-separable. Any attempt to transfer such right, title and interest in the Improvements shall be void and ineffective unless accompanied by a complete transfer of Brenden's leasehold estate in accordance with the terms hereof. Brenden specifically covenants not to remove fixtures or other improvements from the Theatre during the Base Term and any extension term(s); provided however, that Brenden may repair, remodel and replace the Theatre at its sole discretion.

D. Expansion of the Theatre

Brenden may expand the Theatre by an additional approximately 4,500 square feet to accommodate two additional movie screens to be constructed at a later date (the "Expansion"). Construction of the Expansion shall follow the procedures set forth in Section VII., below. The Expansion site shall be specified in the approved site plan. Title to the Expansion described herein shall remain with Brenden and shall become part of the Theatre as that term is used herein until expiration or other termination of this Lease.

E. Theatre Building Permit Application and Site Plan Approval

This Lease is premised upon a mutually agreeable site plan and building permit being approved by the City for the Theatre. As an expressed condition of the City granting this Lease, Brenden agrees to comply in full with the City's draft Central Business District Zone Code dated May 6, 2010 provided to Brenden by the City. The parties anticipate Brenden presenting the final Theatre design to the Rifle City Council on March 2, 2011. In the event there is not mutual agreement on the Theatre design, either party may, without consequence, penalty or claim for damages against the other party, declare this Lease terminated by giving notice to the other party by 5pm MST on March 4, 2011 of its desire to terminate this Lease. Brenden further agrees to work in good faith with the City to the extent practicable to make the Theatre energy efficient in furtherance of the City's long-term Energy Village Goals.

**SECTION IV
ACCESS AND EASEMENTS**

A. Common Areas

Brenden will have the non-exclusive right to use all common areas serving the Theatre on the Valley Lumber Property, including, but not limited to, roadways, sidewalks, and parking lots. All parking within the Valley Lumber Property will be provided to Brenden and its customers at no cost.

B. Maintenance License

The City grants to Brenden, and its employees, agents, contractors, and invitees, during the Term and any extension term(s), non-exclusive licenses over, upon and through the Valley Lumber Property for the purposes of constructing, placing, operating and maintaining all necessary pipes, vents, conduits, wires and utilities necessary to maintain and operate the Theatre and for the maintenance of any nonmaterial encroachments of any improvements within the Theatre Pad Site; provided that such license shall not adversely affect the use of the Valley Lumber Property by the City and its employees, agents, contractors, and invitees, as reasonably determined by the City and work is done in compliance with all City codes.

C. Parking License

The City grants to Brenden and its customers, employees and invitees of all of them, during the Term, a non-exclusive license for the free use of areas designated as parking areas, and access to and from such parking areas, now or hereafter located on the Valley Lumber Property for the purpose of parking of passenger vehicles in connection with the use of the Theatre Pad Site by Brenden and its customers, employees, vendors and invitees; provided that such license shall not conflict with or

adversely affect the use of the Valley Lumber Property by the City and its tenants, subtenants, successors and assigns, and the tenants, customers, employees and invitees of all of them as reasonably determined by the City; and provided, further that the City reserves the right to implement and enforce reasonable rules and regulations for the use of the Valley Lumber Property including, without limitation: (a) to direct and regulate vehicular traffic and provide safe vehicular access to and from the Valley Lumber Property; (b) to specify and enforce rules and regulations with regard to the use of the Valley Lumber Property spaces; (c) to designate certain parking spaces to be used only by handicapped drivers, employees or visitors; (d) to implement and enforce parking fines; and (e) to restrict time periods for permitted parking. The generality of the foregoing notwithstanding, Brenden's customers, employees and invitees shall have access to and use of a sufficient number of parking spaces at the Valley Lumber Property to meet the Theatre's needs during at all times that the Theatre is open for business.

D. City Access

The City shall have the right enter upon the Theatre Pad Site at all reasonable times (or at any time in the event of an emergency) to examine same for purposes of determining compliance with this Lease and, within one hundred eighty (180) days of the expiration of the Term or any extension term(s), to exhibit the Theatre to prospective purchasers and prospective lessees.

**SECTION V
TERM**

A. Base Term/License

The initial term of this Lease shall commence on December 1, 2011 and shall be for ten (10) years extending through November 30, 2021 ("Base Term"). Brenden shall have the right to extend the term for two (2), five (5) year periods of time, in accordance with Sections V.B. and C., below. Prior to the Base Term commencing and effective upon the execution of this Lease, Brenden is hereby granted a license for access across the Valley Lumber Property and on the Theatre Pad Site for pre-construction investigations and activities and, upon the issuance of a building permit by the City, for the construction of the Theatre and appurtenant improvements. No rent is due from Brenden until the commencement of the Base Term.

B. Option to Extend Through the Year 2026

1. First Five-Year Extension. Brenden shall have the right to extend the Base Term of this Lease for a period of five (5) years, from December 1, 2021, through November 30, 2026, provided that Brenden is not in default under terms of this Lease and all improvements to the Leased

Premises are determined by the City to be in good and serviceable condition, in accordance with Section V.B.3., below.

2. Option Exercise. Brenden shall notify the City, through the City Manager, in writing of its intention to exercise the option for the first five-year extension term, during the period of time from January 1, 2021, through May 31, 2021.

3. City's Repair and Maintenance "Punch List". Upon notice to the City, through the City Manager, in conformance with Section V.B.2., above, that Brenden intends to exercise the option to extend the term of this Lease, defined in Section V.B.1., above, i.e., until midnight November 30, 2026, the City Manager or his or her designee shall provide Brenden with a Punch List of repair and maintenance items to be completed by Brenden, at Brenden's sole expense. ~~The Punch List shall be provided to Brenden a minimum of One Hundred Twenty (120) days before the~~ First Option Date, and Brenden shall have the One Hundred Twenty (120) day period of time prior to the First Option Date in which to complete repair and maintenance to the satisfaction of the City. Provided that Brenden is proceeding with necessary diligence ~~to complete the Punch List items,~~ Brenden, upon written notice to the City Manager given prior to the expiration of said One Hundred Twenty (120) day period, may extend the time for completion for a period of time not to exceed an additional sixty (60) days. It is specifically understood by the City and Brenden that the repair and maintenance required by the City, evidenced by the Punch List, shall be for the purpose of maintaining improvements in their original state, reasonable wear and tear excepted, and not for new construction.

C. Option to Extend Through the Year 2031

Brenden's right to extend the Term of this Lease by exercising the second option period (through November 30, 2031) shall follow the same procedures set forth in Section V.B. above with the dates adjusted according to the relevant option period.

D. Lessor's Notice of Failure to Exercise

Notwithstanding the provisions of Sections V.B. or V.C., above, should Brenden fail to exercise an option to extend the term of this Lease within the time provided in Sections V.B. and V.C., above, Brenden shall not be deemed to have forfeited the option until such time as the City shall give Brenden written notice of failure to timely exercise the option, together with notice of a period of thirty (30) days, after the date of said notice, within which Brenden shall continue to have the right to exercise the option to extend the relevant term of this Lease ("Notice of Failure to Exercise"). If Brenden shall not have exercised the option, by written notice to the City within the thirty (30) day period provided in the City's Notice of Failure to Exercise, the option shall be forfeited and Brenden shall have no further right to extend the relevant term of this Lease.

E. Holding Over

Should Brenden hold over the use of or continue to occupy the Leased Premises after expiration of the Base Term or any of the extension option terms, such holding over shall be deemed a year to year tenancy upon the conditions and agreements as to uses and operations agreed to herein.

F. Title Conveyance and Surrender of Possession.

Upon ending of the Base Term or any extension option term, Brenden shall peaceably surrender possession of the Leased Premises and remove all personal property, without further requirement of notice by the City and title to the Theatre and associated improvements shall vest in the City and this Agreement shall be terminated by expiration of term.

**SECTION VI
RENTS, FEES AND CHARGES**

A. Rent

1. Rent. During the Base Term Brenden shall pay to the City a base rent of Sixty Thousand Dollars (\$60,000.00) per year for the Leased Premises commencing December 1, 2011 regardless of the commencement date of Theatre operations ("Base Rent"). The Base Rent shall be payable in equally monthly installments of \$5,000.00. In addition to the Base Rent, the total Rent for the Leased Premises will include Brenden's share of common area expenses for the Valley Lumber Property, including operation, maintenance, repair and replacement of Valley Lumber Property improvements as described in Section VI.C. ("Common Area Fees"). Rent shall be due on the first day of each month during the Base Term. The foregoing notwithstanding, if the commencement date of Theatre operations is delayed until after December 31, 2011 due to circumstances beyond the reasonable control of Brenden, Base Rent and Common Area Fees shall commence on the day the Theatre opens for business. If such date is not on the first day of the calendar month, Base Rent and Common Area Fees for that month shall be prorated on a calendar day basis. Any such delay in the start of Base Rent and Common Area Fees shall not change the termination date, option or option exercise dates of this Lease.

2. Extension Term Rent. If Brenden elects to exercise its first five-year extension option, the City may at its sole discretion increase the Base Rent by up to three percent (3.0%), which increase shall remain fixed throughout the first five-year extension term and second five-year term, if Brenden so elects to exercise that option; provided, however, that the City shall provide Brenden with notice of its intent to increase the Base Rent no later than ninety (90) days before the First Option Date.

3. Payments. All payments due and payable under this Lease shall be payable to the order of the City and delivered to the City Clerk's office at Rifle City Hall. This Lease shall not be terminated for non-payment of Rent unless the City has provided written notice of delinquency to Brenden with a period of ten (10) days in which to pay such delinquency.

B. Water and Sewer System Improvement Fees

The City and Brenden acknowledge that pursuant to the Rifle Municipal Code, water and sewer system improvement fees shall be payable to the City upon the issuance of a building permit for the Theatre in accordance with Section 13-4-20(b) of the Rifle Municipal Code. As partial credit for Brenden's system improvement fee obligation, the City shall also extend to Brenden 4.25 existing EQR credits for the Valley Lumber Property. Brenden shall have the right to amortize payments for its total water and sewer system improvement fees in equal monthly installments over the first three (3) years of the initial Term of this Lease, commencing on the first day of each calendar month of the Lease. Brenden shall also be liable for any water and sewer improvement fees and associated charges related to any future expansion of the Theatre which may be assessed by the City.

C. Common Area Fees

As set forth in Section VIII below, the City shall maintain the Valley Lumber Property and the exterior of the Theatre Pad Site, including all parking areas (i.e. repair and replacement of asphalt, striping, concrete, etc.), snow plowing, irrigation and replacement of landscaping. A proportion of the costs of such maintenance or the Valley Lumber Property shall be allocated to Brenden according to the percentage of the number of parking spaces utilized by the Theatre (as may change) as compared to the total number of parking spaces (as may change) within the Valley Lumber Property. The City shall provide notice to Brenden by October 1st of each year of the estimated cost of such maintenance for the succeeding year and the associated expense to be borne by Brenden for that year.

**SECTION VII
REMODELING AND NEW CONSTRUCTION:
PROCESS AND APPROVAL REQUIREMENTS**

A. Plans and Specifications

1. Preliminary Site Plan, Construction Plans. For any new construction on the Leased Premises or construction for external remodeling or expansion of the Theatre, Brenden shall submit a preliminary site plan, including elevations, to the City for review. The City shall review and

YAC

reasonably approve the exterior appearance of the Theatre and any expansion of the Theatre, including massing, details and materials to ensure a cohesive design vocabulary for the Valley Lumber Property. Upon written approval by the City or its designee, Brenden shall submit construction plans and associated permit applications to the City of Rifle Planning Department. All construction, development, and remodeling of improvements shall be built or installed in conformance with the Rifle Municipal Code, City, State and Federal codes and requirements in effect at the time of construction, including without limitation, building and fire codes. Plans and specifications approved for construction shall be prepared and certified by registered architects and engineers. Construction shall be in accordance with the plans so approved.

2. Record Drawings (As-Built's), Inventory of Costs. Within thirty (30) days of issuance of a Certificate of Occupancy, and as part of the building permit process, Brenden shall file ~~with the City Manager: (1) hard copies of as-Built record drawings and specifications, showing in-~~ place utilities and all other improvements; and (2) an itemization of actual costs of construction, certified by an authorized officer of Brenden.

B. Improvements to the Theatre

The color of improvements to the Theatre, including roof extensions, and any new construction permitted in this Lease shall be similar to the colors of the building initially constructed or as approved by the City.

C. Signage

Brenden shall comply in full with the Rifle Municipal Code for the signing for the Theatre. Upon the written approval of the City, and consistent with the City of Rifle Sign Code, Brenden may also install and maintain on the Valley Lumber Property a sign or signs for the Theatre.

**SECTION VIII
MAINTENANCE AND SECURITY**

A. Maintenance of the Theatre

The Theatre, including the exterior walls, doors and windows of the Theatre, shall be maintained by Brenden at its own expense. Brenden shall maintain the Theatre in a safe, neat and attractive condition and in good and serviceable repair. Brenden shall repair all damage to the Theatre caused by its operations and/or by its employees, customers, guests, contractors, agents and invitees. The City shall be responsible for maintaining the Valley Lumber Property, including the Theatre Pad Site up to the exterior walls of the Theatre, including, irrigation systems, sidewalks, curb

and gutter, parking areas, and snow removal, subject to Brenden paying its allocation of Common Area Fees set forth in Section VI.C.; provided, however, Brenden shall be responsible for day-to-day maintenance of the immediate area of the Theatre Pad Site for litter and ice accumulation.

B. Security

Security of the Theatre shall be the responsibility of Brenden. Nothing in this Lease shall be construed to impose security obligations upon the City. The City shall not be liable for any loss or damages suffered by Brenden from use and occupancy of and operation upon the Leased Premises.

SECTION IX
UTILITIES

A. Utility Availability

1. Electricity and Gas. The City will make available at its expense connection to in-place electricity and gas lines at the Theatre Pad Site, as specified in the site plan. Brenden shall provide to the City its specific electricity and gas service needs. Brenden shall be responsible for the construction of the connections to the electricity and gas lines, including distribution within the Theatre.

2. Water and Sewage. The City will make available at its expense access to the water and sewer systems, including water for the Theatre's fire suppression system, at the Theatre Pad Site, as specified in the site plan. Brenden shall have the same responsibilities for extension of water and sewer service to new construction as stated above, regarding extension of electricity and gas.

3. Telephone and Cable Communications. The City will make available at its expense telephone and cable communication at the Theatre Pad Site, as specified in the site plan. Brenden shall have the same responsibility for construction of the connectors and service lines necessary to extend telephone and cable services as stated above, regarding extension of electricity and gas.

4. Nonexclusive Access Rights for Installation. With respect to electricity, gas, water, waste, telephone and other communications, the City hereby grants Brenden nonexclusive rights over and across the Valley Lumber Property, along reasonably convenient and direct routes, in order to provide utility services to the Leased Premises.

B. Monthly Service Charges

Brenden shall be liable for all set up fees, monthly service charges, and any other fees charged by utility and communication providers.

**SECTION X
MORTGAGE OR OTHER ENCUMBRANCE OF LEASEHOLD INTEREST**

Brenden does not intend to and shall not have the right to pledge its leasehold interest as security for the purpose of construction of capital improvements to the Leased Premises or any operations on the Leased Premises.

**SECTION XI
LIENS, SECURITY AND CONSTRUCTION NOTICE**

A. Liens

In the event any individual or entity attempts to assert a mechanics', materialmen's or other type of lien against the Leased Premises, Brenden shall hold the City harmless from such claim, including the cost of defense, and shall provide the City with a Release of Lien or a Release of Verified Statement of Claim, as appropriate, recorded in the Office of the Garfield County Clerk and Recorder.

B. Local Deposit of Construction Funds to Secure Payment and Performance

Prior to constructing the Theatre or any expansion of the Theatre, Brenden shall deposit the full contractual amount for the improvements in a bank account in its name at a bank of its choice located in Rifle, Colorado ("Deposit of Funds") and shall draw down on the Deposit Funds as portions of the improvements constructed under this Lease are completed and proof of payment of labor and materialmen is submitted to Brenden. The expressed purpose of said Deposit of Funds is to secure payment of labor and material claim and Brenden's performance in constructing the Theatre. Certification of payment adequate for release of this security shall consist of a spreadsheet, certified by an authorized representative of Brenden, accompanied by lien waivers executed by Brenden's contractors and subcontractors which shall be available to the City for its review upon request. Final release of the ten percent (10%) retainage of the Deposit Funds shall only occur upon the City's written acceptance of a verified statement of Brenden's authorized representative and general contractor that the project has been completed in accordance with contract standards; and all labor, material, supplies and equipment invoices have been paid. Further, to secure Brenden's performance in constructing the Theatre, if Brenden abandons the Leased Premises, the City shall have the right to utilize the final ten percent (10%) of the Deposit Funds to mitigate the Leased Premises as the City in its sole discretion determines. The bank holding the Deposit Funds shall expressly agree that Deposit Funds are encumbered by this requirement acknowledging and agreeing

to the City's interest in said ten percent (10%) of the Deposit Funds.

C. Landlord's Notice

Brenden and the City recognize that the construction of improvements by Brenden is not secured as a "Public Works" project under the Colorado Contractor's Bonds Lien on Funds Statute, Section 38-26-101, *et seq.*, C.R.S., as amended. The parties further acknowledge that the City's fee interest in the Leased Premises cannot be attached by labor or materialmen in order to secure payment of money due for the provision of labor, materials, supplies or equipment, under the Colorado Mechanic's Lien Law, Section 38-26-107, *et seq.*, C.R.S., as amended. Therefore, the City and Brenden agree to the posting of the Leased Premises, if and when Brenden begins construction of an expansion of the Theatre or commences a remodeling of the Theatre or any other improvement ~~authorized under terms of this Lease.~~

**SECTION XII
INDEMNITY AND INSURANCE**

A. Indemnification/Hold Harmless

1. General. Brenden assumes the risk of loss or damage to the Theatre and any associated improvements and contents constructed on the Leased Premises, whether if from wind storm, fire, earth quake, snow, water runoff, vandalism or any other cause or causes whatsoever. Brenden hereby agrees to indemnify and hold harmless the City, its officers, employees, agents, and assigns from and against all claims and damages of any kind, including attorney's fees, brought by anyone, arising out of this Lease or out of Brenden's or its contractors', agents', employees', or tenants' use and occupancy of and/or operations on the Leased Premises, other than those resulting from the negligence or willful misconduct on the part of the City, its officers, agents, employees, and assigns. To the extent permitted by law, the City hereby agrees to indemnify and hold harmless Brenden, its officers, employees, agents, and assigns from and against all claims and damages of any kind, including attorney's fees, brought by anyone, arising out of design, construction, maintenance or use of the Common Area.

2. Employees. It is expressly understood by the parties that employees of Brenden and its contractors, agents, and tenants are not employees of the City for any purpose, including but not limited to individuals and entities involved in operations and services engaged in by Brenden and Brenden's construction contractors for improvements built under the terms of this Lease.

B. Insurance

Brenden shall provide the insurance required by the document attached and incorporated herein as Exhibit C.

1. Application of Insurance Proceeds. Brenden shall apply insurance proceeds, payable by reason of loss or damage to the Theatre to the restoration of the improvements on the Leased Premises. In the event of damage due to an insurable cause and Brenden's application of proceeds to restoration, this Lease shall continue in full force and effect.

2. Workers' Compensation. Brenden shall carry Workers' Compensation Insurance, as required by Colorado law and regulation and noted on Exhibit C. The City, its officers, agents or employees shall not be responsible for any claims or actions occasioned by Brenden's failure to comply with the provisions of this Section. Further, during any construction permitted by this Lease, Brenden shall require proof from Brenden's general contractor documenting the contractor's Workers' Compensation coverage. Brenden shall also require the general contractor to provide proof from each subcontractor that the subcontractor is insured, as required by the Colorado Workers' Compensation Act, or, shall require the general contractor to accept coverage responsibility for subcontractors without insurance or with inadequate Workers' Compensation coverage.

**SECTION XIII
REMEDIES FOLLOWING DEFAULT**

A. Brenden's Monetary Default or Lack of Insurance

In the event of breach by Brenden of the monetary or insurance covenants of this Lease, the City shall provide written notice to Brenden and Brenden shall be deemed to be in default as of the date the payment was due and not paid or the date on which proof of insurance was required to be delivered and no proof was supplied to the City unless such default is cured within ten (10) calendar days of Brenden's receipt of the City's written notice. The City, without termination of this Lease, may thereafter proceed in law or equity to seek injunctive relief, specific performance and/or damages incurred as a result of Brenden's default. Where Brenden's default results from failure to provide proof of insurance and Brenden is proceeding with necessary diligence to obtain such proof of insurance, Brenden shall be entitled to an extension of said thirty (30) day minimum cure period, not to exceed however an additional thirty (30) calendar days in which to obtain the required Certificates of Insurance and provide proof of insurance to the City.

Said written notice to cure, identifying the breach and stating the date by which cure is required shall be delivered to Brenden in accordance with Section XX., below. If the identified breach is not cured by 5:00 p.m. on the cure date, or an extension thereof with regard to proof of insurance, the City, at its option and with or without termination of this Lease, may enter and repossess the Leased Premises and all improvements. Such re-entry may be with or without process

of law and shall be without liability for trespass or forcible entry and without prejudice to any other remedies to which the City may be entitled. In such event, Brenden agrees to peaceably surrender the Leased Premises to the City, as required by Section XIV., below, without further notice or demand.

B. Brenden's Non-Monetary Default or Abandonment

In the event of breach by Brenden of the performance of any of the conditions, covenants, agreements or obligations hereunder, other than those described in Section XIII.A., above, or in the event of abandonment by Brenden of its operations on the Leased Premises, the City shall provide written notice to Brenden and Brenden shall be deemed to be in default of this Lease as of the date of the City's notice unless the breach is cured within thirty (30) calendar days of Brenden's receipt of the City's written notice. ~~The City, without termination of this Lease, may thereafter proceed in law or equity to seek injunctive relief, specific performance and/or damages incurred as a result of Brenden's default. In the event of any default hereunder by Brenden, other than abandonment, where Brenden is proceeding with necessary diligence to effectuate a remedy, Brenden shall be entitled to an extension of such minimum cure period not to exceed however an additional thirty (30) calendar days in which to remedy the default unless the situation necessitates a greater time period, in which case a reasonable cure period shall be imposed.~~

Said notice to cure, identifying the breach and stating the date by which cure is required shall be delivered to Brenden in accordance with Section XX., below. If the identified breach is not cured by 5:00 p.m. on the cure date, or an extension thereof with regard to a default other than abandonment, the City, at its option and with or without termination of this Lease, may enter and repossess the Leased Premises and all improvements. Such re-entry may be with or without process of law and shall be without liability for trespass or forcible entry and without prejudice to any other remedies to which the City may be entitled. In such event, Brenden agrees to peaceably surrender the Leased Premises to the City, as required by Section XIV., below.

C. Notice Period for Summary Proceedings

If the City elects to retake possession of the Leased Premises from Brenden by summary judicial proceedings, demanding payment of Rent and/or other fees and charges and/or proof of insurance and/or compliance with any other term of this Lease or, in the alternative, surrender of possession of the Leased Premises, the parties recognize and agree that the applicable ten (10) or thirty (30) day notice/cure period described above shall control. In such instance, for the purpose of §13-40-104, C.R.S., as amended, the default shall be deemed to have occurred at five o'clock p.m. on the thirtieth day following receipt by Brenden of the City's notice to cure (or the last day of an extended minimum cure period), at which point in time, if Brenden is in possession of the Leased Premises, Brenden shall be holding over without permission of the City and, at the City's option, shall be subject to summary proceedings under the Colorado Forcible Entry and Detainer statutes, Section 13-40-104, *et seq.*, C.R.S., as amended.

D. Waiver

No failure to strictly enforce the terms of this Lease shall be deemed a waiver by either party unless such waiver is in writing and executed by the party against whom enforcement of the waiver is sought. No waiver by either party of any failure of a party to comply with any term or condition of this Lease shall be construed to be a waiver of any other failure by such party to comply with the same or any other term or condition of this Lease.

**SECTION XIV
SURRENDER OF POSSESSION AND TITLE TO IMPROVEMENTS**

~~Upon expiration of the Base Term, or any extension term(s), or other termination of this Lease, Brenden's right to use and occupy the Leased Premises and all improvements shall cease and Brenden shall surrender the Leased Premises and its rights and privileges under the provisions of this Lease to the City. Brenden shall leave the Leased Premises and improvements in good and serviceable condition, except for normal wear and tear; vacate the premises without unreasonable delay; and execute and deliver to the City a document of conveyance transferring to the City all right, title and interest to the improvements described in Section III., above, free and clear of liens and encumbrances.~~

**SECTION XV
COMPLIANCE WITH LAWS, RULES AND REGULATIONS**

The right to use and occupy the Leased Premises, shall be exercised in conformity with the statutes, ordinances, codes, rules and regulations pertinent to Brenden's use of the Leased Premises as such may be promulgated from time to time by the City, the State of Colorado, the federal government, and other governmental and quasi governmental entities. Brenden shall be responsible to ensure that its employees, representatives, contractors, agents, and tenants comply with such and shall be liable for any and all fines and penalties assessed to the City as a result of action or omission by Brenden or its employees, representatives, contractors, agents, and tenants with regard to such.

Without limiting the generality of the covenants contained in this Section, Brenden specifically agrees to pay all taxes, if any, levied upon personal property and Brenden's improvements to and possessory interest in the Leased Premises. Brenden shall obtain and pay for all licenses, permits, and other authorizations required in order to make improvements to and operate its business.

**SECTION XVI
ASSIGNMENT**

A. Consent

This Lease shall not be assigned by Brenden without the prior written consent of the City. The consent of the City shall not be unreasonably withheld, and the City may consider, among other things, the financial viability of the proposed assignee and the assignee's ability to comply with the terms of this Lease. In any event, Brenden shall not convey an ownership interest in improvements on the Theatre Pad Site independently from assignment of this Lease.

B. Terms and Condition

The terms and conditions of this Lease shall be incorporated into any document effecting an assignment of this Lease, and Brenden shall provide the City a copy of the assignment document.

**SECTION XVII
QUIET ENJOYMENT BY BRENDEN**

Upon payment of the rents, fees, and charges provided herein and upon observation of all covenants, warranties, agreements, and conditions of this Lease, Brenden shall have the right to exclusive possession and enjoyment of the Leased Premises during the Base Term and any extension term(s) of this Lease. Brenden recognizes that fee simple title to the Leased Premises is vested in the City. Brenden agrees that nothing herein shall give Brenden any ownership or option to own the Leased Premises.

**SECTION XVIII
CONSTRUCTION INCONVENIENCES**

Brenden recognizes that from time to time during the Base Term and any extension term(s) of this Lease it may be necessary for the City to engage in construction, expansion, relocation, maintenance and repair of the Valley Lumber Property. Such activity may temporarily inconvenience Brenden's operations and will require accommodation by Brenden; however, the City shall make all reasonable efforts to minimize such inconvenience and ensure that access remains open and adequate parking exists to serve the Theatre.

**SECTION XIX
BINDING UPON SUCCESSORS AND ASSIGNS**

All of the covenants, conditions, and agreements contained in this Lease shall be binding upon and inure to the benefit of the respective parties as well as their successors in interest of any kind, including assigns.

**SECTION XX
NOTICE**

Every notice or other communication required by this Lease shall be delivered in writing to ~~the addresses stated below, unless a new address is provided by written notice of one party to the~~ other. Such notice of a change of address or of the identity of the contact person shall not require formal amendment of this Lease.

City of Rifle
c/o City Manager
P.O. Box 1908
Rifle, CO 81650

Brenden Theatre Corporation
c/o Chief Financial Officer
4321 W. Flamingo Road
Las Vegas, NV 89103

James S. Neu
Karp Neu Hanlon, P.C.
P.O. Drawer 2030
Glenwood Springs, CO 81602

Delivery shall be made in person, by certified return receipt requested U.S. Mail, or receipted delivery service.

**SECTION XXI
HEADINGS AND NUMBERING**

The Section headings and numbering system used herein are for convenience in referencing and are not intended to define or limit the scope of any provision of this Lease.

**SECTION XXII
PARTIAL INVALIDITY**

To the extent that this Lease may be executed and performance of the obligations of the parties may be accomplished within the intent of this Lease, the terms hereof are severable. If any

term or provision of this Lease is declared invalid by a Court of competent jurisdiction or becomes inoperative for any other reason, then the invalidity or failure shall not affect the validity of any other term or provision of this Lease.

SECTION XXIII AMENDMENT

All amendments to this Lease shall be made in writing executed with the same formality as this Lease, except as detailed in Section XX., regarding change of notification information; and in Section VI., above, regarding rent adjustment and licensing, percentage and other fees. No oral amendment shall be of any force or effect whatsoever.

SECTION XXIV MATERIALS AND ENVIRONMENTAL ISSUES

A. City Representations and Responsibilities

The City has no actual notice of or knowledge of any form of environmental degradation to the Leased Premises; however, the City makes no covenants or warranties, express or implied, regarding the lack of environmental degradation. Should the City become aware of the possible presence on the Leased Premises of hazardous material(s), i.e., a substance(s) regulated by any governmental authority or agency having jurisdiction over environmental or health risks, materials handling, or wastes, including but not limited to, the State of Colorado, City of Garfield, Rifle Fire Protection District, and United States Environmental Protection Agency, the City shall investigate such condition as soon as is reasonably possible.

Correction of such condition, if required by the authorized agency, shall be in accordance with pertinent statutory and regulatory law. Brenden shall not be responsible for the cost of investigation or correction unless such is required due to Brenden's or its employee's, contractor's, subcontractor's, agent's or assignee's use and occupancy of and/or operations on the Leased Premises.

B. Limitations on Brenden's use of Hazardous Materials

Brenden shall not generate, use, handle, store, or dispose of hazardous materials on the Leased Premises except those materials commonly utilized in a Theatre which shall be generated, used, handled, stored or disposed of consistently with the applicable laws, orders, rules, ordinances

and regulations of the authorities and agencies. No use of the Leased Premises which requires additional fire protection or environmental regulation shall be permitted without advance approval by the City.

**SECTION XXV
ATTORNEY'S FEES**

Should this Lease become the subject of litigation to resolve a claim of default in performance by the City or Brenden, the prevailing party, in addition to such other relief as may be granted, shall be entitled to attorney fees, expenses, and court costs. All rights concerning fees and costs shall survive termination of this Lease.

**SECTION XXVI
CONTROLLING LAW**

This Lease shall be governed by the laws of the State of Colorado and venue for all actions shall be in Garfield County, Colorado.

**SECTION XXVII
RECORDING**

Upon execution by the parties, this Lease shall be recorded in the records of the Garfield County Clerk and Recorder.

A handwritten signature or set of initials, possibly 'JR', located in the bottom right corner of the page.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals to be effective January 20, 2011 no matter the date of execution.

CITY OF RIFLE, COLORADO



[CITY SEAL]

[Signature]
Mayor Bo Tom

ATTEST:

[Signature]
City Clerk

STATE OF COLORADO)
) ss.
GARFIELD COUNTY)

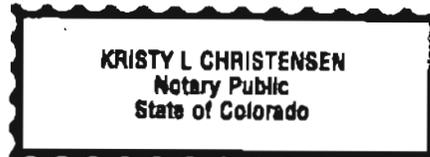
The foregoing instrument was acknowledged before me this 27 day of January, 2011, by Keith Lambert as Mayor and Lisa Cain as City Clerk of the City of Rifle.

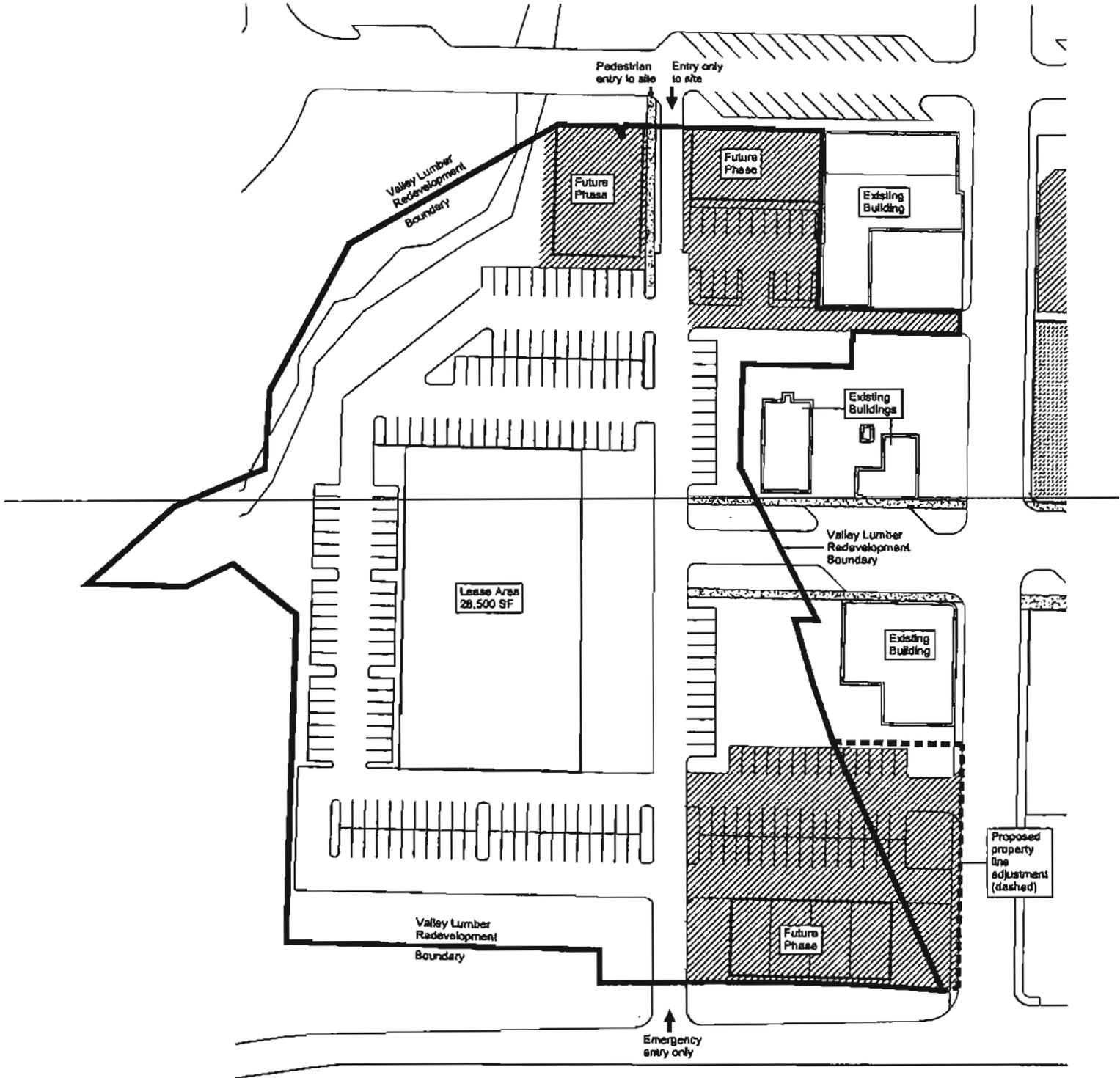
WITNESS MY HAND AND OFFICIAL SEAL, the day and year above written.

[NOTARIAL SEAL]

[Signature]
Notary Public

My commission expires:
7/14/2014





	136 East Third Street Rifle, CO 81650 (970) 825-0580 phone (970) 825-0581 fax www.jcarch.com
	Johnson-Carter Architects, P.C. Copyright 2011

Valley Lumber Redevelopment
 Rifle, Colorado 81650

A1
Date: 01-13-11

Handwritten signature

EXHIBIT C

The following provisions shall apply to Lessee pursuant to this Ground Lease. In order to use or occupy the Leased Premises, the terms of this Exhibit must be satisfied prior to the commencement of work on the Leased Premises. Lessee shall procure and maintain, during the full term of the Lease all insurance required herein.

The following insurance requirements are minimum requirements and in no way limit the hold harmless and indemnity covenants contained in the Lease. The City in no way warrants that the minimum limits contained herein are sufficient to protect the Lessee from liabilities that might arise, and Lessee is free to purchase additional insurance.

Minimum Types and Limits of Insurance: Lessee shall provide coverage with limits of liability not less than those stated below. An excess liability policy or umbrella liability policy may be used to meet the minimum liability requirements provided that the coverage is written on a "following form" basis.

Commercial General Liability- Occurrence Form

The policy shall be endorsed to include the following additional insured language: "The City of Rifle, its subsidiary, parent, associated and/or affiliated entities, successors, or assigns, its elected officials, trustees, employees, agents, and volunteers shall be named as additional insured's with respect to liability arising out of the activities performed by, or on behalf of the Lessee/Operator."

Minimum Limits:

General Aggregate	\$2,000,000
Products/ Completed Operations Aggregate	\$2,000,000
Each Occurrence Limit	\$1,000,000
Personal/Advertising Injury	\$1,000,000

Worker's Compensation and Employers' Liability

Minimum Limits:

Coverage A (Workers' Compensation)	Statutory
Coverage B (Employers Liability)	\$100,000
	\$100,000
	\$500,000

Builders' Risk Insurance or Installation Floater, as appropriate

Minimum Limits:

Total Construction Value

Additional Insurance Requirements: The policies shall include, or be endorsed to include, the following provisions:

On insurance policies where the City is named as an additional insured, the City shall be an additional insured to the full limits of liability purchased by the Lessee even if those limits of liability are in excess of those required by the Lease.

The Lessee's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.

For the provisions of **Commercial General Liability** set forth above, the insurance policy must include contractual liability coverage.

All insurance shall be issued by companies authorized to do business in the State of Colorado and written on forms satisfactory to, filed with and approved by the Colorado Department of Insurance.

Notice of Cancellation: Each insurance policy shall provide the required coverage and shall not be suspended, voided or canceled except after thirty (30) days prior written notice has been given to the City, except when cancellation is for nonpayment of premium, then ten (10) days prior notice may be given. Such notice shall be sent directly to the City Manager, at the address contained in the "Notice" provision of the Lease.

Verification of Coverage: The Lessee shall furnish the City with certification of insurance (ACORD form or equivalent approved by the City).

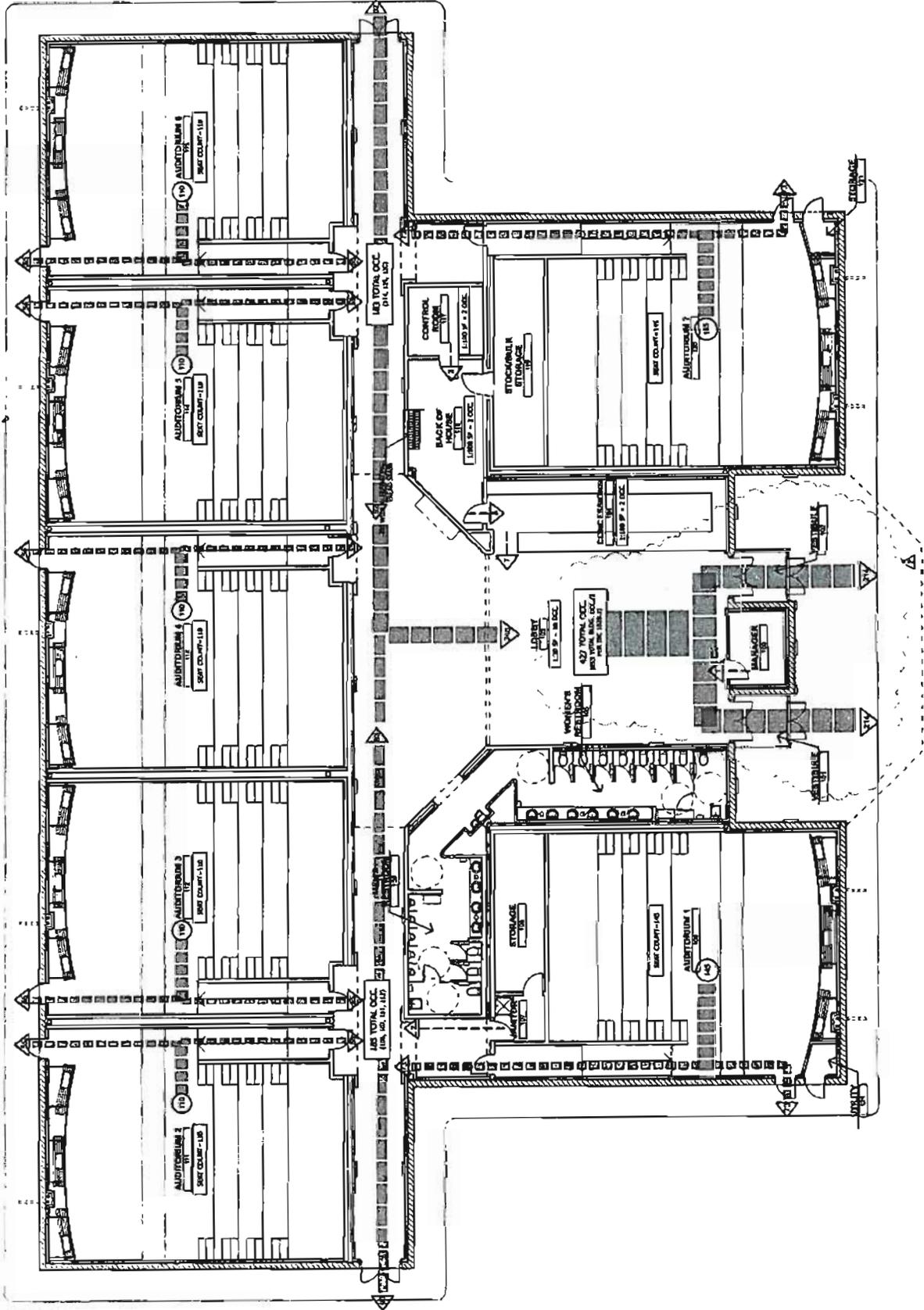
The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved by the City Manager before work commences. Each insurance policy must be in effect at or prior to commencement of work on the Leased Premises and remain in effect for the duration of the construction project and for two (2) years after completion of the construction project on the Leased Premises or for the term of the Lease, as appropriate. Failure to maintain the insurance policies or to provide evidence of renewal is a material breach of the Lease.

All certificates and any required endorsement shall be sent directly to the City Manager. The City reserves the right to require complete, certified copies of all insurance policies any time.

Approval: Any modification or variation from the insurance requirements shall be made by the Office of the City Manager after consultation with the City Attorney's Office. Such action will not require a formal contract amendment, but may be made by administrative action.

DIAGRAM OF PREMISES



1 MAIN LEVEL EGRESS PLAN
SCALE: 1/8" = 1'-0"

NAME OF ESTABLISHMENT: *BRENDEN RIFLE 7 THEATRES*



December 2012

**Honorable Mayor
Honorable City Council Members
City of Rifle Staff**

Hello,

Thank you again for considering allowing the sale of beer & wine at the Brenden Rifle Theatres.

I have included here some **specific thoughts on keeping alcohol out of the hands of minors** at our theater. I know that we cannot guarantee that someday a beer or wine will never make it's way into the hands of a teenager in our theater, but it will our top priority of our alcohol operations program.

First, we will make it difficult as we can by;

1. Proper Training – all managers and employees that will serve alcohol will RVP Certified & TIPS Trained. Those employees who are not trained will not be permitted to serve or stock alcohol. If at any time there a patron wishes to purchase alcohol, but a RVP trained employee is not available then the sale will be refused. ***This will help prevent under age patrons presenting false or invalid IDs.*** (attachment #1)
2. Wrist Bands – each patron who purchases alcohol will be required to wear a colored wrist band. The color of the band will randomly change and will glow in the dark to make it easier to identify an approved 21 & over patron. At no time will be wrist band take the place of a proper ID Check. ***This will aid managers & security staff to identify that a under age patron is drinking alcohol particularly in a dark theater.***
3. Clear Cups – our beer & wine will be served in clear plastic cups. No alcohol will be served or allowed to be transferred to a regular soda Brenden logo cup. ***This will aid managers & security staff to identify that under age patron may be drinking alcohol particularly in a dark theater.***
4. Location of Alcohol Server Station – our beer & wine will be sold from one concession register only at the far right of the stand. (attachment #2). No other concession items will be sold here. This allows for six other stations to purchase regular concession items. ***This acts as a Control Point. This allows for only persons 21 & over to present themselves at this station and under age patrons cannot make the excuse that they are there to purchase other items.***
5. One ID & One Drink Limit – A patron may only buy one drink (one beer or one wine) per 24 hour period at Brenden. And they cannot buy for another person even if the other person is clearly over 21 and standing a few feet away in the lobby. That person will have to come to the counter and present their ID. One drink per valid ID. ***This will help prevent a patron 21 & over buying an extra drink for a minor.***
6. Ticket Stub Check – at the same time as the ID check, the patron's ticket stub will be checked to insure that the auditorium they are in is not an alcohol restricted film. In addition to G rated films, other big films that are heavily marketed towards teenagers such as *Twilight*, *Hunger Games*, *The Host*, will be restricted from all alcohol sales. ***This will help prevent alcohol from being "shared" during a film that teenagers really want to attend.***



Page 2

7. Auditorium Checks – Brenden Managers and Security will step up auditorium checks to ensure a visible presence inside where the alcohol is being consumed. ***This will help deter “shared” drinking if the patron realizes that they will be supervised.***
8. Surveillance Cameras – each alcohol purchase will be recorded by cctv and there will be signage at serving station indicating this to the patron. There is also current cctv through the hallways and other locations in the theater. ***This will help deter the presentation of a false ID as it will it make them think twice about being recorded & digitally stored or a patron denying that they ever purchased alcohol in the first place.***

Second, we will educate our patrons who purchase alcohol the consequences of breaking our rules through signage posted directly at the alcohol serving station;

1. For those patrons 21& over that we witness purchasing and providing a minor alcohol served from our concession they will be removed from the theater without refund. They will be told that they are banned from our facility for no less than 3 months. And a call to the non-emergency line of the Rifle PD will be made.
2. For those minors that we witness consuming alcohol somehow obtained though our concession area will be removed from our facility without a refund. They will be told that they are banned from the theater for a minimum of 3 months. And a call will be made to the non-emergency line of the Rifle PD.

In addition, Brenden would fully cooperate in any undercover “test buys” to ensure that we are following all alcohol rules and restrictions. We would be agreeable to a Probation or Trail time period set forth by the Council.

Again, thank you for your consideration in this matter.

Sincerely,

WEichinger

**Walter Eichinger
Vice President
Brenden Corporation**



CERTIFICATE

This certificate is presented to

WALTER EICHINGER

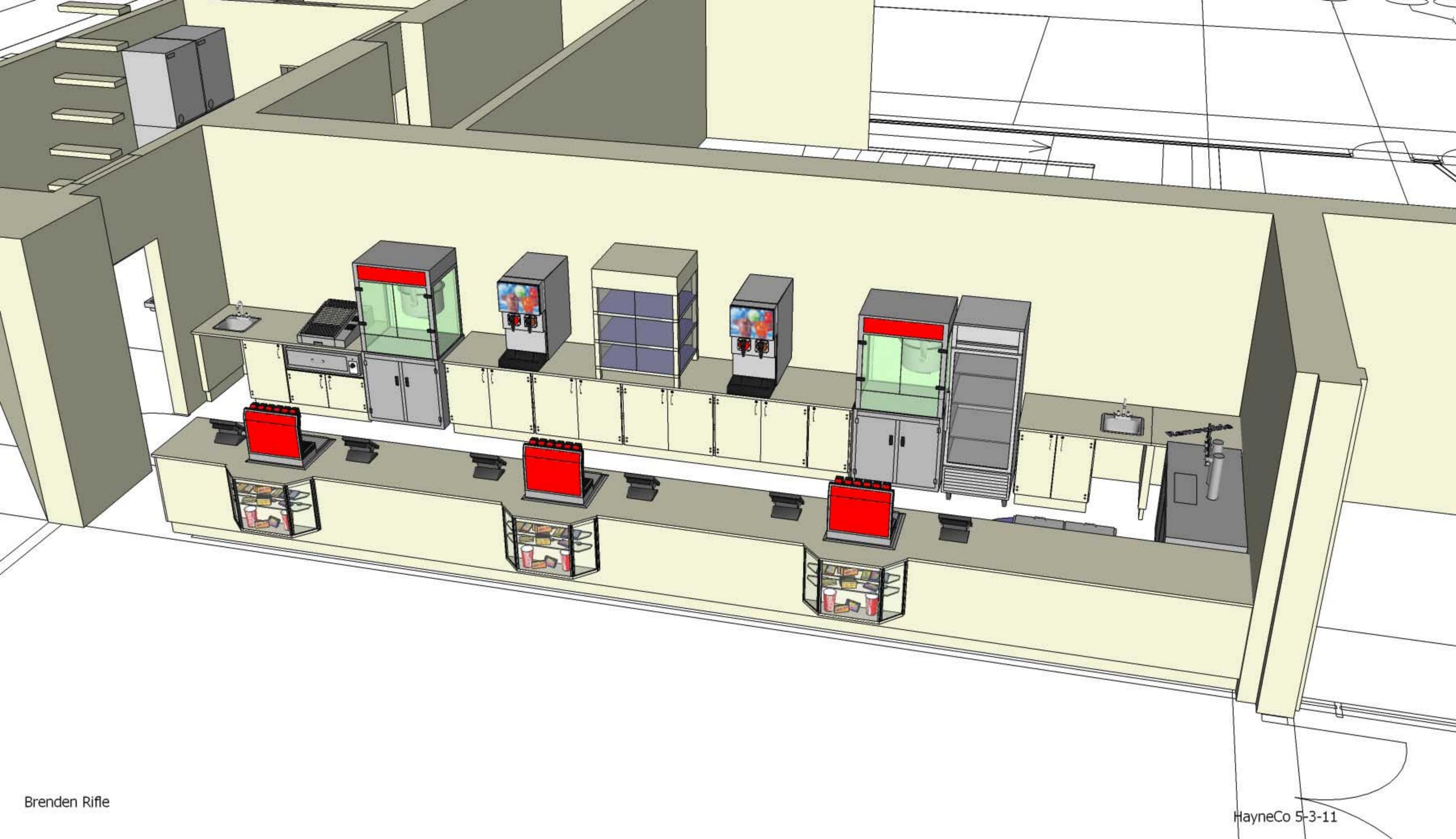
In recognition of completing the Seller Server Responsibility Training in conformity with and certified by the State of Colorado Department of Revenue Liquor Enforcement Division on June 14, 2012.

Stephanie Tuin

City Clerk

06/19/2012

Date





To: Mayor and City Council; John Hier, City Manager

From: Lisa Cain, City Clerk

Date: Wednesday, February 06, 2013

Subject: Special Event Permit: Rifle Area Chamber of Commerce

Rifle Area Chamber of Commerce has applied for a Special Event Permit to serve liquor at its annual dinner at 501 Airport Road on March 9, 2013.

The following criteria have been met by the applicant:

- The fees have been paid.
- The application is complete.
- The applicant has not exceeded 15 permit days in 2013.

The public hearing was properly noticed. Representatives from the applicant will be present to discuss the application and answer questions.

Based on the above information, I recommend approval of this application.

APPLICATION FOR A SPECIAL EVENTS PERMIT

Department Use Only

**IN ORDER TO QUALIFY FOR A SPECIAL EVENTS PERMIT, YOU MUST BE NONPROFIT
 AND ONE OF THE FOLLOWING (See back for details.)**

- | | | |
|--|--|--|
| <input checked="" type="checkbox"/> SOCIAL | <input type="checkbox"/> ATHLETIC | <input type="checkbox"/> PHILANTHROPIC INSTITUTION |
| <input type="checkbox"/> FRATERNAL | <input type="checkbox"/> CHARTERED BRANCH, LODGE OR CHAPTER | <input type="checkbox"/> POLITICAL CANDIDATE |
| <input type="checkbox"/> PATRIOTIC | <input type="checkbox"/> OF A NATIONAL ORGANIZATION OR SOCIETY | <input type="checkbox"/> MUNICIPALITY OWNING ARTS FACILITIES |
| <input type="checkbox"/> POLITICAL | <input type="checkbox"/> RELIGIOUS INSTITUTION | |

LIAB TYPE OF SPECIAL EVENT APPLICANT IS APPLYING FOR:	DO NOT WRITE IN THIS SPACE
2110 <input checked="" type="checkbox"/> MALT, VINOUS AND SPIRITUOUS LIQUOR \$25.00 PER DAY	LIQUOR PERMIT NUMBER
2170 <input type="checkbox"/> FERMENTED MALT BEVERAGE (3.2 Beer) \$10.00 PER DAY	

1. NAME OF APPLICANT ORGANIZATION OR POLITICAL CANDIDATE Rifle Chamber of Commerce	State Sales Tax Number (Required) 0409100
---	---

2. MAILING ADDRESS OF ORGANIZATION OR POLITICAL CANDIDATE (Include street, city/town and ZIP) 200 Lions Park Circle Rifle, CO 81650	3. ADDRESS OF PLACE TO HAVE SPECIAL EVENT (Include street, city/town and ZIP) 501 Airport Rd Rifle, CO 81650
--	---

NAME	DATE OF BIRTH	HOME ADDRESS (Street, City, State, ZIP)	PHONE NUMBER
------	---------------	---	--------------

4. PRES./SEC'Y OF ORG. or POLITICAL CANDIDATE Frank Ladd	
---	--

5. EVENT MANAGER Gina Reece-Long	
-------------------------------------	--

6. HAS APPLICANT ORGANIZATION OR POLITICAL CANDIDATE BEEN ISSUED A SPECIAL EVENT PERMIT THIS CALENDAR YEAR? <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES HOW MANY DAYS? _____	7. IS PREMISES NOW LICENSED UNDER STATE LIQUOR OR BEER CODE? <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES TO WHOM? _____
---	--

8. DOES THE APPLICANT HAVE POSSESSION OR WRITTEN PERMISSION FOR THE USE OF THE PREMISES TO BE LICENSED? Yes No

LIST BELOW THE EXACT DATE(S) FOR WHICH APPLICATION IS BEING MADE FOR PERMIT

Date	Hours	From	To	Date	Hours	From	To	Date	Hours	From	To	Date	Hours	From	To
3/9/2013	5:00 p		12:00 a												

OATH OF APPLICANT

I declare under penalty of perjury in the second degree that I have read the foregoing application and all attachments thereto, and that all information therein is true, correct, and complete to the best of my knowledge.

SIGNATURE 	TITLE Event Coordinator	DATE 12/20/12
---------------	----------------------------	------------------

REPORT AND APPROVAL OF LOCAL LICENSING AUTHORITY (CITY OR COUNTY)

The foregoing application has been examined and the premises, business conducted and character of the applicant is satisfactory, and we do report that such permit, if granted, will comply with the provisions of Title 12, Article 48, C.R.S., as amended.

THEREFORE, THIS APPLICATION IS APPROVED.

LOCAL LICENSING AUTHORITY (CITY OR COUNTY)	<input type="checkbox"/> CITY <input type="checkbox"/> COUNTY	TELEPHONE NUMBER OF CITY/COUNTY CLERK
--	--	---------------------------------------

SIGNATURE	TITLE	DATE
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DO NOT WRITE IN THIS SPACE - FOR DEPARTMENT OF REVENUE USE ONLY

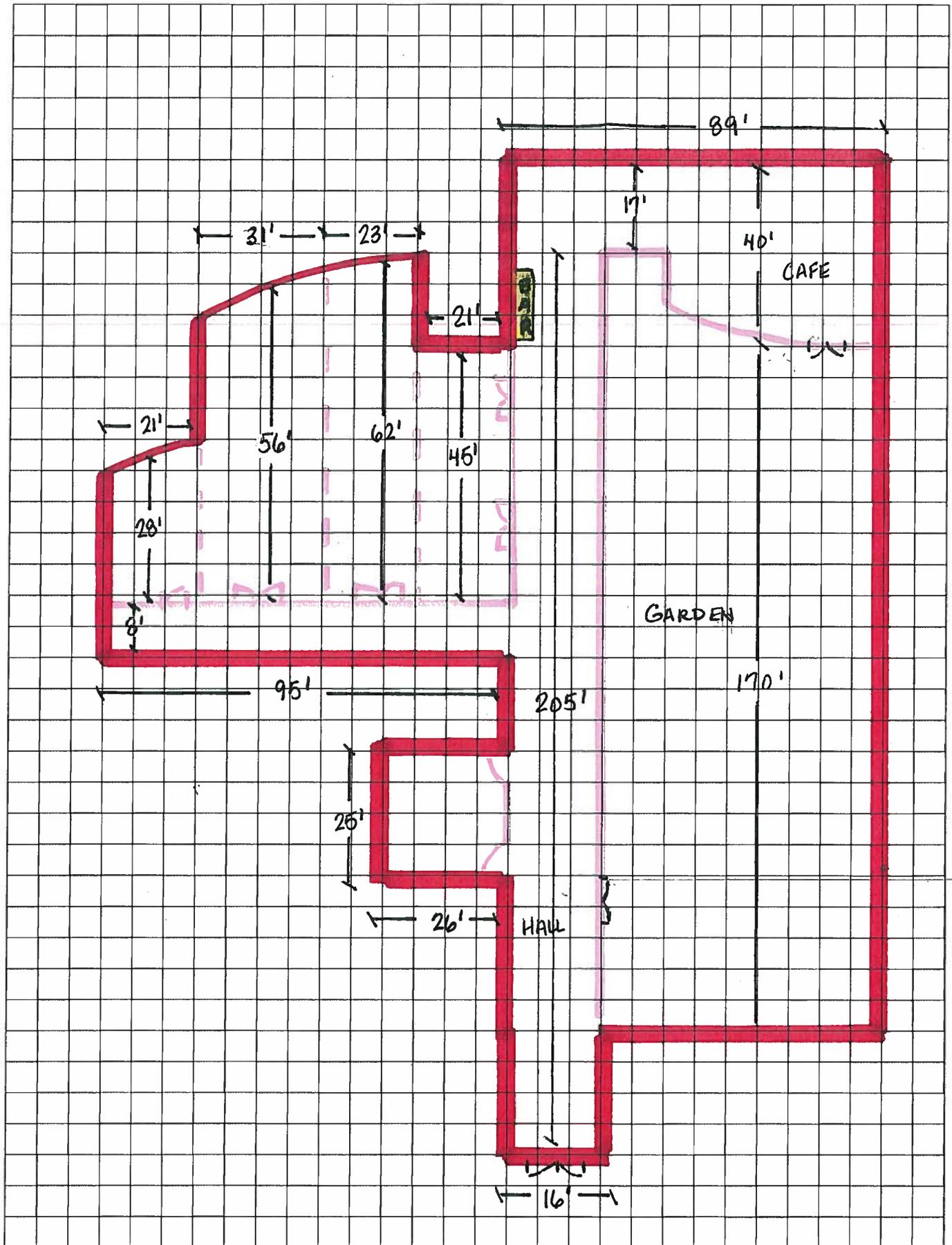
LIABILITY INFORMATION

License Account Number	Liability Date	State	TOTAL
		-750 (999)	\$.

(Instructions on Reverse Side)

GRAND RIVER HOSPITAL DISTRICT

DIAGRAM OF PREMISES





Grand River Hospital District

Hospital Services | Family Medicine | Internal Medicine | Women's Health | Specialty Services | Long Term Care | Occupational Health Services

January 16, 2013

To Whom It May Concern:

Permission is granted for the Rifle Area Chamber of Commerce to have a Special Events Permit for alcoholic beverages during their Annual Dinner to be held on Grand River Hospital District's premises on Saturday, March 9, 2013.

Please contact me if you have any questions or need further information.

Sincerely,

James C. Coombs, Jr., CEO
Grand River Hospital District

OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO

CERTIFICATE

I, Scott Gessler, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

RIFLE CHAMBER OF COMMERCE

is a **Nonprofit Corporation** formed or registered on 07/16/1954 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 19871126319.

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 03/09/2012 that have been posted, and by documents delivered to this office electronically through 03/12/2012 @ 12:56:33.

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, authenticated, issued, delivered and communicated this official certificate at Denver, Colorado on 03/12/2012 @ 12:56:33 pursuant to and in accordance with applicable law. This certificate is assigned Confirmation Number 8191157.



A handwritten signature in blue ink, reading "Scott Gessler", is written over a horizontal line.

Secretary of State of the State of Colorado

*****End of Certificate*****

Notice: A certificate issued electronically from the Colorado Secretary of State's Web site is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Certificate Confirmation Page of the Secretary of State's Web site, <http://www.sos.state.co.us/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our Web site, <http://www.sos.state.co.us/> click Business Center and select "Frequently Asked Questions."

City of Rifle

Special Events Liquor Permit Application

Name of Applicant / Organization: Rifle Area Chamber of Commerce

Thank you for your interest in a Special Event in the City of Rifle. In addition to the State Application (Form #DR 8439), the following information must be provided in order for your application to be considered. Incomplete applications will be rejected. Please do not hesitate to contact the City Clerk with questions at (970) 665-6405.

1. The City requires that a Special Events Permit application be received no later than 45 days prior to the event. What is the date(s) of your event? **March 9, 2013**

2. What security measures will you take to ensure your event will be safe for all participants and control entry of under age persons?

This event is for adults only, all ID's will be checked by a "Tips Trained" bartender.

3. Will minors be allowed at your event? yes no
If "yes," what measures will you take to ensure that alcoholic beverages are not sold to or consumed by minors?

4. Per Rifle Municipal Code 6-5-170(a)(3), the City requires that at least one server, manager, or owner/operator, including volunteers, who has successfully completed an approved educational liquor serving seminar, is present at all times and is supervising the dispensing of alcoholic beverages. What is the name of the person(s) who has this certification and will be on the premises the entire time of your event?

Kathi Clark

5. Have you included the appropriate fees with your application? **Yes**
Fees: For Malt, Vinous, and Spirituous Liquor or for Fermented Malt Beverage (3.2% Beer)
Check payable to the *City of Rifle* for \$100.00 per event

6. Does your diagram of the intended licensed premises include:
 Measurements/dimensions of the area to be licensed?
 Points of ingress/egress?
 An outline *in red* of the area to be licensed?

7. I have read the Rifle Municipal Code provisions regarding (copies of these sections are attached to this form):

- Sections 10-8-30, 10-8-50 & 10-8-60(7) No minors allowed on licensed premises
- Section 10-8-80 Open container law
- Section 6-5-170 Educational requirements for Licensees

Signature:

Date: **12/20/12**

DEPARTMENT OF PLANNING & DEVELOPMENT

202 Railroad Avenue, Rifle, CO 81650

Phone: 970-665-6490 Fax: 970-625-6268



MEMORANDUM

TO: MATT STURGEON, PLANNING DIRECTOR

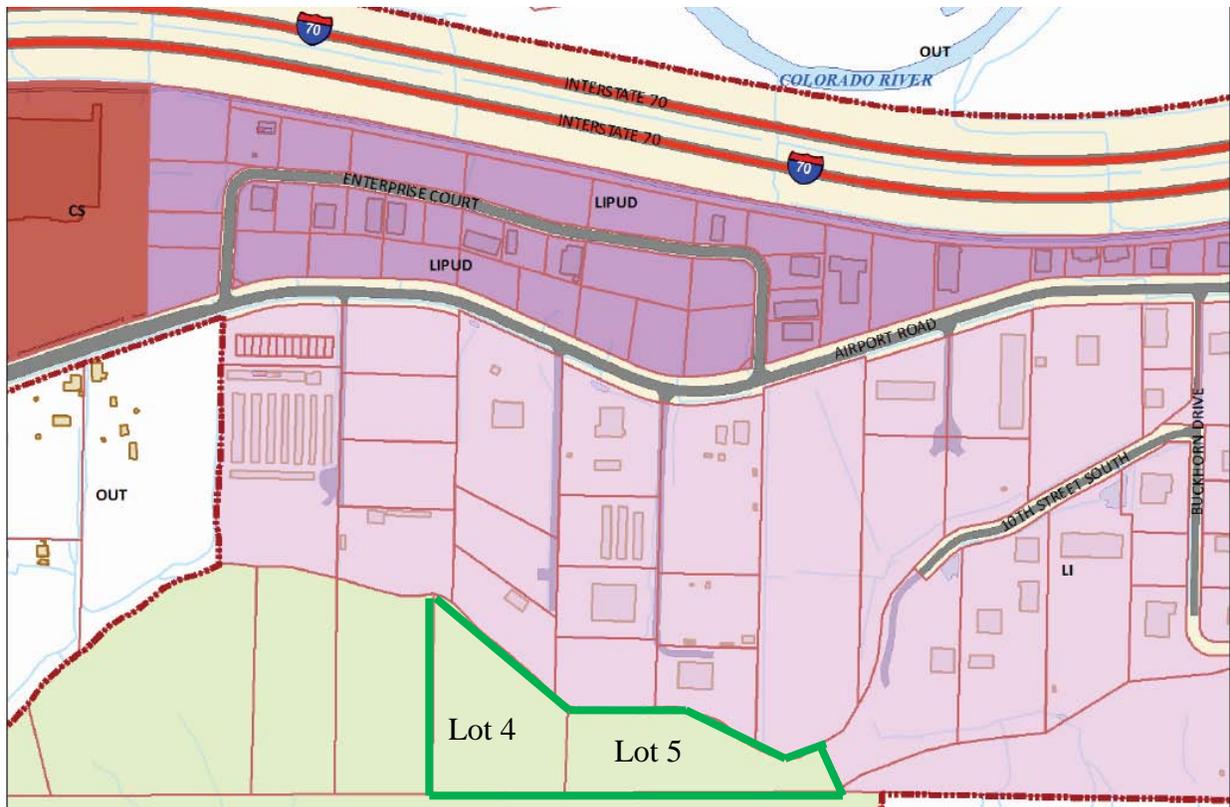
FROM: NATHAN LINDQUIST, PLANNER

DATE: FEBRUARY 14, 2013

SUBJECT: MAP AMENDMENT 2013-1

REQUEST

The applicant, Mark Sills, requests that Council approve Map Amendment 2013-1 – a rezoning of McLearn Orchards Lot 4 and 5 from Developing Resources zoning to Light Industrial zoning. See the area outlined below in green for the area under consideration.



DEPARTMENT OF PLANNING & DEVELOPMENT

202 Railroad Avenue, Rifle, CO 81650

Phone: 970-665-6490 Fax: 970-625-6268



The purpose of the rezoning is to make Lot 4 and 5 developable for uses permitted within the Light Industrial zoning district. The lots are currently vacant and zoned Developing Resources, which is a holding zone for property that is annexed into the City but not yet developable

The property in question is not developable because it does not currently have street access. As a part of the rezoning process the applicant must identify where street access will come from and how it will be paid for. The applicant proposes to either add on to the private street that is north of the property so that it accesses Lots 4 and 5 (see Exhibit B), or to extend South 10th Street from the east to reach Lots 4 and 5.

On January 29, 2013 the Planning Commission recommended approval of the Map Amendment in question, and approved a Conditional Use Permit for empty frac tank storage on the site. The Conditional Use Permit is attached. It would NOT allow fracking fluid to be stored on the site, and would only be valid if City Council approves the Map Amendment in question.

There are several issues that the applicant needs to resolve regarding the street question, as well as other site planning issues, before the rezoning to Light Industrial will be recorded by Staff. Staff has listed these issues in the RECOMMENDATIONS section. Staff comments on the appropriateness of the rezoning are below in the FINDINGS section.

FINDINGS

Pursuant to Section 16-5-280, the Commission shall consider the following criteria before approving a rezoning (**staff comments shown in bold italics**):

1. Conformance of the proposal with the City of Rifle Municipal Code;

The proposal is following the rezoning process as described in the code.

2. The compatibility of the proposal with the character of the surrounding area, including but not limited to the architectural character of the neighborhood, the average lot and building sizes in the neighborhood, and the relative value of the proposed structure to the value of other structures in the neighborhood;

The proposed rezoning is compatible with the zoning of surrounding properties which are Light Industrial on the north and east. To the south of the property is a steep hill that creates a barrier between this light industrial area and other uses. To the west are lots that are zoned Developing Resources but are intended by the Comprehensive Plan for Light Industrial uses, if floodplain issues can be resolved. All structures and uses on the property will conform to the standards of the Light Industrial zoning district, which is consistent with the requirements of surrounding properties.

3. The desirability for the proposed use in the specific area of the City;

The uses allowed in the Light Industrial zoning district are consistent with existing uses in the area.

4. The potential for adverse environmental effects that might result from the proposed use;

DEPARTMENT OF PLANNING & DEVELOPMENT

202 Railroad Avenue, Rifle, CO 81650

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Environmental effects from Light Industrial uses are mitigated through the conditional use permit process and the site plan process.

5. Compatibility of the proposed use and the site (or subdivision) plan with the City of Rifle Comprehensive Plan;

The Comprehensive Plan recommends this area for Light Industrial uses. It also recommends a future extension of South 10th Street to connect to Last Chance Drive. The ROW for this road shall be preserved, and the property owners of Lots 4 and 5 required to participate in future construction of the road.

6. The potential impact of the proposed use upon the value of property and buildings within the surrounding area;

The proposed rezoning is not anticipated to affect property values in the surrounding area.

7. Conformance of the proposal with the approval requirements concerning water and sewer tap availability for high volume use requests pursuant to §10.10.110 of these regulations, if applicable.

Not applicable to a rezoning.

RECOMMENDATION

Staff recommends that Council APPROVE Map Amendment 2013-1 with the following conditions:

1. The applicant shall, within 6 months of the date of Council approval of this Map Amendment, address the issues listed below in a manner satisfactory to the Rifle Municipal Code and Staff.
2. The approval of this Map Amendment shall expire 6 months from the date of Council approval UNLESS all issues listed below are addressed in that time. Staff shall withhold recording of this Map Amendment until all issues are resolved.
3. The applicant shall record a Plat Amendment(s) that accomplishes the following:
 - a. Shows the Right-of-Way dedicated to the City for future South 10th Street extension.
 - b. Demonstrate easements have been obtained to access both Lots 4 and 5.
 - c. Creates a lot line adjustment so that the boundary between Lot 4 and 5 is centered on the private access easement.
4. The applicant shall obtain approval from the Fire District on road design and turnaround.
5. The applicant shall obtain approval from the Last Chance Ditch Company on access easement crossing over the ditch.
6. The applicant shall obtain a Development Agreement with City that describes road design for access to Lots 4 and 5.
7. The applicant shall address the issue of electrical easements on the property and what use can occur within them.

DEPARTMENT OF PLANNING & DEVELOPMENT

202 Railroad Avenue, Rifle, CO 81650

Phone: 970-665-6490 Fax: 970-625-6268



8. The applicant shall address any other issues that arise as required by Rifle Municipal Code and Staff.
9. The property owner of Lot 4 and 5 shall participate in any Special Improvement District formed for the construction of South 10th Street.

DEPARTMENT OF PLANNING & DEVELOPMENT

202 Railroad Avenue, Rifle, CO 81650

Phone: 970-665-6490 Fax: 970-625-6268



MEMORANDUM

TO: MATT STURGEON, PLANNING DIRECTOR

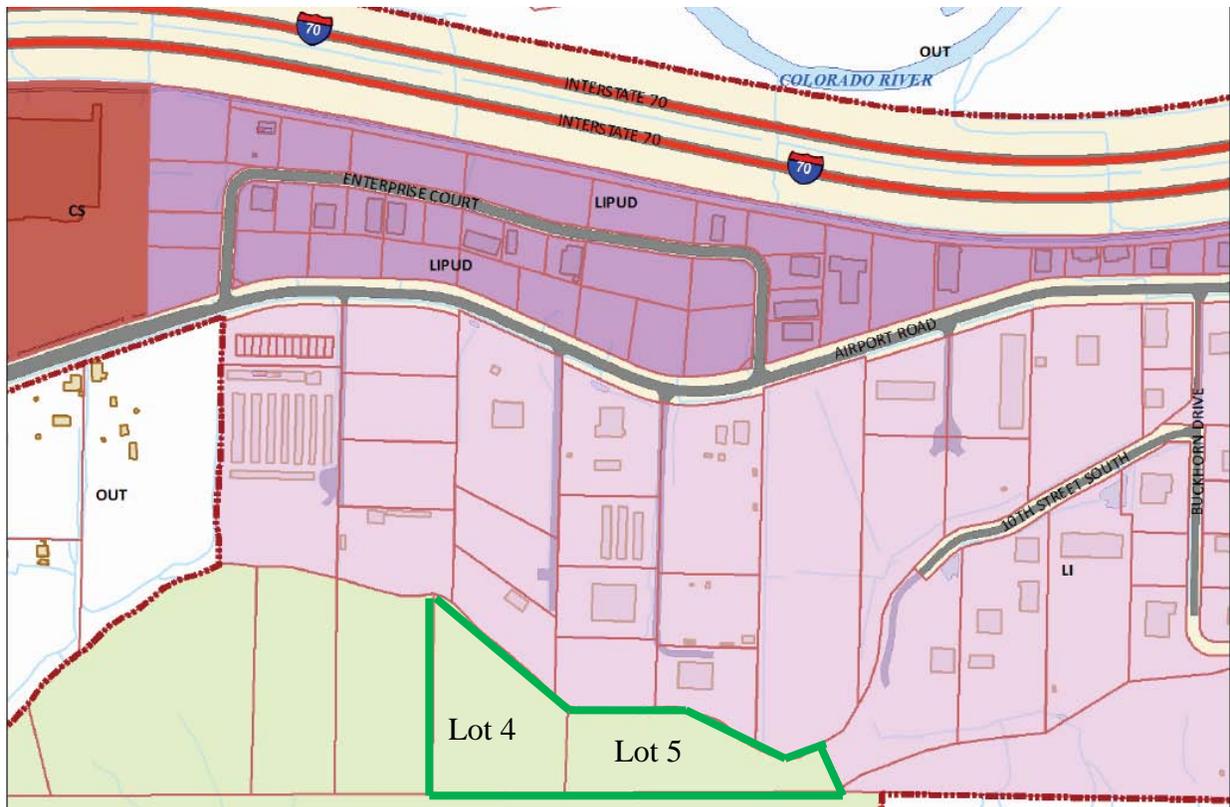
FROM: NATHAN LINDQUIST, PLANNER

DATE: JANUARY 23, 2013

SUBJECT: CONDITIONAL USE PERMIT 2013-1

REQUEST

The applicant, Mark Sills, requests that Planning Commission approve Conditional Use Permit 2013-1– a heavy equipment storage yard within the Light Industrial zoning district. See the area outlined below in green for the area under consideration.



DEPARTMENT OF PLANNING & DEVELOPMENT

202 Railroad Avenue, Rifle, CO 81650

Phone: 970-665-6490 Fax: 970-625-6268



The purpose of the conditional use permit is to make Lot 4 and 5 developable for uses a heavy equipment storage yard. The property owner intends to lease it for storage of frack tanks.

The applicant proposes to add on to the private street that is north of the property so that it accesses Lots 4 and 5 (see Exhibit B) This Conditional Use Permit is contingent on approval of Map Amendment 2013-1 to a Light Industrial zoning district. Staff has listed conditions in the RECOMMENDATIONS section. Staff comments on the appropriateness of the rezoning are below in the FINDINGS section.

FINDINGS

Pursuant to Section 16-5-280, the Commission shall consider the following criteria before approving a rezoning (**staff comments shown in bold italics**):

1. Conformance of the proposal with the City of Rifle Municipal Code;

The proposal is following the Conditional Use Permit process as described in the code.

2. The compatibility of the proposal with the character of the surrounding area, including but not limited to the architectural character of the neighborhood, the average lot and building sizes in the neighborhood, and the relative value of the proposed structure to the value of other structures in the neighborhood;

The proposed heavy equipment storage yard is compatible with the zoning of surrounding properties, all of which are Light Industrial and most of which are engaged in the oil and gas industry.

3. The desirability for the proposed use in the specific area of the City;

The uses is generally consistent with existing uses in the area.

4. The potential for adverse environmental effects that might result from the proposed use;

The conditions of approval are anticipated to address potential environmental impacts.

5. Compatibility of the proposed use and the site (or subdivision) plan with the City of Rifle Comprehensive Plan;

The Comprehensive Plan recommends this area for Light Industrial uses.

6. The potential impact of the proposed use upon the value of property and buildings within the surrounding area;

The proposed rezoning is not anticipated to affect property values in the surrounding area.

DEPARTMENT OF PLANNING & DEVELOPMENT

202 Railroad Avenue, Rifle, CO 81650

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7. Conformance of the proposal with the approval requirements concerning water and sewer tap availability for high volume use requests pursuant to §10.10.110 of these regulations, if applicable.

Not applicable to a rezoning.

RECOMMENDATION

Staff recommends that Planning Commission APPROVE Conditional Use Permit 2013-1 with the following conditions:

1. The temporary frac tank storage yard and the future contractors yard shall be graveled and make use of dust suppression methods. The City will make semi-annual inspections for dust repression and adequate surfacing to avoid mud on city streets. The City reserves the right to revoke this Conditional Use Permit due to a failed inspection.
2. No fracking fluid will be stored in conjunction with the temporary frac tank storage yard.
3. This Conditional Use Permit shall become null and void UNLESS Map Amendment 2013-1 is recorded and all conditions met.
4. The applicant shall obtain all necessary permits including a Site Plan and state Stormwater Management permit.
5. All truck traffic associated with this use shall avoid the Exit 90 interchange and instead use the Exit 94 Mamm Creek interchange.
6. The Conditional Use Permit shall become null and void if the use is not in place within one year from the date of this approval.

JFS Holdings LLC

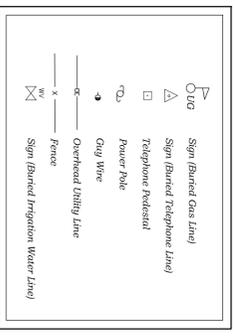
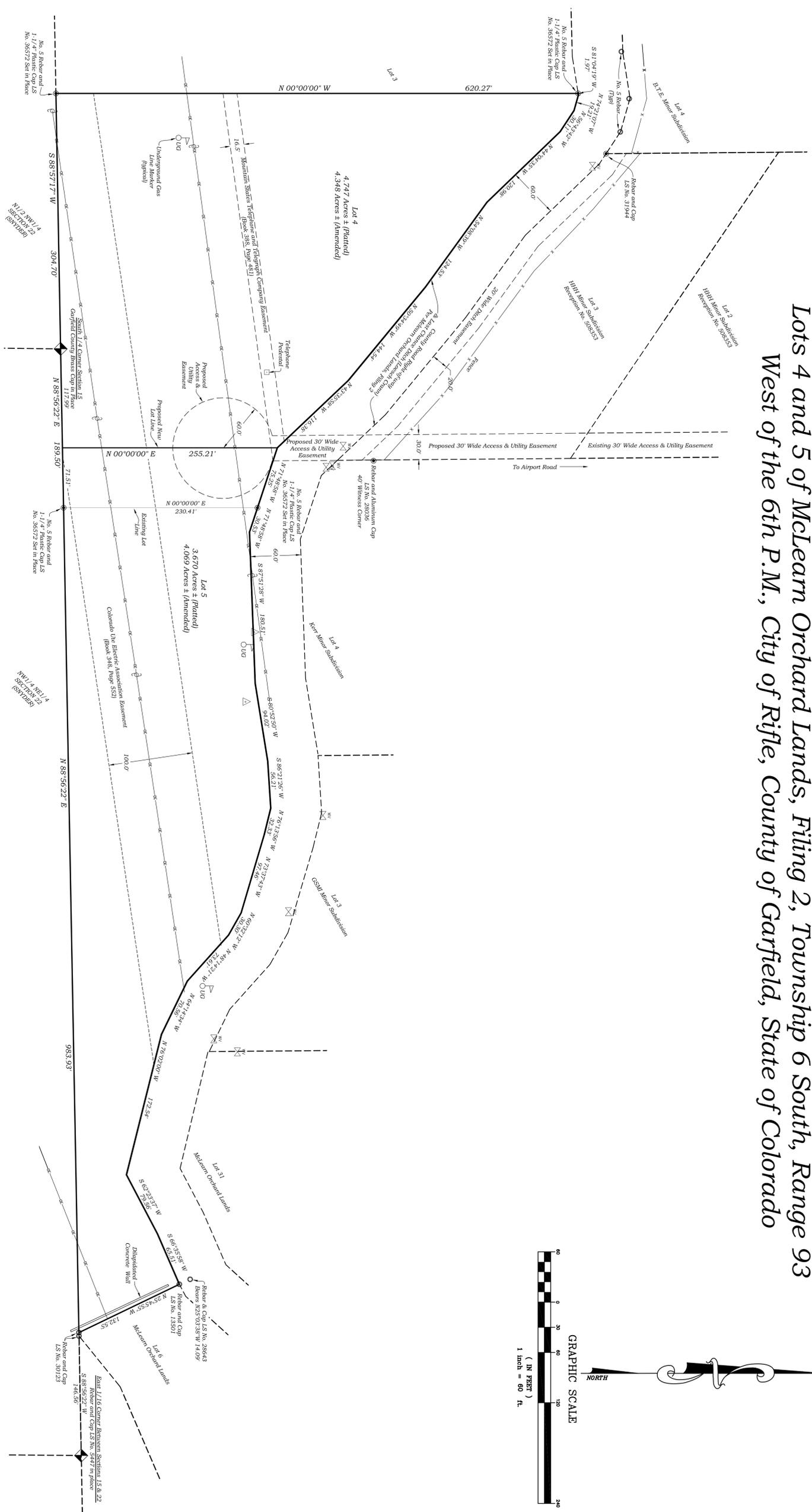
Properties Lot 4 and 5 of Mclearn Orchards Lands

Change use from developing resource to Light Industrial. Including a heavy equipment yard CUP

We believe we can conform with this code because: The surrounding area is zoned Light Industrial. The majority of buildings surrounding are oil field equipment companies. The use at this property is similar to the surrounding area. The company that will occupy this yard has thirty full time employees. This property should have little or no impact on the surrounding land values.

SITE PLAN

Lots 4 and 5 of McLearn Orchard Lands, Filing 2, Township 6 South, Range 93
West of the 6th P.M., City of Rifle, County of Garfield, State of Colorado



NOTES

- 1.) THE NORTHERLY BOUNDARY LINE OF LOTS 4 AND 5 OF McLEARN ORCHARD LANDS, FILING 2 IS DEFINED BY THE SOUTHERLY LINE OF THE NORTHERLY ADJACENT PARCELS OFFSET 60 FEET SOUTH FOR THE RIGHT-OF-WAY OF THE COUNTY ROAD AS SHOWN ON THE PLAT OF McLEARN ORCHARD LANDS, FILING NO. 2 FILED AT THE GARFIELD COUNTY CLERK AND RECORDERS OFFICE AS RECEPTION NO. 41072 AND SHOWN HEREBON.
- 2.) THIS SURVEY IS BASED ON THE TITLE COMMITMENT PREPARED BY COMMONWEALTH TITLE COMPANY OF GARFIELD COUNTY, FILE NO. 1211067, DATED DECEMBER 3, 2012. DOCUMENTS OF RECORD AND MONUMENTS FOUND IN PLACE AS INDICATED HEREBON.
- 3.) PORTIONS OF THE BURIED PIPELINE FOR LAST CHANCE DITCH (LOESCH GRANN) LIE WITHIN THE PLATED COUNTY ROAD RIGHT-OF-WAY. BURIED IRRIGATION MARKERS SHOWN HEREBON INDICATE APPROXIMATE LOCATION.
- 4.) THE PURPOSE OF THIS SITE PLAN IS TO SHOW THE PROPOSED LOCATION OF THE NEW LOT LINE BETWEEN LOTS 4 AND 5 AND THE LOCATION OF THE PROPOSED ACCESS AND UTILITY EASEMENT ACROSS LOT 3 OF THE HHH MINOR SUBDIVISION AND THE COUNTY ROAD RIGHT-OF-WAY & LAST CHANCE DITCH (LOESCH GRANN) DOWN TO SAID LOTS 4 & 5, AS SHOWN HEREBON.

PROPERTY DESCRIPTION

LOTS 4 AND 5 OF McLEARN ORCHARD LANDS, FILING 2, AS SHOWN ON THE PLAT RECORDED JANUARY 22, 1911 AS RECEPTION NO. 41072, TOWNSHIP 6 SOUTH, RANGE 93 WEST OF THE 6TH P.M., CITY OF RIFLE, COUNTY OF GARFIELD, STATE OF COLORADO

REVIEW

FILE: SITE PLAN DPT.: SCB OK: MAL DATE: 12/20/12		LOTS 4 & 5 McLEARN ORCHARD LANDS, 2ND FILING MARK SILLS		SITE PLAN		136 East 3rd Street Rifle, Colorado 81650 Ph. (970) 625-1330 Fax (970) 625-2773		REVISION: 1/15/13 DESCRIPTION: ADD PROPOSED INFORMATION	
PROJECT NO. 12097-01		SHEET 1 OF 1							

**CITY OF RIFLE, COLORADO
ORDINANCE NO. 3
SERIES OF 2013**

AN ORDINANCE OF THE CITY OF RIFLE, COLORADO, REZONING LOTS
4 AND 5 OF MCLEARN ORCHARD LANDS FROM DEVELOPING
RESOURCES (DR) ZONE DISTRICT TO LIGHT INDUSTRIAL (LI) ZONE
DISTRICT.

WHEREAS, Mark Sills (the “Applicant”) initiated a request to rezone Lots 4 and 5 of McLearn Orchard Lands, Filing 2 as shown on the plat recorded January 22, 1911 with the Garfield County Clerk and Recorder as Reception No. 41072 (the “Property”), from Developing Resources (DR) Zone District to Light Industrial (LI) Zone District; and

WHEREAS, the proposed rezoning of the Property matches the use and zoning of surrounding properties and corresponds with the City’s development efforts; and

WHEREAS, on January 23, 2013, the City of Rifle Planning Commission considered the rezoning application for the Property and recommended that the Property be rezoned Light Industrial (LI) Zone District if Applicant satisfies certain conditions as recommended by the City of Rifle Planning Commission in the Staff Report (“Staff Report”) incorporated herein by reference; and

WHEREAS, the City Council reviewed the rezoning application at its February 20, 2013 and March 6, 2013 meetings and agreed with the Planning Commission’s findings and desires to rezone the Property as Light Industrial (LI) Zone District if the Applicant satisfies the conditions identified in the Staff Report.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF RIFLE, COLORADO, ORDAINS THAT:

1. The aforementioned recitals are hereby fully incorporated herein.
2. The Applicant shall, by September 15, 2013 and following review and approval by the City pursuant to the Rifle Municipal Code, record a Plat Amendment that satisfies the Planning Commission’s recommendations as identified in the Staff Report. Upon satisfaction of those conditions, this Ordinance shall be recorded with the Garfield County Clerk and Recorder evidencing such satisfaction of conditions and the rezoning of the Property will become effective at that time.
3. Within thirty (30) days after the effective date of the rezoning of the Property as set forth in Section 2 above, the City Clerk shall incorporate the terms of this Ordinance into the Geographical Information System described in RMC §16-3-20 and shall cause a printed copy of the amendment to the City Zone District Map to be made, which shall be dated and signed by the Mayor and attested to by the City Clerk and which shall bear the seal of the City. The amended Map shall include the number of this Ordinance. The signed original printed copy of the Zoning Map shall be filed with the City Clerk. The Clerk shall also record a certified copy of this Ordinance with the Garfield County Clerk and Recorder. The City staff is further directed

to comply with all provisions of the Rifle Land Use Regulations, RMC §16-1-10, *et seq.*, to implement the provisions of this Ordinance.

INTRODUCED on February 20, 2013, read by title, passed on first reading, and ordered published as required by the Charter.

INTRODUCED a second time at a regular meeting of the Council of the City of Rifle, Colorado, held on March 6, 2013, passed without amendment, approved, and ordered published in full as required by the Charter.

DATED this _____ day of _____, 2013.

CITY OF RIFLE, COLORADO

By _____
Mayor

ATTEST:

City Clerk

BEFORE THE CITY COUNCIL OF THE CITY OF RIFLE, COLORADO

CONCERNING THE APPLICATION FOR AN AMENDMENT TO WATERSHED DISTRICT PERMIT NO. 3-09 FOR THE CONSTRUCTION AND OPERATION OF BURIED PRODUCTION WATER LINES AND RELATED FACILITIES

FINDINGS OF FACT, CONCLUSIONS OF LAW AND FIRST AMENDMENT TO WATERSHED DISTRICT PERMIT NO. 3-09

WPX ENERGY

BEAVER CREEK WATERSHED

I. BACKGROUND

1. In 2009, the City of Rifle, Colorado (the “City”) approved Watershed District Permit No. 3-09 for Williams Production RMT to drill and operate natural gas wells, including gathering and transmission lines and associated facilities, and road improvements within the City of Rifle’s Beaver Creek Watershed (“Permit No. 3-09). Williams Production RMT has since changed its name to WPX Energy (“WPX”). As part of its operations in Beaver Creek permitted under Permit No. 3-09, WPX desires to construct and operate buried production water pipelines and related facilities (the “Activity” or the “Project”) and WPX applied to the City for an amendment to Permit No. 3-09 to include the Activity. The Project is located within five (5) miles of the City’s Beaver Creek water intake structure within the City’s Watershed District jurisdiction and the application was submitted pursuant to City of Rifle Ordinance No. 22, Series of 1994, codified in Article II of Chapter 13 of the Rifle Municipal Code (“RMC”).

2. For the purposes of this First Amendment to Permit No. 3-09 (the “Amendment”), the application shall consist of all of the materials and representations for and related to Permit No. 3-09, all correspondence and materials submitted to the City by the Applicant or its agents and representatives with this application, oral representations made during the public hearing on the Amendment, and the watershed permit application entitled Beaver Creek Watershed Permit #3-09 - Amendment submitted by Jason Raley for WPX dated December 17, 2012. These items shall be collectively referred to herein as the “Application.”

3. Following his review of the Application for the Amendment, Michael Erion, P.E. stated his findings in a letter dated February 13, 2013, attached hereto as Exhibit A and incorporated herein by this reference (the “Erion Letter”). As part of the activities under Permit No. 3-09, the Erion Letter concluded that the proposed additional Activity to be performed creates a cumulative impact and presents or creates a clear or foreseeable risk of significant injury to the City's waterworks or pollution to the City water supply. Therefore, the Activity is classified as an “Impact” under the RMC.

Beaver Creek Watershed

II. FINDINGS OF FACT

4. The proposed Activity is within the defined boundaries of the City's Watershed District as defined in RMC §13-2-20, specifically within five (5) miles of the City's Beaver Creek municipal water diversion and intake structure. The proposed Activity for the Amendment includes the construction and operation of buried water production pipelines and related facilities as set forth in the Application. Due to the nature of the Project and proximity to Beaver Creek, the proposed Project is classified as an "Impact" pursuant to the RMC and certain conditions must apply to this Amendment as set forth in the Erion Letter and this Amendment.

5. The Application filed by WPX is complete.

6. WPX has paid the application fee required under RMC §13-2-110.

7. Any and all other permits issued or to be issued by county, state and/or federal agencies in relation to the Activity are incorporated herein by this reference.

8. A duly noticed public hearing was held before the City Council of the City (the "Council") on February 20, 2013. At the hearing, testimony was presented by Jim Neu, the City Attorney, and Michael Erion regarding the Activity proposed by the Applicant, and the applicability of the City's Watershed District Ordinance. Jason Raley, representative of WPX, presented the history of the Project and the specifics of the Activity. Mr. Neu explained to the Council that its jurisdiction on this matter extended five (5) miles beyond the City's Beaver Creek intake point, and that its authority was limited to the protection of the City's water quality and supply. Mr. Erion further explained the provisions of the Amendment and the terms and conditions set forth in the Erion Letter, his knowledge of the Project, his site visits, and his analysis of the Application. The Council expressed _____.

9. The Council finds that the Project, if constructed and operated as proposed in the Application and pursuant to the conditions stated in the Erion Letter, mitigates the clear or foreseeable risk of significant injury to the City's waterworks or pollution to the City water supply.

10. The Council hereby finds and determines that the issuance of the Amendment requires the inclusion of conditions as set forth in the Erion Letter, that such conditions are necessary to prevent a risk of injury to the City's water works and pollution of the City's water supply, and that such conditions are authorized pursuant to Sections §13-2-140 of the RMC.

Beaver Creek Watershed

III. CONCLUSIONS OF LAW AND ISSUANCE OF AMENDMENT

11. The foregoing Findings of Facts are incorporated herein by reference.
12. The City has jurisdiction over the proposed activity pursuant to RMC §13-2-20 and City of Rifle Ordinance No. 22, Series of 1994.
13. Based on the evidence presented at the Public Hearing and the Erion Letter, the City hereby determines that this decision shall constitute an Amendment to Watershed District Permit No. 3-09 for the construction and operation of buried production water pipelines and related facilities as described more fully in the Application, and as modified by the conditions of approval recommended by Mr. Erion in the Erion Letter, which conditions of approval are hereby approved and adopted by the City as conditions of approval of this Amendment. All representations, whether oral or written, made by WPX and/or its agents as part of the application and public hearing process shall be conditions of approval of the Amendment.
14. The bonds that the Applicant has posted pursuant to Permit No. 3-09 shall ensure compliance with the terms and conditions set forth herein. Said performance guarantee shall indemnify and hold harmless the City from any injuries which are the result of the activities undertaken pursuant to this Amendment and ensure the strict compliance and performance by the Applicant of the terms and conditions set forth herein. The City may upon thirty (30) days written notice require the Applicant to indemnify the City for damages suffered as a result of activities undertaken pursuant to this Amendment or to take corrective action for any violations of the Amendment regardless of whether said violations result in damages to the City. In the event that the Applicant fails to respond or take action as required within said thirty (30) days, the Applicant shall be deemed in default under the terms and conditions of this Amendment and the City may execute upon the performance guarantee without further notice to the Applicant.
15. All conditions of approval contained within any permit issued to the Applicant by any county, state and/or federal agency shall be deemed conditions of approval of this Amendment. Any violation of the conditions of any other such permit issued to the Applicant shall be deemed a violation of this Amendment subject to all of the remedies provided for herein.
16. A copy of this Amendment shall be sent to WPX.
17. Pursuant to Rifle Municipal Code §13-2-110(7), WPX shall reimburse the City for all outside professional services, including but not limited to engineering, legal, consulting, publication and copying fees associated with the review of the Application prior to the issuance of this Amendment, and inspection and enforcement of the Amendment following issuance.

City of Rifle, Colorado
First Amendment to Watershed District Permit No. 3-09
WPX Energy

Beaver Creek Watershed

18. This Amendment shall not be effective until approved by the City and agreed to and by WPX.

Dated this _____ day of _____, 2013.

CITY OF RIFLE, COLORADO

By _____
Mayor

ATTEST:

City Clerk

First Amendment to City of Rifle Watershed District Permit No. 3-09 accepted and agreed to this _____ day of _____, 2013.

WPX ENERGY

By: _____
Name: _____
Title: _____

Mr. Rick Barth, P.E.
City of Rifle
PO Box 1908
Rifle CO 81650

February 13, 2013

James S. Neu, Esq.
Karp Neu Hanlon, P.C.
PO Box 2030
Glenwood Springs CO 81602

RE: WPX Energy (fka Williams Energy) – Rifle Beaver Creek Watershed District Permit Application for Amendment to Permit No. 3-09

Dear Rick and Jim:

This letter presents our review of the application submitted by WPX Energy for an amendment to Watershed District Permit No. 3-09. The amendment proposes a new water pipeline from Pad RU 31-12V eastward under Beaver Creek and the unnamed tributary of Beaver Creek to Pad RU 11-7 (WPX's Centralized Frac Facility). The amendment also proposes to add a temporary 36,000 barrel (1.5 million gallons) water storage tank at the Centralized Frac Facility. The location of the proposed amendment facilities is shown on the attached map from the application (note that proposed water lines from Pad RU 11-7 to the other pads are part of the original Permit No. 3-09 approval). The application submittal is a small three ring binder with a cover letter dated December 17, 2012 prepared by WPX Energy. Resource Engineering, Inc. (RESOURCE) conferred with Rick Barth and Jim Neu on the application submittal and clarified questions on the application with WPX Energy staff. The permit was reviewed in accordance with Section 13-2-120 of the Rifle Municipal Code.

CLASSIFICATION

The original application for existing Watershed District Permit No. 3-09 was classified as an "Impact" and was referred to City Council for a public hearing and decision on the permit. The proposed amendment includes a potential direct impact to Beaver Creek and the City staff is forwarding the current application to the City Council for review and decision with recommendations outlined below.

RECOMMENDATIONS

In accordance with Section 13-2-120(e) of the Rifle Municipal Code, we recommend issuance of an amended Watershed District permit for the existing Permit No. 3-09 with the following conditions:

1. The amendment includes a 6 inch "Flex Steel" pipeline from Pad RU 31-12V to Pad RU-117 and temporary installation of a 36,000 barrel (1.5 million gallon) storage tank on Pad RU 11-7 as outlined in the application.

2. The pipeline crossing under Beaver Creek shall be constructed by means of a boring machine such that there is no open cut trenching of Beaver Creek.
3. The pipeline material for the segment from Pad RU 31-12U to Pad RU 11-7 shall be "Flex Steel" consisting of a polyethylene inner pipe, a steel reinforcement outer pipe, and a UV resistant shield cover over the steel. The pipe shall meet API 17J specification. There shall be no joints within 50 feet of the creek banks.
4. The project shall be subject to inspections during construction as needed by the City and/or its consultants. Post construction inspections will be made biannually, or more frequently if needed, until all permanent mitigation measures (revegetation, grass berms/swales, etc.) are deemed completed by the City. Applicant shall be responsible for all costs associated with such inspections.
5. The existing Permit No. 3-09 has a \$250,000 bond for the project. The existing bond amount is appropriate for the amended project.

ANALYSIS

The proposed water pipeline crosses the East unnamed tributary of Beaver Creek and Beaver Creek along its route from the existing Pad RU 31-12V to the Centralized Frac Facility on Pad RU 11-7. WPX Energy proposes to construct the pipeline under Beaver Creek using a boring machine. In the event that WPX cannot successfully construct the pipe with a boring machine, WPX proposes to open cut a trench across Beaver Creek with appropriate by-pass culverts and erosion protection. The City has already approved a permit for Bargath, LLC to install a gas line across the creek at a nearby location. Williams already installed a gas line and water line across the creek in that same area several years ago. If WPX cannot successfully bore under the creek, RESOURCE recommends WPX return with a proposal that coordinates with the Bargath, LLC project, or demonstrate why they cannot coordinate the projects.

The storage tank on Pad RU 11-7 will not result in any significant impact due to construction. The storage should be a double wall structure or have adequate spill containment within the Pad RU 11-7 site.

The proposed water line will likely be used in the future by WPX to convey produced water to its Parachute area water processing facility. Therefore, RESOURCE recommends that the pipeline crossings of the two creeks be made with pipeline material that includes zero gas emission and is corrosion and abrasion resistant. The "Flex Steel" pipe proposed by WPX meets this criteria. The pipe includes a thick wall polyethylene inner pipe, a corrosion resistant steel outer pipe, and a UV resistant covering (the UV covering also provides abrasion protection in a buried pipe situation). The pipe meets the specification outlined in API 17J.

The WPX Energy proposed activities in the amendment to Watershed District Permit No. 3-09 do not have a clear or foreseeable risk of significant injury to the City's water

Mr. Rick Barth, P.E.
James S. Neu, Esq.

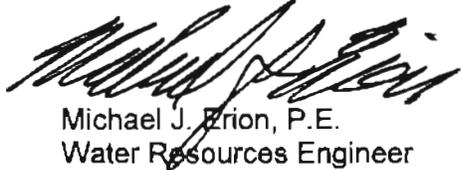
February 13, 2013
Page 3

facilities and potable water supply so long as all conditions presented in this letter are met by the Applicant.

Please call if you have any questions or need additional information.

Sincerely,

RESOURCE ENGINEERING, INC.



Michael J. Erion, P.E.
Water Resources Engineer

MJE/mmm
341-10.4

Attachment

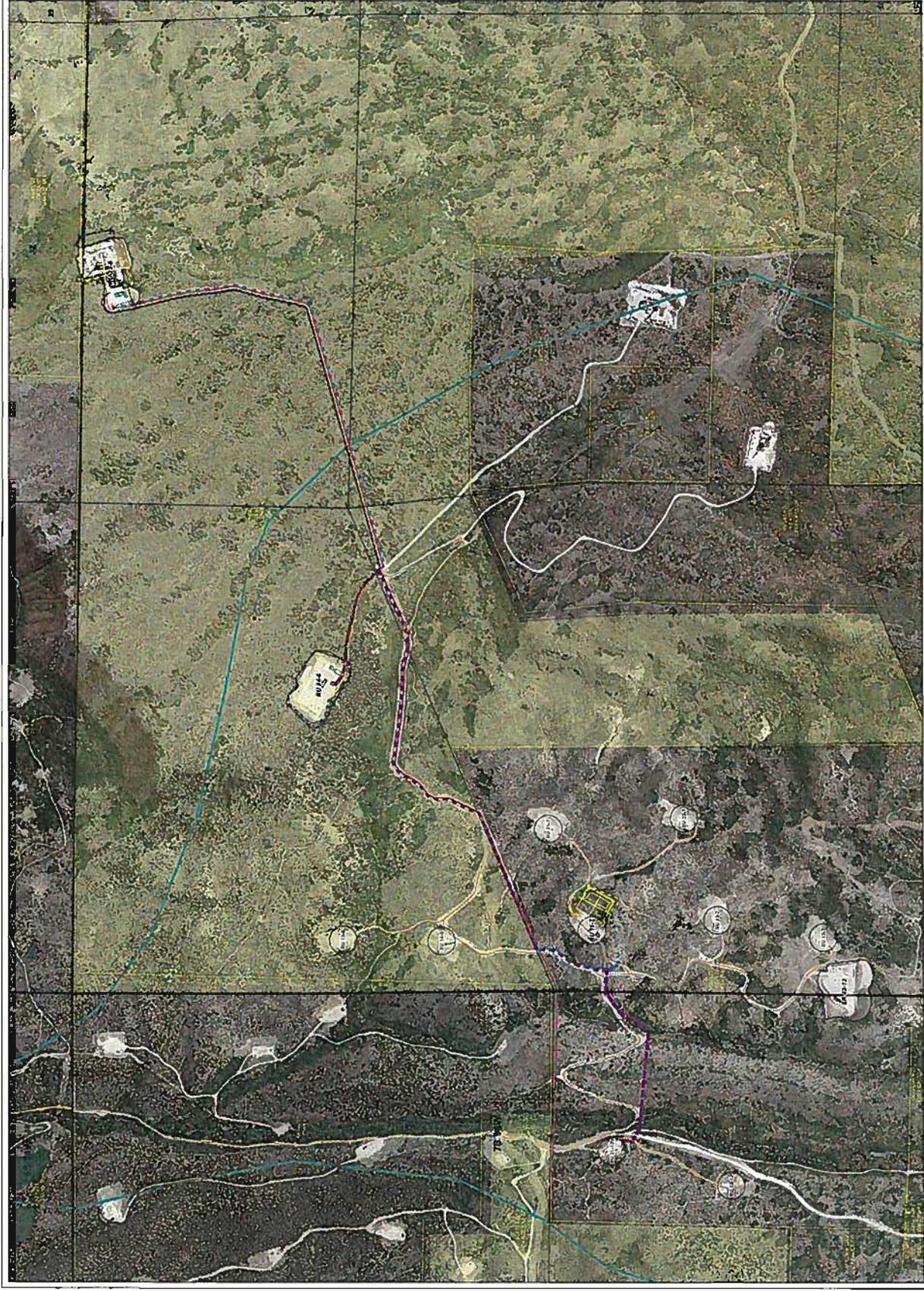
Ruilson Field

RU 23-5 Plan of Development Working Map

December 19, 2012

Legend

- Proposed Berm
- Proposed Cutsheet
- Proposed Road
- Proposed Production Equipment Area
- Proposed Drifted Line
- Proposed Pad or Pit
- Existing Road
- Existing Well
- Existing Production Equipment
- Existing Line of Demarcation
- Existing Fence
- Stream
- Existing Pile Waste Supply Line
- Single Pile Pilehead
- Double Pile Pilehead
- Temporary Surface Area Line
- Water Control Measure Boundary
- Proposed Demarcation from (Surficial County)
- RU
- Shoreline

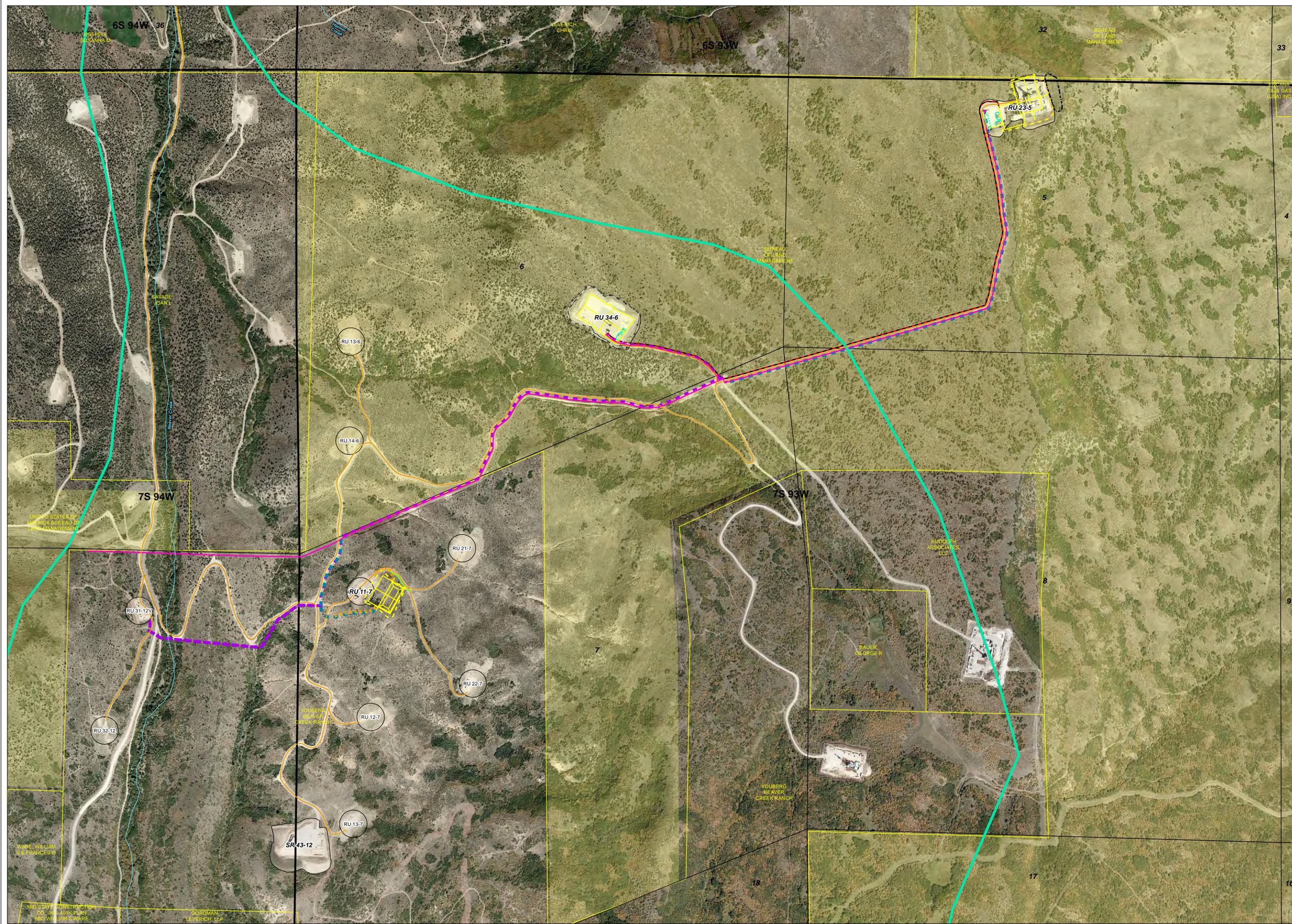
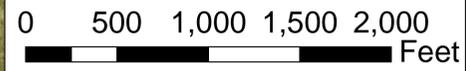


Rulison Field
RU 23-5
Plan of Development
Working Map

December 19, 2012

Legend

- Proposed Berm
- Proposed Cuttings
- Proposed Road
- Proposed Production Equipment Area
- Proposed Daylight Line
- Proposed Pad or Pit
- Existing Road
- Existing Well
- Existing Production Equipment
- Existing Limit of Disturbance
- Existing Fence
- Stream
- Existing Frac Water Supply Line
- Single 6" FlexSteel
- Dual 6" FlexSteel
- Temporary Surface Frac Line
- Beaver Creek Watershed Boundary
- Parcel Ownership (from Garfield County)
- BLM
- Existing Pad



CITY OF RIFLE, COLORADO
ORDINANCE NO. 2
SERIES OF 2013

AN ORDINANCE OF THE CITY OF RIFLE, COLORADO, APPROVING A
LEASE AGREEMENT BETWEEN THE CITY OF RIFLE AND 139
RAILROAD, LLC.

WHEREAS, the City of Rifle (the "City") is a home rule municipality with all powers granted by Article XX of the Colorado Constitution and the City's Home Rule Charter; and

WHEREAS, Article XX, § 6 of the Colorado Constitution states: "The statutes of the state of Colorado, **so far as applicable**, shall continue to apply to such cities and towns, except insofar as superseded by the charters of such cities and towns or by ordinance passed pursuant to such charters." Colo. Const. art. XX, § 6 (emphasis added); and

WHEREAS, Section 4.4 of the City's Home Rule Charter provides that ordinances adopted by the City Council become effective ten (10) days after final publication; and

WHEREAS, C.R.S. § 31-15-801 purports to require that municipalities approve long term lease agreements by ordinance not to be effective for at least thirty (30) days after passage; and

WHEREAS, C.R.S. § 31-15-801 conflicts with Section 4.4 of the City's Home Rule Charter, which provides that ordinances are effective ten (10) days after final publication; and

WHEREAS, C.R.S. § 31-15-801 contains no declaration of statewide concern and specifically applies to a "city" or a "town", which terms have been construed to mean a statutory city and statutory town by the Colorado Court of Appeals in the case of *Allely v. City of Evans*, 124 P.3d 911 (Colo. App. 2005); and

WHEREAS, the City Council hereby finds and determines that the procedures for approval of long term lease agreements are a matter of purely local concern; and

WHEREAS, as a home rule municipality, in the matter of deciding the procedures applicable to the approval of long term lease agreements, which is a matter of purely local concern, the City is not subject to those portions of C.R.S. §§ 31-15-801 and -802 which conflict with Section 4.4 of the City's Home Rule Charter.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF RIFLE, COLORADO, THAT:

1. Incorporation of Recitals. The foregoing recitals are incorporated herein as if set forth in full.

2. Approval of Lease. The Property Lease between the City of Rifle and 139 Railroad, LLC is hereby approved in substantially the form attached hereto as **Exhibit A** and incorporated herein by this reference. The City Manager is hereby authorized and directed to execute the Property Lease on behalf of the City with any changes approved by the City Attorney.

INTRODUCED on February 20, 2013, read by title, passed on first reading, and ordered published by title as required by the Charter.

INTRODUCED a second time at a regular meeting of the Council of the City of Rifle, Colorado, held on March 6, 2013, passed without amendment, approved, and ordered published in full as required by the Charter.

Dated this ___ day of _____, 2013.

CITY OF RIFLE, COLORADO

BY _____
Mayor

ATTEST:

City Clerk

PROPERTY LEASE

This LEASE is made by and between 139 RAILROAD, LLC, a Colorado limited liability company (“Lessor”) and the CITY OF RIFLE, COLORADO, a municipal corporation (“Lessee”).

WITNESSETH:

WHEREAS, Lessor owns Lots 13-21, Block N, Original Townsite Rifle, also known as 125 West 2nd, Rifle, CO 81650 and 131-139 Railroad Avenue, Rifle, CO 81650 (the “Property”);

WHEREAS, Lessee desires to lease from Lessor the Property for municipal and economic development uses, public seasonal events, and improving the vitality of the City block; and

WHEREAS, the parties desire to set forth the terms and conditions of the Lease of the Property.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained herein, the adequacy and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Incorporation of Recitals. The foregoing recitals are hereby incorporated by this reference.
2. Term of Lease. The Lease shall commence on January 1, 2013 and continue to 11:59 p.m. on December 31, 2015; provided, however, this Lease shall terminate upon submission to the City of Rifle of a site plan, building permit, or other land use approval for use or development of the Property that is inconsistent with the uses contemplated by this Lease. Temporary use permits, grading permits, fencing permits, or similar approvals shall not be considered a land use approval triggering termination of the Lease. Lessee shall have fifteen (15) days from the date of a land use submission resulting in termination of the Lease in which to vacate the Property.
3. Rent. The total rent for the term of the Lease shall be one-dollar (\$1.00) payable to Lessor in advance.
4. Survival Upon Conveyance. If the Property is sold, conveyed, or ownership of the Property is otherwise transferred, this Lease shall continue to be in full force and effect and shall not be terminated by such conveyance or transfer. The provisions of this Lease shall apply to, bind, and inure to the benefit of Lessor and Lessee, and their respective heirs, successors, legal representatives, and assigns.
5. Permitted Uses. The Property may be used by the Lessee for municipal and economic development uses, public seasonal and special events, and improving the vitality of the

City block. Lessee shall have the right to make improvements to the Property in the form of site grading, landscaping, erecting non-permanent structures, and similar improvements. Site grading and demolition/removal of existing hard surfaces and installation of any permanent structures shall require written consent of the Lessor. Lessee shall be responsible for ensuring that drainage is not adversely affected by grading, landscaping, and other activities altering the surface of the Property. No other use shall be made of the Property without the prior written consent of the Lessor.

6. Maintenance of Property. Lessee shall be responsible for maintaining the Property, including weed removal, trash removal, and otherwise preserving the Property in a neat and clean condition that is in compliance with relevant City, County, and State laws. Lessor agrees to and shall be responsible for the removal of existing fencing on the Property.
7. Insurance and Indemnification. Lessee shall hold Lessor harmless from, and indemnify and defend Lessor against any damages, liability or claims arising out of or incident to the use of the Property by Lessee, its invitees, licensees, guests, sublessees, subcontractors or employees. Lessee shall defend any litigation at its own cost and expense which may be brought against Lessor or Lessee, arising out of the Lessee's use of the Property. In furtherance thereof, Lessee shall provide liability insurance coverage for the Property and name Lessor as an additional insured.
8. Utilities. Lessee shall be responsible for and pay the cost of all utilities incurred as a result of Lessee's use of the Property.
9. Sublease. Lessee shall have the right to sublet the Property (or any part thereof) without the prior written consent of Lessor to entities conducting nonprofit or community-oriented events on the Property for periods not to exceed sixty (60) days. No sublease shall relieve Lessee from its obligations hereunder, unless expressly so provided. Any sublessee shall add Lessor as an additional insured on any required insurance. All activities by sublessee shall be in conformance with all relevant City, County, and State laws.
10. "For Sale" Sign and Information Box. The "for sale" sign currently located on the Property shall remain on the Property; however, if desired, Lessee may move the sign to an alternate location on the Property that is prominently placed and visible to traffic on Railroad Avenue. Upon sale of the Property, a new owner may maintain a sign on the Property that is in same size and in the same location as the existing "for sale" sign and such sign complies with the City of Rifle's sign code. The information box currently located on the Property shall remain on the Property; however, if desired, Lessee may move the information box to an alternate location on the Property that has access to the sidewalk on either Railroad or 2nd Street. Upon sale of the Property, a new owner may maintain the information box in the existing or relocated location. Lessor, or upon sale a subsequent owner of the Property, shall be responsible for maintenance of the "for sale" sign and information box located on the Property.

11. Water. Lessee confirms that 39.14 EQRs of water service are appurtenant to the Property.
12. Tax Exemption. Lessee agrees to reasonably assist Lessor with a tax exemption request arising from the Lease to the extent that such assistance does not cause Lessee to incur any additional costs.
13. Property Taxes. Lessor shall be responsible for any and all taxes and assessment levied, assessed, or imposed against the Property.
14. Governmental Immunity Act. No term or condition of this Lease shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions of the Colorado Governmental Immunity Act, C.R.S. §§24-10-101 *et seq.*
15. Notices. Written notices required under this Lease and all other correspondence between the parties shall be directed to the following and shall be deemed received when hand-delivered or three (3) days after being sent by certified mail, return receipt requested:

If to Lessee: City Manager
 P.O. Box 1908
 Rifle, Colorado 81650

If to Lessor: 139 Railroad, LLC.
 P.O. Box 9
 Rifle, Colorado 81650
16. Authority. Each person signing this Lease, represents and warrants that said person is fully authorized to enter into and execute this Lease and to bind the party it represents to the terms and conditions hereof.
17. Section Headings. The section headings in this Lease are intended for convenience only and shall not be taken into consideration in any construction or interpretation of this Lease or any of its provisions.
18. Governing Law. This Lease shall be interpreted in accordance with and governed in all respects by the laws of the State of Colorado.
19. Severability. If any provision, or any part of any provision of this Lease shall for any reason be held to be invalid, unenforceable or contrary to public policy or any law, then the remainder of this Lease shall not be affected thereby.
20. Counterparts. This Lease may be signed by the parties in counterparts, and each signed counterpart shall become part of the final Lease and shall have the same force and effect

thereof. A copy of any signature on a signature page shall be as valid and binding as an original signature.

21. Attorney Fees. In the event of a breach of this Lease, the prevailing party shall be entitled to reasonable attorney fees and costs. This provision shall survive the termination of this Lease.

CITY OF RIFLE, COLORADO

John Hier, City Manager

ATTEST:

City Clerk

139 RAILROAD, LLC

By: _____
Title: _____
Date: _____

UTILITY DEPARTMENT
INTEROFFICE MEMO



H2O Wastewater

TO: John Hier, City Manager

FROM: Dick Deussen, Director of Utilities

DATE: February 14, 2013

RE: Biosolids Action Plan Report

A Request for Proposals (RFP) was advertised on 8 and 10 January with bids opened on 7 February. The RFP was sent to 8 firms and 4 sent proposals for evaluation.

A committee of 4 staff members evaluated the proposals and ranked them based upon the evaluation criteria of experience, familiarity with involved agencies, ability to meet time requirements, creativity and innovation, scope of services to be provided and fee.

Because of the difference in scope and fee, the committee intends to interview the two top firms and then make a selection of one firm to perform the work involved. Depending upon the availability of the firms, we would hope to have request to award at the next scheduled Council meeting.

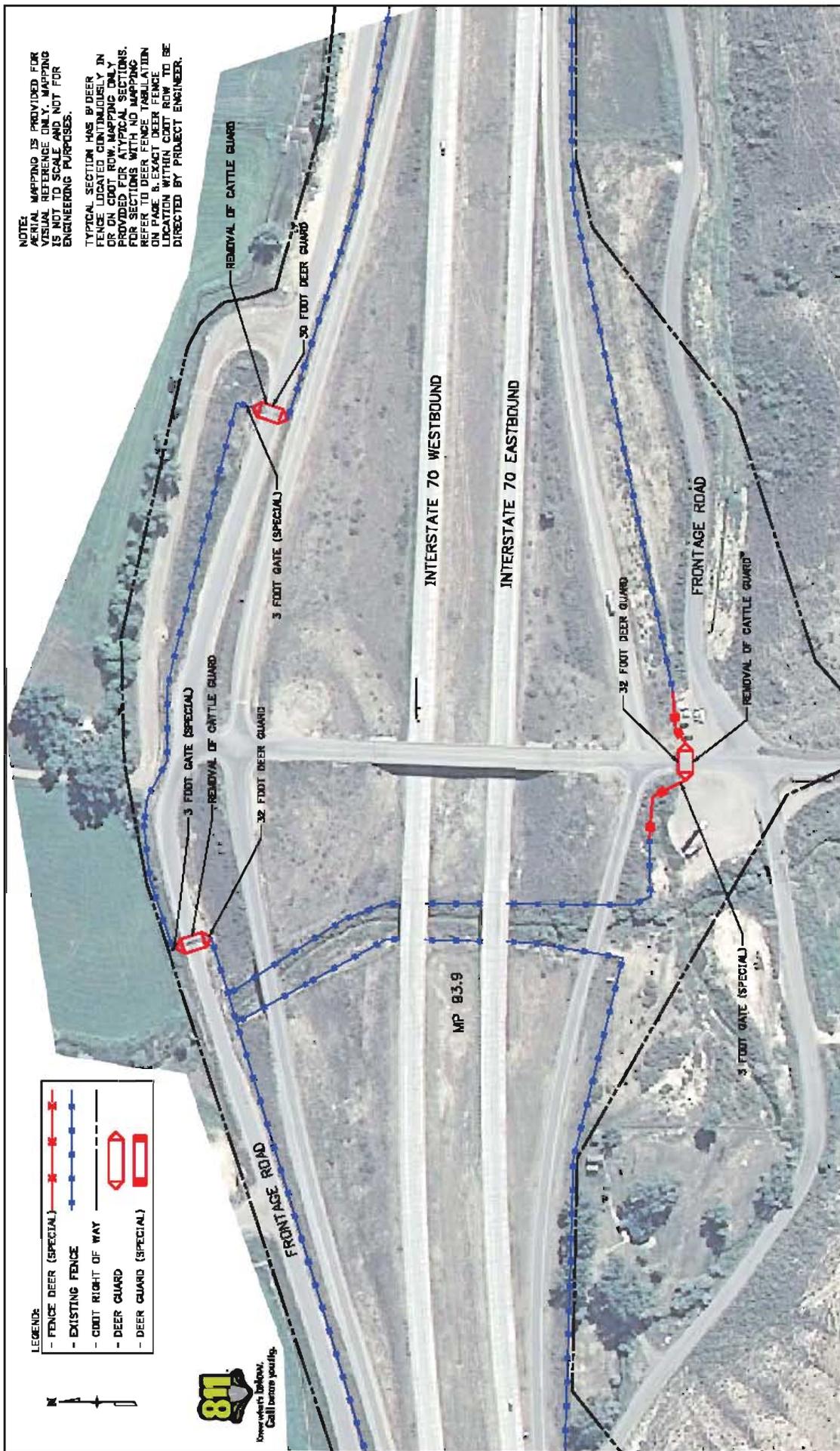
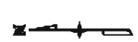
The fee proposed by either of the two firms is within the budget for the project. The firm with the higher fee seems to offer more services which may be of benefit to the City.

The purchasing code does not require that we award to the lowest bidder. The grant from the Federal Mineral Lease District also does not require award to the lowest bidder.

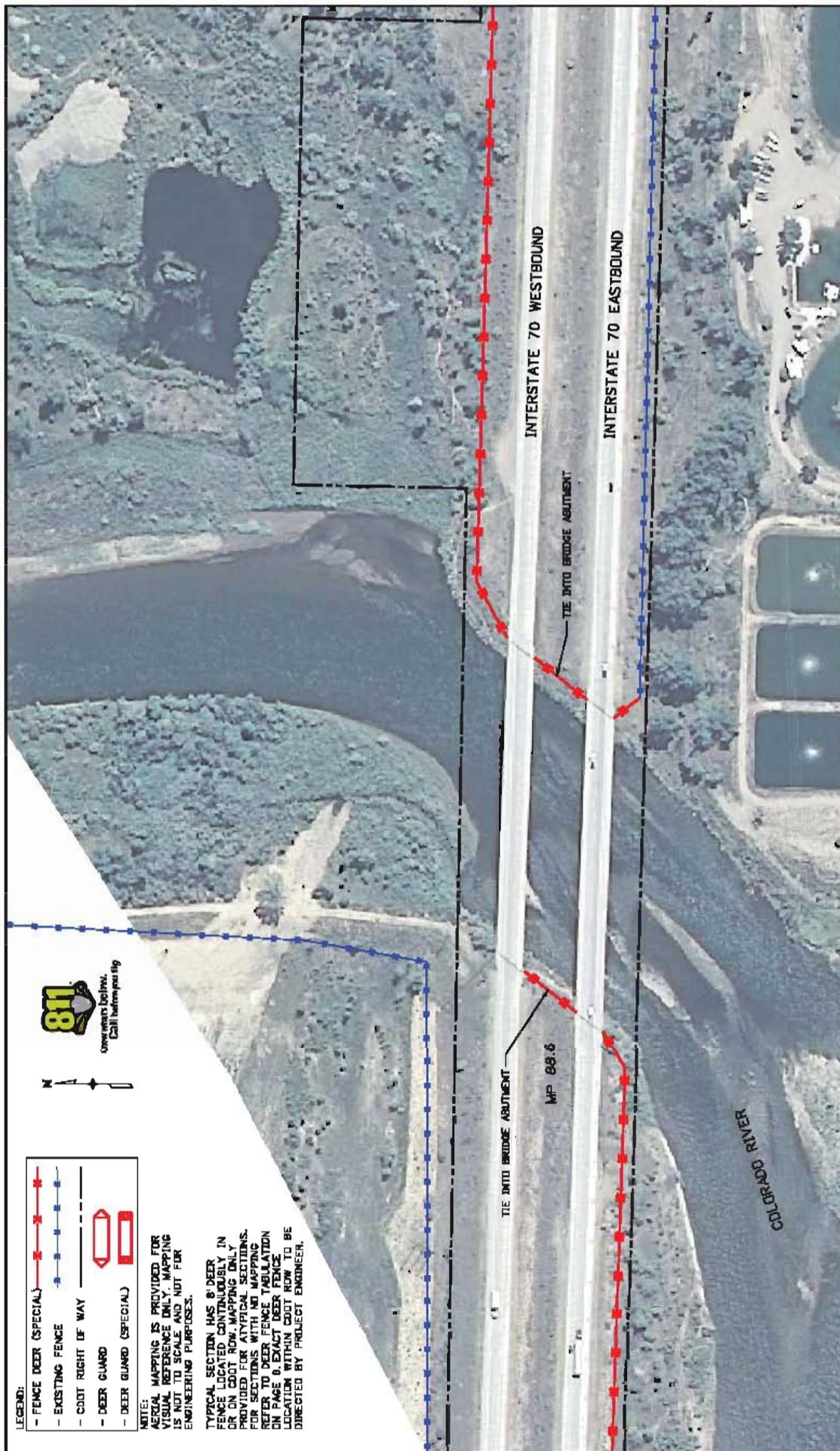
NOTE: AERIAL MAPPING IS PROVIDED FOR VISUAL REFERENCE ONLY. MAPPING IS NOT TO SCALE AND NOT FOR ENGINEERING PURPOSES.

TYPICAL SECTION HAS 30 DEER FENCE WITH 30 FOOT DEER GUARD IN CENTER. COORDINATE MAPPING ONLY PROVIDED FOR ATYPICAL SECTIONS. FOR SECTIONS WITH NO MAPPING, REFER TO DEER FENCE TABULATION ON PAGE 8. EXACT DEER FENCE LOCATION WITHIN COOT ROW TO BE DIRECTED BY PROJECT ENGINEER.

- LEGENDS:**
- FENCE DEER (SPECIAL)
 - EXISTING FENCE
 - COOT RIGHT OF WAY
 - DEER GUARD
 - DEER GUARD (SPECIAL)



Print Date: 10/23/2012 File Name: 18841Des_S2_PlanSheet10.dgn Horiz. Scale: 1:150 Vert. Scale: As Method Unit Information: Unit Leader: JTB/MS	Sheet Revisions <table border="1"> <thead> <tr> <th>Date:</th> <th>Comments</th> <th>Init.</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Date:	Comments	Init.										As Constructed No Revisions: Revisions: Voids:	I-70 WILDLIFE FENCING GARFIELD COUNTY AIRPORT ROAD MP 83.8 TO 84.2 Designer: A. Corneily Checker: G. Riddle Sheet Subject:	Project No./Code SHE 0701-215 18841 Sheet Number: 32 10 of 13
Date:	Comments	Init.														
Colorado Department of Transportation 202 Centennial Street Glenwood Springs, CO 81601 Phone: 970-945-4187 FAX: 970-945-4898 Region 3 Glenwood Residency RGW																



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 TYPICAL SECTION HAS 8 DEER FENCE LOCATED CONTIGUOUSLY IN ROW WITH 4 GUARD RAILS. TYPICAL SECTION PROVIDED FOR VISUAL REFERENCE. REFER TO DEER FENCE TABULATION ON PAGE 8. EXACT COOT ROW TO BE DETERMINED BY PROJECT ENGINEER.

Print Date: 10/23/2012	Sheet Revisions	Colorado Department of Transportation	As Constructed	I-70 WILDLIFE FENCING COLORADO RIVER CROSSING	Project No./Code								
File Name: I88A00a_54_PlanSheet12.dwg	Date: <table border="1"><thead><tr><th>Comments</th><th>Int.</th></tr></thead><tbody><tr><td> </td><td> </td></tr><tr><td> </td><td> </td></tr><tr><td> </td><td> </td></tr></tbody></table>	Comments	Int.							202 Centennial Street Glenwood Springs, CO 81601 Phone 970-945-4187 FAX 970-945-4998 Region 3 Glenwood Residency RW	No Revisions	MP 88.4 TO 89.0	SHE 0701-215
Comments	Int.												
North: Scale: 1:150	Ver'L. Scale: As Noted	Unit: Leader In/Inches	Revised:	MP 88.4 TO 89.0	18841								
Unit Information	Unit Leader In/Inches	Unit Leader In/Inches	Drawn by: A. Corraly	Structure Numbers	Sheet Number: 34								
			Checked: G. Riddle	Sheet Subject:	Sheet Size: 12 of 13								

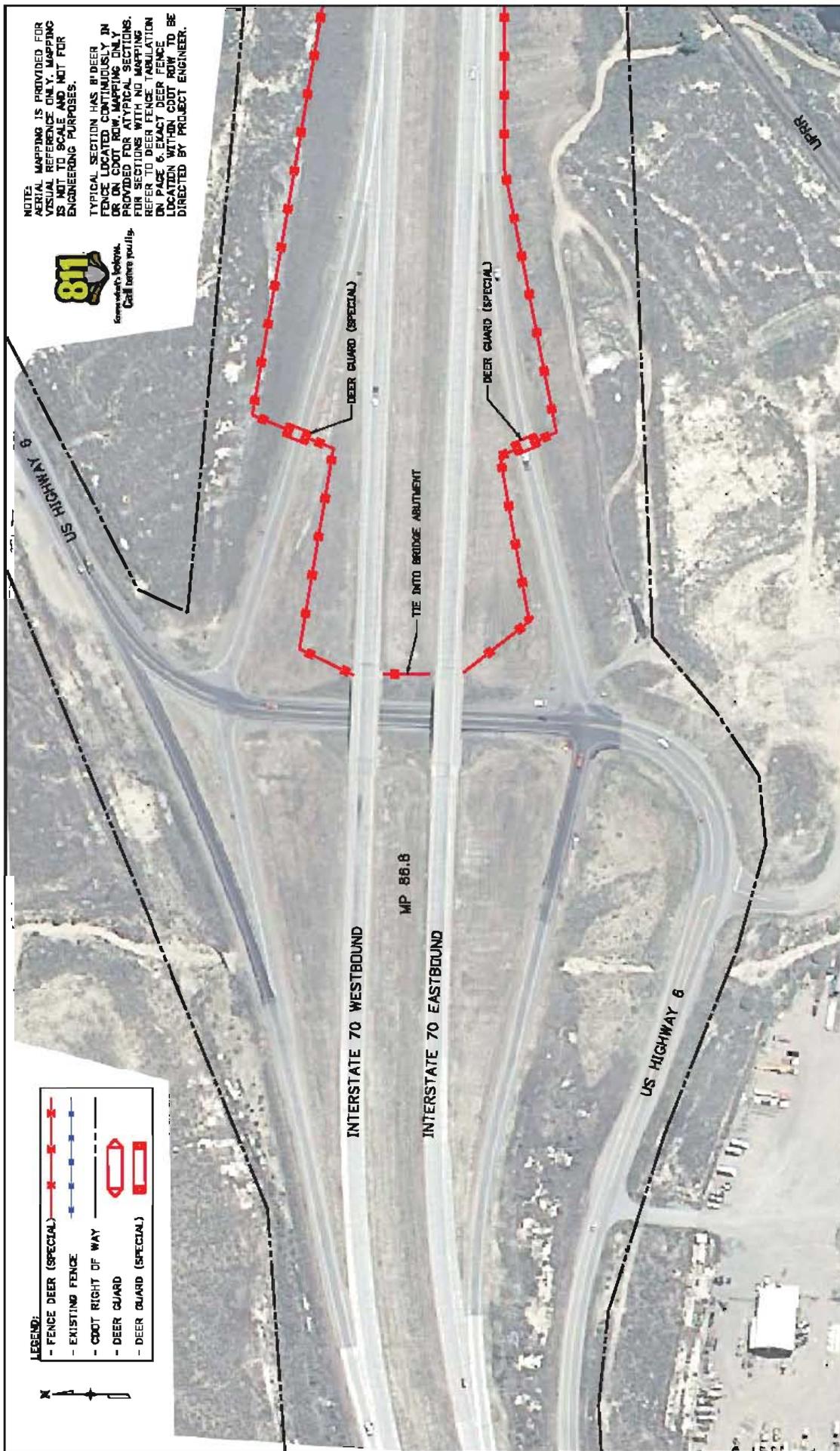
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TYPICAL SECTION HAS IN DEER FENCE LOCATED CONTINUOUSLY IN OR ON CDDT ROW. MAPPING IS PROVIDED FOR ATYPICAL SECTIONS. FOR SECTIONS WITH NO MAPPING, DEER FENCE IS TO BE PLACED IN LOCATION WITHIN CDDT ROW TO BE DIRECTED BY PROJECT ENGINEER.



LEGEND:

	FENCE DEER (SPECIAL)
	EXISTING FENCE
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	DEER GUARD
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