



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

City Hall
City Council Chambers
202 Railroad Avenue
Rifle, CO

Cablecast Live on
Comcast Channel 10

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**REGULAR MEETING
January 19, 2011**

**WORKSHOP 6:00 P.M.
CONFERENCE ROOM**

6:00 P.M. Discuss redevelopment of Valley Lumber site (Michael Langhorne)

**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 January 5, 2011 Regular Meeting
 - B. Appoint Parks & Recreation Advisory Board members
 - C. Amendment to Rifle Creek Theatre Façade Construction Agreement
 - D. 2010 Audit Engagement Letter
 - E. Water Fund Purchase Orders for Materials
 - F. November Financial Report
 - G. November Sales Tax Report
 - H. Accounts Payable
- 7:08 p.m. 3. Citizen Comments and Live Call-In
(For issues NOT on the Agenda. Please limit comments to 3 minutes.)

- 7:11 p.m. 4. Action, if any, on Workshop Items (Mayor Lambert)
- 7:15 p.m. 5. Consider waiving parking fees at Huffman Gulch for the Rifle Snowmobile Club's annual Poker Run on February 20th (Carleton Hoffmeister)
- 7:25 p.m. 6. Consider approving agreements with Rifle Economic Development Corporation regarding Valley Lumber property (Jim Neu)
 - A. Termination and Release of Exclusive Right to Negotiate
 - B. First Amendment to Infrastructure Design Agreement
- 7:35 p.m. 7. Consider approving Ground Lease of Valley Lumber site (Matt Sturgeon)
- 7:45 p.m. 8. Consider approving Memorandum of Understanding with Rifle Economic Development Corporation for regional economic development purposes (Jim Neu)
- 7:55 p.m. 9. Consider bids received for asbestos abatement at Valley Lumber site (Matt Sturgeon)
- 8:05 p.m. 10. Consider approving design of playground at Centennial Park (Aleks Briedis)
- 8:15 p.m. 11. Consider extending approval of Phase II Design Costs for Rifle Regional Water Purification Facility to Malcolm-Pirnie Engineering (Dick Deussen and Charlie Stevens)
- 8:25 p.m. 12. Consider accepting grant for \$10,000 from Water and Power Authority for Acacia Avenue – Whiteriver Avenue Looping Project (Dick Deussen and Charlie Stevens)
- 8:35 p.m. 13. Consider approving on First Reading Ordinance No. 1, Series of 2011 (Amendment to Ordinance No. 21, Series of 2004 vacating a portion of Shoupe Avenue) (Jim Neu)
- 8:45 p.m. 14. Administrative Reports
 - A. City Manager Report
 - B. Other Reports
- 8:55 p.m. 15. 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: February 2, 2011 at 7:00 p.m.



RIFLE CITY COUNCIL MEETING

Wednesday, January 5, 2011

REGULAR MEETING

7:00 p.m. * Council Chambers

The regular meeting of the Rifle City Council was called to order at 7:00 p.m. by Mayor Keith Lambert.

PRESENT ON ROLL CALL: Councilors Jay Miller, Jonathan Rice, Jen Sanborn, Jeanette Thompson, Randy Winkler, and Mayor Keith Lambert.

Councilor Sanborn moved to excuse Councilor Alan Lambert from attending tonight’s meeting; seconded by Councilor Miller.

Roll Call: Yes – Miller, Rice, Sanborn, Thompson, Winkler, K. Lambert

OTHERS PRESENT: John Hier, City Manager; Lisa Cain, City Clerk; Jim Neu, City Attorney; Michael Churchill, Cable 10 Assistant Manager; Mike Braaten, Government Affairs Coordinator; Charlie Stevens, Utilities Director; Dick Deussen, City Engineer; Tom Whitmore, Parks Director; Lynn Shore; Michael Richards; Chris Cray; Gil Frontella; Helen Rogers; Scott Becker; Larry Dragon.

CONSENT AGENDA - APPROVE THE FOLLOWING ITEMS:

- A. Minutes from the December 15, 2010 Regular Meeting
- B. Resolution 1-11: Posting Place for Public Meetings
- C. Police Department Strategic Plan
- D. Accounts Payable

Councilor Miller moved to approve Consent Agenda Items A, B and D; seconded by Councilor Rice.

Roll Call: Yes – Miller, Rice, Sanborn, Thompson, Winkler, K. Lambert (Councilors Sanborn and Thompson abstained from voting on Item A).

With respect to Item C, Police Department Strategic Plan, Council Members suggested the following changes:

- Change Goal 1, Action Item 1 to the following: “Pursue establishment of a policy for minimum staffing levels”
- From Goal 2, remove Action Item 8 (“City Newsletter is recommended”). While Council supports the idea of an organization-wide newsletter, the City does not have the resources at this time to produce it.
- In the Summary of Proposed Solutions, for Inadequate Staffing, Solution 1, remove “(ordinance?)”
- In the Summary of Proposed Solutions, for Inadequate Staffing, Solution 9, change “ger” to “get.”

Councilor Sanborn moved to approve the Police Department Strategic Plan as amended; seconded by Councilor Miller.

Roll Call: Yes – Miller, Rice, Sanborn, Thompson, Winkler, K. Lambert

CITIZEN COMMENTS AND LIVE CALL-IN

There were no citizen comments or live call-ins.

PUBLIC HEARING - SPECIAL EVENT LIQUOR PERMIT APPLICATION - DUCKS UNLIMITED RIFLE CHAPTER

Mayor Lambert opened the public hearing. Ducks Unlimited Rifle Chapter's (DU) representative, Lynn Shore, was sworn in and presented the Chapter's Application for a special event liquor permit for its annual dinner on April 9, 2011 at Grand River Hospital. Also present were Chapter Members Michael Richards and Chris Cray. For many years, DU had held its annual dinner in Rifle, until larger attendance numbers made facilities in Rifle too small to accommodate the event. The new facilities at the hospital, though, are large enough. Event organizers will check identification of all event attendees and issue bracelets to those of legal drinking age. The event manager, Kenneth Seidel, is a server certified as required by the Rifle Municipal Code and will be present at all times. The hospital's outdoor garden will be part of the permitted premises, but all vendors will be located indoors. The hospital will cater the event. Firearms will be auctioned, raffled, and included as prizes in DU's games. Mr. Richards will be responsible for all issues regarding firearm safety. Prizewinners will receive firearms only upon a successful background check by the Colorado Bureau of Investigation. City Clerk Lisa Cain stated that the hearing was properly noticed, the application is complete, and the fees have been paid. Councilor Thompson moved to approve the Special Event Liquor Permit Application for Ducks Unlimited Rifle Chapter; seconded by Councilor Sanborn.

Roll Call: Yes – Miller, Rice, Sanborn, Thompson, Winkler, K. Lambert

CONSIDER REQUEST FOR ADDITIONAL PHASE 1 FUNDING FOR UTE THEATRE

Councilor Winkler left the Council Chambers.

Gil Frontella, President, New Ute Theatre Society, Inc. (NUTS), requested \$34,090 for additional funding for Phase 1 of the Ute Theatre renovation. As NUTS representatives explained during the workshop this evening prior to the regular meeting, they have encountered numerous unanticipated problems related to the 1946 building's structure, electrical systems, and other elements. The additional funds are necessary to complete Phase 1 of the renovation.

City Attorney Jim Neu and City Manager John Hier noted that there would need to be an amendment to the City's contract with NUTS.

Councilor Sanborn moved to approve \$34,090 to complete Phase 1 of the Ute Theatre, with monies coming from the 2011 budget; seconded by Councilor Miller.

Roll Call: Yes – Miller, Rice, Sanborn, Thompson, Winkler, K. Lambert

CONSIDER AUTHORIZING FUNDS FOR UTE THEATER ASBESTOS ABATEMENT

Councilor Winkler returned to the Council Chambers.

Government Affairs Coordinator Mike Braaten informed Council that staff had submitted a request to the Colorado Department of Public Health and Environment – Hazardous Waste and Waste Management Division – Remediation Program for HB 1306 Asbestos Abatement Funding to complete asbestos abatement work in the Ute Theater. The total request to the State was for \$60,738 to be matched with \$20,000 in cash from the City.

The request to the State includes the lowest responsive bid to complete the work (\$74,538 from Monarch Site Services) and costs for Walsh Environmental for project monitoring and clearance sampling (\$6,200) for a total project cost of \$80,738. Additionally, City crews will remove the existing seating, and there may be costs associated with storing the theater seating during the abatement process.

Staff requested City Council to authorize use of \$30,000 from the Capital Fund to cover the grant match of \$20,000 plus an additional \$10,000 to use for storage of the theater seating or other expenses that may arise from the project.

City Council authorized the grant match in 2010, but the grant application was only just submitted and will be considered by the State during January 2011. Staff wishes to reaffirm Council's authorization given the City is now operating under a new budget and the issue with the possible costs related to removing and storing the seats.

The City hired Walsh Environmental to develop a scope of work for the asbestos abatement project at the theater and solicit bids from contractors to complete the work. The work resulting from the bids will abate all asbestos containing material and material that has been contaminated by asbestos. These bids were received:

- Monarch Site Services \$74,538
- EDI \$92,280
- Excel Environmental \$240,889
- Hudspeth & Assoc. \$340,420

Walsh Environmental has experience dealing with both Monarch and EDI. They have found them to be reputable firms that have completed work within their bids on past projects.

The asbestos abatement work is scheduled to take approximately 60 days to complete once the contractor is given notice to proceed and obtains the necessary city and state permits.

Staff requested Council's authorization to use \$30,000 from the Capital Fund as outlined earlier, recommended accepting the bid for asbestos removal work from Monarch Site Services in the amount of \$74,538, and requested authorization from Council to move forward with the project if the grant from the State is approved.

Councilor Rice moved to:

- authorize use of \$30,000 from the Capital Fund for the following: (a) \$20,000 to match a grant from the Colorado Department of Public Health and Environment – Hazardous Waste and Waste Management Division – Remediation Program for HB 1306 Asbestos Abatement Funding to complete asbestos abatement work in the Ute Theater, and (b) \$10,000 to use for storage of the theater seating or other expenses that may arise from the project;
- accept the bid for asbestos removal work from Monarch Site Services in the amount of \$74,538; and
- authorize staff to move forward with the project if the grant from the State is approved.

Councilor Miller seconded the motion.

Roll Call: Yes – Miller, Rice, Sanborn, Thompson, Winkler, K. Lambert

CONSIDER AWARDING CONTRACT FOR ENVIRONMENTAL WORK

Utilities Director Charlie Stevens and City Engineer Dick Deussen explained that, in connection with the Rifle Regional Water Purification Facility (RRWPF) project, staff had requested that Malcolm Pirnie, Inc. provide a proposal to 1) assist the City in obtaining funds from the United States Department of Agriculture's (USDA) Rural Development Service, and 2) obtain Individual 404 and 401 Permits for impacts to surface waters.

Assistance in Obtaining Project Funding through USDA Rural Development

The RRWPF project consists of the design and construction of a new treatment facility, all required ancillary facilities and connection to the existing distribution and storage systems. Funding for this project is being

considered through the USDA Rural Development (RD) loan program. In order to apply for this funding, two documents must accompany the application: an Environmental Report (ER) and a Preliminary Engineering Report (PER).

In order to comply with the National Environmental Policy Act (NEPA), USDA requires that an ER be prepared by a qualified environmental consultant and submitted for review as part of the loan application process. The ER assists USDA in determining whether a proposed project can be classified as a categorical exclusion (CE), or will require an environmental assessment (EA) or environmental impact statement (EIS) to be prepared. In general, the ER must contain information on the project purpose and need, alternatives analysis, evaluation of environmental effects, assessment of the significance of any environmental effects, and proposed mitigation measures where necessary. Malcolm Pirnie has contracted with the City to prepare a Nationwide Permit (NWP) application for the RRWPF project. Some required elements for the ER can be completed under the NWP permit process; however, preparation of the ER will require additional efforts outside of the permitting scope. Four additional tasks will be necessary to complete the ER: 1) Document Review, 2) Agency Correspondence, 3) Preparation of the ER, and 4) Preparation of a Public Notice.

Malcolm Pirnie's approach to comply with the PER requirements is based on work that has already been completed. Both the Master Plan which includes the Alternatives Analysis prepared by Schmueser Gordon Meyer (SGM) and the Basis of Design Report (BODR) will be required to be submitted to USDA. Malcolm Pirnie has not included any fees associated with changes to the BODR. It has included time to address questions by USDA to the BODR and coordinate and facilitate technical information as required by USDA.

The lump sum cost for preparation of the ER for USDA is \$32,850.

Scope Change from United States Army Corps of Engineers (USACE) Nationwide Permit to Individual 404 (USACE) and 401 (CDPHE) Permits

The City has requested that Malcolm Pirnie provide an estimate for preparation of Individual 404 and 401 Permit applications for unavoidable surface water impacts at the RRWPF. The major tasks required to complete the Individual Permit Applications are: USACE Site Visit; Threatened and Endangered Species Coordination; Cultural Resources Coordination; Construction Stormwater/BMP Planning; 404/401 Permit Applications; Public Notice/Hearing; and Conceptual Mitigation Plan.

The following additional assumptions were made while estimating project costs:

- The City will be responsible for paying all fees. For example, United States Fish and Wildlife Service (USFWS) will likely require the City to make a one-time contribution for additional water withdrawal from the Colorado River in order to mitigate any impacts to endangered fish. Additionally, if the City decides to mitigate for wetland impacts by purchasing credits from a mitigation bank, they will be responsible for these costs.
- These costs do not include any project monitoring. USACE and CDPHE may require mitigation monitoring or monitoring of the existing wetlands on-site as part of the permit conditions. If monitoring is required, we can prepare a separate scope and cost for the City to perform these tasks.
- It is assumed that the City will handle any necessary floodplain coordination.

The total fee for the Individual Permit Applications is \$72,400. The budget remaining from the NWP (404) application budget is \$39,000 (under 2011 budget), so the additional fee for the Individual Permit option is \$33,400 (\$72,400 - \$39,000).

Councilor Miller moved to:

- accept the proposal of Malcolm Pirnie, Inc. to assist the City in obtaining funds from the United States Department of Agriculture's (USDA) Rural Development Service, and obtain Individual 404 and 401 Permits for impacts to surface waters in connection with the Rifle Regional Water Purification Facility project; and
- authorize the expenditure of \$66,250 for this work.

Councilor Rice seconded the motion.

Roll Call: Yes – Miller, Rice, Sanborn, Thompson, Winkler, K. Lambert

CONSIDER REQUEST BY LOVA TRAILS GROUP FOR FUNDING FROM VISITOR IMPROVEMENT FUND

Present were Larry Dragon, Executive Director, Lower Valley Trails Group (LoVa); Scott Becker, Chair, Visitors Improvement Fund Advisory Board (VIF); Helen Rogers, LoVa Board Member; and Gil Frontella, VIF Board Member. VIF has requested that Council approve an expenditure of \$5,000 to LoVa. Mayor Lambert expressed concern that LoVa is already receiving funds from the Rifle Community Foundation, which is also primarily funded by the City. Mr. Becker explained that VIF felt that LoVa's experience in dealing with the Colorado Department of Transportation and other agencies could help VIF move forward with the project to move the Colorado River boat ramp. Council Members felt that this justified LoVa's receiving funds from both the Rifle Community Foundation and VIF. LoVa intends to apply for a grant in 2012. Mr. Dragon said that LoVa would focus on Rifle-area improvements in 2011.

Councilor Winkler moved to approve VIF's funding of \$5,000 for LoVa; seconded by Councilor Sanborn.

Roll Call: Yes – Miller, Rice, Sanborn, Thompson, Winkler, K. Lambert

ADMINISTRATIVE REPORTS

Mr. Hier reported to Council on the following issues: year-end reports, State of the Community Luncheon, water rates, Rifle Bucks Program, Valley Lumber demolition, upcoming work sessions, solid waste collection RFP, the process for selecting a contractor for an addition to the Public Works Facility, the Department of Energy's desire to return management of wetlands it is currently managing to the City, and the City's requirement that property owners remove snow from sidewalks within 24 hours after a storm.

COMMENTS FROM MAYOR AND COUNCIL

Councilor Winkler announced that the Ice Fishing Tournament would not take place this year because of thin ice.

Councilor Sanborn observed that the Environmental Protection Agency (EPA) is involved in many City issues and suggested that staff reach out to local EPA representatives.

Councilor Miller noted that CNN had reported that a study that linked autism to childhood vaccines was an elaborate fraud. He urged citizens to get their children vaccinated.

Mayor Lambert wished all citizens a prosperous New Year.

Meeting adjourned at 8:50 p.m.

Lisa H. Cain
City Clerk

Keith Lambert
Mayor



Date: January 12, 2011
To: John Hier, City Manager
From: Aleks Briedis, Recreation Director
RE: PRAB Member Appointments

Two Parks and Recreation Advisory Board members' terms expire at the end of January 2011. They are Tom Stuver and Ryan Mackley. The board also still has a vacancy for the alternate board member. Staff advertised the board openings in the Citizen Telegram's public notice section, our Rec Roundup ad, and our web site and received one application and both current members would like to be reappointed.

Tom Stuver and Ryan Mackley would like to be appointed for another term.

Michael Churchill would like to become a board member and his application is attached.

Chris Coffelt's, Christi Gray's and Ed Weiss's terms expire in January 2012. Betty Fitzgibbon's and Jim Boone's terms expire in January 2013.

Staff recommends re-appointing Tom Stuver and Ryan Mackley as members and appointing Michael Churchill as the alternate member to the Parks & Recreation Advisory Board with terms ending January 31, 2014.





Rifle Parks and Recreation Advisory Board Application 2010

Name Michael Churchill
Address 500 Jarrad
City Rifle State CO Zip 81656
Phone 625-2886 Other phone 970-618-7099
E-mail michaelchurchill@mac.com

Do you live within Rifle city limits? Yes No

Are you over the age of 55? Yes No

Please answer all questions. Attach additional sheets as necessary.

Why would you like to be on the advisory board?

I enjoy being involved in my community, and thought serving on the Parks & Recreation Advisor Board would be a good opportunity to give back to my community and become more acquainted with others of a similar frame of mind.

This will be my first board, and since I'm interested in Parks & Recreation and it's activities I thought it would be a good start and fit for me.

What can you bring to the board?

I am a young adult and an owner of Artillum Dance Company and can bring another perspective concerning recreation in our community.

What is your current involvement in Rifle's parks and recreation?

My family and I are strong users of the parks, facilities and trails throughout Rifle.

Please return this form and attachments to Rifle Parks & Recreation, 202 Railroad Ave., Rifle, CO 81650 or abriedis@rifleco.org by 5 PM, January 4th, 2010.



**FIRST AMENDMENT TO
RIFLE CREEK THEATRE
FAÇADE CONSTRUCTION AGREEMENT
BETWEEN
THE NEW UTE THEATRE SOCIETY, INC.
AND THE CITY OF RIFLE**

This First Amendment to Rifle Creek Theatre Façade Construction Agreement (“First Amendment”) is made and entered into effective the 5th day of January, 2011 by and between THE NEW UTE THEATRE SOCIETY, INC., a Colorado not-for-profit corporation (“NUTS”), and the CITY OF RIFLE, COLORADO, a municipal corporation organized and existing under the laws of the State of Colorado (the “City”).

W I T N E S S E T H:

WHEREAS, on September 8, 2010, the City entered into the Rifle Creek Theatre Façade Construction Agreement (the “Agreement”) with NUTS whereby the City appropriated \$105,000.00 to NUTS to renovate and reconstruct the historic façade of the New Ute Theatre in the City of Rifle; and

WHEREAS, in undertaking the Project as defined in the Agreement, NUTS has encountered certain delays and cost overages and has accordingly requested additional funds and time to complete the Project; and

WHEREAS, the City desires to amend the Agreement by appropriating additional funds and extending the deadline for completion of the Project, pursuant to the terms and conditions of this First Amendment.

NOW, THEREFORE, for and in consideration of the foregoing recitals, the mutual promises and obligations of the parties set forth herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged and confessed, the parties hereto hereby agree as follows:

1. Payments for Project. Notwithstanding Section 2 of the Agreement, the total amount of draw requests for the Project shall not exceed \$139,090.11, which total includes an additional \$34,090.11 in expenses to the \$105,000.00 approved in the Agreement. The additional expenses approved for funding by this First Amendment are detailed on Exhibit A attached hereto and incorporated herein by this reference.

2. Completion of Project. The Project shall be completed no later than March 31, 2011.

3. No Further Modifications. Except as expressly modified herein, all provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment as of the day and year first above written.

CITY OF RIFLE, COLORADO

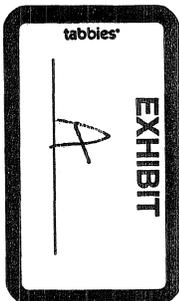
NEW UTE THEATRE SOCIETY, INC.

By: _____
John Hier, City Manager

By: _____

Its: _____

CATEGORY	BUDGET	COST TO DATE	REMAINING COSTS	VARIANCE
10190 PERMITS & INSURANCE	\$1,400.00	\$1,581.20	\$0.00	-\$181.20
10290 TEMPORARY UTILITIES	\$698.00	\$4,063.55	\$1,210.00	-\$4,575.55
10490 EQUIPMENT	\$635.00	\$3,473.62	\$0.00	-\$2,838.62
10690 CLEAN UP	\$2,620.00	\$423.72	\$500.00	\$1,696.28
10790 FIELD SUPERVISION	\$1,500.00	\$4,392.12	\$1,200.00	-\$4,092.12
20490 DEMOLITION / CLEARING	\$2,450.00	\$2,000.00	\$400.00	\$50.00
21040 DRAINAGE & CULVERTS	\$1,668.00	\$0.00	\$1,750.00	-\$82.00
56990 ORNAMENTAL METAL	\$1,524.00	\$6,234.28	\$0.00	-\$4,710.28
60000 FRAMING	\$12,624.00	\$15,151.06	\$0.00	-\$2,527.06
64500 EXTERIOR TRIM	\$400.00	\$0.00	\$0.00	\$400.00
67000 SIDING <i>Stucco</i>	\$8,500.00	\$10,276.20	\$575.00	-\$2,351.20
72990 ROOFING	\$2,700.00	\$5,018.66	\$0.00	-\$2,318.66
80000 DOORS	\$6,970.00	\$0.00	\$0.00	\$6,970.00
85990 WINDOWS	\$2,700.00	\$1,726.29	\$0.00	\$973.71
95490 FLOORING	\$12,801.00	\$5,688.79	\$3,000.00	\$4,112.21
130000 SPECIAL CONSTRUCTION	\$35,000.00	\$24,918.96	\$28,240.04	-\$18,159.00
160000 ELECTRICAL R.I. & FINISH	\$1,200.00	\$3,377.00	\$1,500.00	-\$3,677.00
OVERHEAD AND PROFIT	\$9,543.00	\$8,485.12	\$3,837.50	-\$2,779.62
TOTALS	\$104,933.00	\$96,810.57	\$42,212.54	-\$34,090.11





MEMORANDUM
FINANCE DEPARTMENT

To: John Hier, City Manager
From: Charles Kelty, Finance Director *ck*
Date: January 13, 2011
Re: 2010 Audit Engagement Letter

Attached is the Johnson, Holscher & Company, P.C. 2010 Audit Engagement Letter for your review. The audit fees are set at an amount not to exceed \$12,250. There is no increase in costs from the 2009 engagement. Audit fieldwork is expected to begin on April 4th with audited financial statements to be completed no later than June 30, 2011.

I respectfully request City Council's approval to sign this Engagement Letter.

If you have any questions please call me at x449.

Thank You



January 10, 2011

CITY OF RIFLE
P.O. BOX 1908
202 RAILROAD AVENUE
RIFLE, CO 81650

We are pleased to confirm our understanding of the services we are to provide the City of Rifle for the year ended December 31 2010. We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, which collectively comprise the entity's basic financial statements, of the City of Rifle as of and for the year ended December 31, 2010. The following supplementary information accompanying the basic financial statements is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis.

Also, the following additional information accompanying the basic financial statements will be subjected to the auditing procedures applied in our audit of the financial statements upon which we will provide an opinion in relation to the basic financial statements:

1) Schedule of expenditures of federal awards.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the additional information referred to in the first paragraph when considered in relation to the basic financial statements taken as a whole. The objective also includes reporting on—

- Internal control related to the financial statements and compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The reports on internal control and compliance will each include a statement that the report is intended for the information and use of the audit committee, management, specific legislative or regulatory bodies, federal awarding agencies, and if applicable, pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Our audit will be conducted in accordance with U.S. generally accepted auditing standards; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of accounting records, a determination of major program(s) in accordance with Circular A-133, and other procedures we consider necessary to enable us to express such opinions and to render the required reports. If our opinions on the financial statements or the Single Audit compliance opinions are other than unqualified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

Management Responsibilities

Management is responsible for establishing and maintaining effective internal control and for compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of the controls. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorizations and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that federal award programs are managed in compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making all financial records and related information available to us, including any significant vendor relationships in which the vendor has the responsibility for program compliance. We understand that you will provide us with such information required for our audit and that you are responsible for the accuracy and completeness of that information. Management's responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Rifle and the respective changes in financial position and, where applicable, cash flows in conformity with U.S. generally accepted accounting principles.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud, or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud or illegal acts affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations and for taking timely and appropriate steps to remedy any fraud, illegal acts, violations of contracts or grant agreements, or abuse that we may report.

As part of the audit, we will prepare a draft of your financial statements, schedule of expenditures of federal awards, and related notes. In accordance with *Government Auditing Standards*, you will be required to review and approve those financial statements prior to their issuance and have a responsibility to be in a position in fact and appearance to make an informed judgment on those financial statements. Further, you are required to designate a qualified management-level individual to be responsible and accountable for overseeing our services.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse. As required by the Single Audit Act Amendments of 1996 and OMB Circular A-133, our audit will include tests of transactions related to major federal award programs for compliance with applicable laws and regulations and the provisions of contracts and agreements.

Because an audit is designed to provide reasonable, but not absolute assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform you of any material errors and any fraudulent financial reporting or

misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Controls

In planning and performing our audit, we will consider the internal control sufficient to plan the audit in order to determine the nature, timing, and extent of our auditing procedures for the purpose of expressing our opinions on the City of Rifle's financial statements and on its compliance with requirements applicable to major programs.

We will obtain an understanding of the design of the relevant controls and whether they have been placed in operation, and we will assess control risk. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Tests of controls relative to the financial statements are required only if control risk is assessed below the maximum level. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by OMB Circular A-133, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control or to identify reportable conditions. However, we will inform the governing body or audit committee of any matters involving internal control and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. We will also inform you of any nonreportable conditions or other matters involving internal control, if any, as required by *Government Auditing Standards* and OMB Circular A-133.

Audit Procedures—Compliance

Our audit will be conducted in accordance with the standards referred to in the section titled Audit Objectives. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City of Rifle's compliance with applicable laws and regulations and the provisions of contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of the applicable procedures described in the *OMB Circular A-133 Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City of Rifle's major programs. The purpose of those procedures will be to express an opinion on the City of Rifle's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

Audit Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing. We understand that as part of your audit, we may prepare adjusting journal entries necessary to convert your cash basis records to the accrual basis of accounting and acknowledge that you will be required to review and approve those entries.

At the conclusion of the engagement, we will complete the appropriate sections of and sign the Data Collection Form that summarizes our audit findings. We will provide copies and an original and print-ready master of our reports to the City of Rifle; however, it is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and a corrective action plan) along with the Data Collection Form to the designated federal clearinghouse and, if appropriate, to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits. At the conclusion of the engagement, we will provide information to management as to where the reporting packages should be submitted and the number to submit.

The audit documentation for this engagement is the property of Johnson, Holscher & Company, PC and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to the Department of Local Affairs or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Johnson, Holscher & Company, PC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release or for any additional period requested by the Department of Local Affairs. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately April 4, 2011 and to issue our reports no later than June 30, 2011. Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$12,250. If a Single Audit is not required, the fee will be reduced to \$10,500. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2008 peer review report and letter of comment accompanies this letter.

We appreciate the opportunity to be of service to the City of Rifle and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Johnson, Holscher & Company, P.C.

RESPONSE:

This letter correctly sets forth the understanding of the City of Rifle.

By:

Title:

Date:



A Professional Corporation of
Certified Public Accountants

September 26, 2008

To the Shareholders
Johnson, Holscher & Co., P.C.

We have reviewed the system of quality control for the accounting and auditing practice of **Johnson, Holscher & Co., P.C.** (the firm) in effect for the year ended February 21, 2008. A system of quality control encompasses the firm's organizational structure, the policies adopted and procedures established to provide it with reasonable assurance of conforming with professional standards. The elements of quality control are described in the *Statements on Quality Control Standards* issued by the American Institute of CPAs (AICPA). The firm is responsible for designing a system of quality control and complying with it to provide the firm reasonable assurance of conforming with professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance with its system of quality control based on our review.

Our review was conducted in accordance with standards established by the Peer Review Board of the AICPA. During our review, we read required representations from the firm, interviewed firm personnel and obtained an understanding of the nature of the firm's accounting and auditing practice, and the design of the firm's system of quality control sufficient to assess the risks implicit in its practice. Based on our assessments, we selected engagements and administrative files to test for conformity with professional standards and compliance with the firm's system of quality control. The engagements selected represented a reasonable cross-section of the firm's accounting and auditing practice with emphasis on higher-risk engagements. The engagements selected included among others, engagements performed under *Government Auditing Standards*. Prior to concluding the review, we reassessed the adequacy of the scope of the peer review procedures and met with firm management to discuss the results of our review. We believe that the procedures we performed provide a reasonable basis for our opinion.

In performing our review, we obtained an understanding of the system of quality control for the firm's accounting and auditing practice. In addition, we tested compliance with the firm's quality control policies and procedures to the extent we considered appropriate. These tests covered the application of the firm's policies and procedures on selected engagements. Our review was based on selected tests therefore it would not necessarily detect all weaknesses in the system of quality control or all instances of noncompliance with it. There are inherent limitations in the effectiveness of any system of quality control and therefore noncompliance with the system of quality control may occur and not be detected. Projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or because the degree of compliance with the policies or procedures may deteriorate.

To the Shareholders
Johnson, Holscher & Co., P.C.
Page 2
September 26, 2008

In our opinion, the system of quality control for the accounting and auditing practice of **Johnson, Holscher & Co., P.C.** in effect for the year ended February 21, 2008, has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA and was complied with during the year then ended to provide the firm with reasonable assurance of conforming with professional standards.

As is customary in a system review, we have issued a letter under this date that sets forth comments that were not considered to be of sufficient significance to affect the opinion expressed in this report.

Anderson & Whitney P.C.



A Professional Corporation of
Certified Public Accountants

September 26, 2008

To the Shareholders
Johnson, Holscher & Co., P.C.

We have reviewed the accounting and auditing practice of **Johnson, Holscher & Co., P.C.** (the firm) for the year ended February 21, 2008, and have issued our report thereon dated September 26, 2008. That report should be read in conjunction with the comments in this letter, which were considered in determining our opinion. The matters described below were not considered to be of sufficient significance to affect the opinion expressed in that report.

COMMENT – The firm subscribes to industry-specific practice aids to assist in the documentation of audit procedures. However, in a *Government Auditing Standards* engagement required to be selected, we noted that the tools intended for use in the risk assessment procedures over internal controls were not entirely used and those procedures consequently were not documented properly. During the review, the firm completed the documentation.

RECOMMENDATION – We recommend the firm require consistent and complete use of their practice aids for the audit risk assessment procedures.

COMMENT – The firm's quality control policies and procedures require documentation of audit procedures performed. However, in a *Government Auditing Standards* engagement required to be selected, the firm's analytical procedures did not include documentation of the auditor's expectations or the corroborating evidence obtained on the unexpected differences calculated. During the review, the firm completed this documentation.

RECOMMENDATION – We recommend that the firm re-emphasize their documentation requirements over analytical procedures, particularly over the auditor's expectations and corroborating evidence obtained.

Anderson + Whitney P.C.

October 14, 2008

CSCPA Peer Review Board
7979 East Tufts Ave., Suite 1000
Denver, CO 80237-2847

Members of the Board:

This letter represents our response to the report and letter of comments issued in connection with the review of our accounting and auditing practice for the year ended February 21, 2008. The matters discussed herein were brought to the attention of all personnel at a meeting held on September 29, 2008. In addition, the matters discussed in this letter will be given special emphasis in our further monitoring procedures. The following are our responses to the specific comments:

Use of Practice Aid Tools for Risk Assessment – Instead of preparing documentation of risk assessment in a format other than those described in our subscribed practice aids, firm personnel will be required to complete all documentation checklists and practice aid tools related to risk assessment in an effort to insure compliance with the underlying risk assessment standards.

Analytical Procedures – We have immediately and specifically addressed the need for expanded documentation of analytical procedures performed with firm personnel. In addition, the firm is developing processes that can be utilized consistently from engagement to engagement that will further insure compliance with these documentation requirements.

We believe these actions are responsive to the findings of the review.

Sincerely,



Johnson, Holscher & Company, P.C.



MEMORANDUM
FINANCE DEPARTMENT

To: John Hier, City Manager
From: Charles Kelty, Finance Director *ck*
Date: January 13, 2011
Re: Purchase Order Requests

The Water Department has requested the following Purchase Orders:

Vendor	Description	Amount
Thatcher	Aluminum Sulfate	\$ 38,000.00
Norit Americas	Powdered Activated Carbon	225,000.00
Nalco	Polymers, coagulants, and filtration aids	29,695.00
Total		\$292,695.00

These vendors are used to order materials through the year and the funds have been appropriated in the 2011 Budget.

The Sanitation Fund has requested the following Purchase Order:

Vendor	Description	Amount
Waste Management	Recycle services	\$60,000.00

These funds have also been appropriated in the 2011 Sanitation Fund budget. The Vendor is used through the year.

I respectfully request City Council's approval to issue the above referenced Purchase Orders.

If you have any questions please call me at x449.

Thank You





To whom it may concern,

The attached Purchase Order Request is for a single source for the following reasons.

- ❖ The listed vendor has historically been used.
- ❖ The listed vendor provides services in a timely manner
- ❖ The products supplied have historically proven their performance

Thank You

Robert P. Burns

City of Rifle – Utility Department

Water Division Supervisor





**CITY OF RIFLE
PURCHASE REQUEST**

1.	For the Purchase of (description)
	Aluminum Sulfate (ALUM) for water treatment

2.	Vendor Name
	Thatcher

3.	Vendor Address
	P.O. Box 27407 Salt Lake City, UT. 84127

4.	Amount Requested	Amount Budgeted	Finance Director Verified Funds Avail.
	\$38,000	\$38,000	

5.	Fund Number	Dept. Name	Dept. #	Sub-Account #
	310	Utilities - Water	4331.400	610

6.	Type of Purchase
	<input type="checkbox"/> Capital Construction
	<input type="checkbox"/> Capital Construction – Change Order
	<input type="checkbox"/> Capital Equipment
	<input type="checkbox"/> Plant Equipment
	<input checked="" type="checkbox"/> Materials, supplies, non-profession/technical services (includes computer/software maint.)
	<input type="checkbox"/> Professional Services
	<input type="checkbox"/> Utilities (includes equipment installation)
<input type="checkbox"/> Land, easements, ROW	

7.	Purchasing Process Required
	<input type="checkbox"/> Open Market
	<input type="checkbox"/> Comparative Pricing
	<input type="checkbox"/> Request for Proposal (attach bid tab)
	<input type="checkbox"/> Formal Bid (attach bid tab and advertisement)
<input checked="" type="checkbox"/> Single Source (attach an explanation)	

8.	Authorization Required
	<input checked="" type="checkbox"/> City Council

9.	Signatures		
	Position	Signature	Date
	Department Director		11/7/11
	City Council Approval (meeting date)		11/19/11

10.	Purchase Order # assigned by Finance	
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To whom it may concern,

The attached Purchase Order Request is for a single source for the following reasons.

- ❖ The listed vendor has historically been used.
- ❖ The listed vendor provides services in a timely manner
- ❖ The products supplied have historically proven their performance

Thank You

A handwritten signature in black ink, appearing to read "R. Burns", is written over a horizontal line.

Robert P. Burns

City of Rifle – Utility Department

Water Division Supervisor





**CITY OF RIFLE
PURCHASE REQUEST**

1.	For the Purchase of (description)
	Powdered Activated Carbon (PAC)

2.	Vendor Name
	Norit Americas

3.	Vendor Address
	3200 University Avenue Marshall, TX 75670

4.	Amount Requested	Amount Budgeted	Finance Director Verified Funds Avail.
	\$225,000	\$225,000	

5.	Fund Number	Dept. Name	Dept. #	Sub-Account #
	310	Utilities - Water	4331.400	610

6.	Type of Purchase
	<input type="checkbox"/> Capital Construction
	<input type="checkbox"/> Capital Construction – Change Order
	<input type="checkbox"/> Capital Equipment
	<input type="checkbox"/> Plant Equipment
	<input checked="" type="checkbox"/> Materials, supplies, non-profession/technical services (includes computer/software maint.)
	<input type="checkbox"/> Professional Services
	<input type="checkbox"/> Utilities (includes equipment installation)
	<input type="checkbox"/> Land, easements, ROW

7.	Purchasing Process Required
	<input type="checkbox"/> Open Market
	<input type="checkbox"/> Comparative Pricing
	<input type="checkbox"/> Request for Proposal (attach bid tab)
	<input type="checkbox"/> Formal Bid (attach bid tab and advertisement)
	<input checked="" type="checkbox"/> Single Source (attach an explanation)

8.	Authorization Required
	<input type="checkbox"/> City Manager
	<input checked="" type="checkbox"/> City Council

9.	Signatures		
	Position	Signature	Date
	Department Director		1/7/11
	City Manager		
	City Council Approval (meeting date)		1/17/11

10.	Purchase Order # assigned by Finance		
-----	---	--	--



To whom it may concern,

The attached Purchase Order Request is for a single source for the following reasons.

- ❖ The listed vendor has historically been used.
- ❖ The listed vendor provides services in a timely manner
- ❖ The products supplied have historically proven their performance

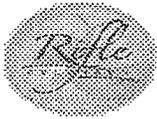
Thank You

Robert P. Burns

City of Rifle – Utility Department

Water Division Supervisor





**CITY OF RIFLE
PURCHASE REQUEST**

1.	For the Purchase of (description)
	Polymers, coagulants, and filtration aids

2.	Vendor Name
	Nalco

3.	Vendor Address
	1601 West Diehl Rd. Naperville, IL 60563

4.	Amount Requested	Amount Budgeted	Finance Director Verified Funds Avail.
	\$29,695	\$29,695	

5.	Fund Number	Dept. Name	Dept. #	Sub-Account #
	310	Utilities - Water	4331.400	610

6.	Type of Purchase	
	<input type="checkbox"/>	Capital Construction
	<input type="checkbox"/>	Capital Construction – Change Order
	<input type="checkbox"/>	Capital Equipment
	<input type="checkbox"/>	Plant Equipment
	<input checked="" type="checkbox"/>	Materials, supplies, non-profession/technical services (includes computer/software maint.)
	<input type="checkbox"/>	Professional Services
	<input type="checkbox"/>	Utilities (includes equipment installation)
<input type="checkbox"/>	Land, easements, ROW	

7.	Purchasing Process Required	
	<input type="checkbox"/>	Open Market
	<input type="checkbox"/>	Comparative Pricing
	<input type="checkbox"/>	Request for Proposal (attach bid tab)
	<input type="checkbox"/>	Formal Bid (attach bid tab and advertisement)
<input checked="" type="checkbox"/>	Single Source (attach an explanation)	

8.	Authorization Required	
	<input type="checkbox"/>	City Manager
<input checked="" type="checkbox"/>	City Council	

9.	Signatures		
	Position	Signature	Date
	Department Director		1/7/11
	City Council Approval (meeting date)		1/12/11

10.	Purchase Order # assigned by Finance	
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**CITY OF RIFLE
PURCHASE REQUEST**

1.	For the Purchase of (description)
	Recycle services

2.	Vendor Name
	Waste Management

3.	Vendor Address
	1227 Winters ave. Grand Junction Co 81501

4.	Amount Requested	Amount Budgeted	Finance Director Verified Funds Avail.
	\$60,000	\$60,000	

5.	Fund Number	Dept. Name	Dept. #	Sub-Account #
	330	4320	400	350

6.	Type of Purchase
	Capital Construction
	Capital Construction – Change Order
	Capital Equipment
	Plant Equipment
	Materials, supplies, non-profession/technical services (includes computer/software maint.)
	Professional Services
	Utilities (includes equipment installation)
	Land, easements, ROW

7.	Purchasing Process Required
	Open Market
	Comparative Pricing
	Request for Proposal (attach bid tab)
	Formal Bid (attach bid tab and advertisement)
	Single Source (attach an explanation)

8.	Authorization Required
	City Manager
	City Council

9.	Signatures		
	Position	Signature	Date
	Department Director		1-13-11
	City Manager		
	City Council Approval (meeting date)		

10.	Purchase Order # assigned by Finance	
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MEMORANDUM

To: John Hier, City Manager
From: Charles Kelty, Finance Director *CK*
Date: January 8, 2011
Subject: November 2010 Financial Reports

Attached are the financial reports for the eleven months ending November 30, 2010. Below are a few comments.

Page 3 **General Fund Revenues** – Total revenues are \$7,476,500, which compared to the prior year of \$8,997,430 is \$1,520,930 and 17% less. Please keep in mind the Federal Mineral Lease and the Severance Tax disbursements were received in September. However, the 2010 receipts were \$1,479,083 less than 2009. Sales Tax revenues were 0.3% less than the prior year. Building and Motor Vehicle Use Tax was 29% less than the prior year.

General Fund Expenditures – Total expenditures are \$6,585,551, which compared to the prior year of \$9,118,605 is \$2,533,054 and 28% less.

Page 4 **Parks & Recreation Fund Revenues** – Total revenues are \$2,264,875, which compared to the prior year of \$2,611,215 is \$346,340 and 13% less. Sales Tax revenues were 0.3% less than the prior year. Building and Motor Vehicle Use Tax was 29% less than the prior year.

Parks & Recreation Fund Expenditures – Expenditures are \$4,940,240, which compared to the prior year of \$6,836,503 is \$1,896,263 and 27% less.

Page 5 **Water Fund Revenues** – Overall, revenues are \$2,976,744, which compared to the prior year of \$2,851,795 is \$124,949 and 4% less. Operating revenues were 8% higher than the prior year. Water rights revenues were \$42,144 higher than prior year. Capital revenues were 19% less than the prior year.

Water Fund Expenses – Total expenses are \$3,034,732, which compared to the prior year of \$3,069,681 is \$34,949 and 1% less. Operation and Maintenance expenses are 11% less than prior year. Water rights expenses were 54% higher than prior year. Water System Improvements (Capital) expenses were 14% higher than prior year.

Page 6 **Wastewater Fund Revenue** – Total revenues are \$2,626,233, which compared to the prior year of \$3,021,726 is \$395,493 and 13% less. Operating revenues



were 3% less than the prior year. Capital Revenues were 50% less than the prior year.

Wastewater Expenses – Total expenses were \$2,629,865, which compared to the prior year of \$11,586,607 is \$8,956,742 and 77% less. Operating and Maintenance expenses were less by 11% compared to the prior year. Sewer System Improvements (Capital) expenses were 92% less than the prior year.

Page 7

Sanitation Fund Revenues – Total revenues are \$523,535, which compared to the prior year amount of \$522,664 is \$871 and 0.1% higher.

Sanitation Fund Expenses – Total expenses are \$440,513, which compared to the prior year amount of \$434,204 is \$6,309 and 1% higher.

Pages 8

Visitor Improvement Fund – Total revenues are \$127,346, which compared to the prior year amount of \$167,249 is \$39,903 and 24% less. Total expenses are \$86,899, which compares to the prior year amount of \$146,135 is \$59,236 and 41% less.

CITY OF RIFLE
 FUND SUMMARY WITH COMPARISON TO PRIOR YEAR
 FOR THE 11 MONTHS ENDING NOVEMBER 30, 2010

GENERAL FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	BUD REMAINING	PRIOR YTD ACT
<u>REVENUE</u>					
GENERAL REVENUES	7,875,577.00	463,986.87	7,476,500.19	399,076.81	8,997,430.19
	7,875,577.00	463,986.87	7,476,500.19	399,076.81	8,997,430.19
<u>EXPENDITURES</u>					
MAYOR/COUNCIL	69,862.00	10,642.59	59,707.00	10,155.00	55,265.01
CITY CLERK	161,494.00	9,876.57	132,194.77	29,299.23	140,852.61
MUNICIPAL COURT	184,796.00	14,252.00	157,561.73	27,234.27	144,335.94
CITY MANAGER	217,880.00	15,304.03	174,812.76	43,067.24	190,259.93
GOVERNMENT AFFAIRS	169,640.00	15,354.73	126,964.28	42,675.72	117,612.03
FINANCE	439,037.00	30,630.31	391,824.79	47,212.21	410,652.95
ATTORNEY	330,500.00	20,448.51	212,452.81	118,047.19	322,837.03
PLANNING/ZONNING	580,041.00	28,874.24	373,006.78	207,034.22	683,986.18
INFORMATION SERVICES	.00	.00	.00	.00	175,576.67
CITY HALL	155,638.00	9,277.13	118,342.38	37,295.62	126,421.66
GROUNDS AND FACILITY MAINT.	71,065.00	4,033.74	48,482.27	22,582.73	57,129.14
COMMUNITY ACCESS TV	109,717.00	7,467.83	99,230.22	10,486.78	95,031.33
POLICE	2,425,259.00	194,445.95	1,990,385.19	434,873.81	2,094,838.20
JUSTICE CENTER BLDG. OPERATION	366,148.00	144,741.96	350,746.45	15,401.55	367,266.88
BUILDING INSPECTIONS	253,131.00	10,219.26	163,502.69	89,628.31	254,372.76
STREETS	856,429.00	66,214.29	810,801.20	45,627.80	725,922.17
CONSTRUCTION CREW - INHOUSE	218,470.00	10,839.23	148,458.85	70,011.15	381,755.62
PUBLIC WORKS	258,720.00	15,083.00	226,063.86	32,656.14	216,979.05
ANIMAL SHELTER	97,233.00	6,269.94	76,204.34	21,028.66	90,032.43
CEMETERY O & H	68,828.00	3,623.74	51,705.93	17,122.07	60,512.60
SENIOR CENTER	434,857.00	28,154.41	394,915.96	39,941.04	365,798.53
NON DEPARTMENTAL	582,445.00	18,660.83	333,574.36	248,870.64	304,132.02
HOUSING AUTHORITY	51,731.00	(10.88)	4,612.22	47,118.78	46,489.43
OPERATING TRANSFERS OUT	175,000.00	.00	140,000.00	35,000.00	1,690,545.00
	8,277,921.00	664,403.41	6,585,550.84	1,692,370.16	9,118,605.17
	(402,344.00)	(200,416.54)	890,949.35	(1,293,293.35)	(121,174.98)

(3)

CITY OF RIFLE
 FUND SUMMARY WITH COMPARISON TO PRIOR YEAR
 FOR THE 11 MONTHS ENDING NOVEMBER 30, 2010

PARKS & RECREATION

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	BUD REMAINING	PRIOR YTD ACT
<u>REVENUE</u>					
PARKS AND REC REVENUE	3,819,328.00	404,433.02	2,264,874.51	1,554,453.49	2,611,214.56
	3,819,328.00	404,433.02	2,264,874.51	1,554,453.49	2,611,214.56
<u>EXPENDITURES</u>					
RECREATION	560,821.00	27,027.54	464,320.57	96,500.43	461,576.94
POOL	228,690.00	471.66	171,281.21	57,408.79	221,626.88
PARK MAINTENANCE	948,707.00	61,598.42	766,145.29	182,561.71	727,115.94
PARKS CAPITAL	3,177,388.00	195,531.49	3,419,154.72	(241,766.72)	5,341,663.71
NON-DEPARTMENTAL	90,979.00	3,604.80	57,997.82	32,981.18	23,179.00
OPERATING TRANSFER OUT	66,917.00	5,576.42	61,340.62	5,576.38	61,340.62
	5,073,502.00	293,810.33	4,940,240.23	133,261.77	6,836,503.09
	(1,254,174.00)	110,622.69	(2,675,365.72)	1,421,191.72	(4,225,288.53)

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CITY OF RIFLE
 FUND SUMMARY WITH COMPARISON TO PRIOR YEAR
 FOR THE 11 MONTHS ENDING NOVEMBER 30, 2010

WATER FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	BUD REMAINING	PRIOR YTD ACT
<u>REVENUE</u>					
WATER REVENUE	2,461,770.00	148,305.28	2,464,475.45	(2,705.45)	2,278,492.27
WATER RIGHTS REVENUE	45,130.00	9,083.08	67,186.52	(22,056.52)	25,042.48
CAPITAL REVENUE	920,004.00	251,959.80	445,082.45	474,921.55	548,260.41
	<u>3,426,904.00</u>	<u>409,348.16</u>	<u>2,976,744.42</u>	<u>450,159.58</u>	<u>2,851,795.16</u>
<u>EXPENDITURES</u>					
WATER O&H	2,423,962.00	198,684.08	1,784,248.30	639,713.70	2,009,992.69
WATER RIGHTS	152,500.00	28,136.14	161,105.24	(8,605.24)	104,306.39
WATER SYSTEM IMPROVEMENTS	1,130,090.00	108,431.45	1,089,378.31	40,711.69	955,382.22
	<u>3,706,552.00</u>	<u>335,251.67</u>	<u>3,034,731.85</u>	<u>671,820.15</u>	<u>3,069,681.30</u>
	<u>(279,648.00)</u>	<u>74,096.49</u>	<u>(57,987.43)</u>	<u>(221,660.57)</u>	<u>(217,886.14)</u>

CITY OF RIFLE
 FUND SUMMARY WITH COMPARISON TO PRIOR YEAR
 FOR THE 11 MONTHS ENDING NOVEMBER 30, 2010

WASTEWATER FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	BUD REMAINING	PRIOR YTD ACT
<u>REVENUE</u>					
WASTE WATER REVENUE	2,557,875.00	180,260.39	2,295,869.70	262,005.30	2,355,795.18
WASTE WATER REVENUE	184,395.00	(299.35)	330,362.86	(145,967.86)	665,931.56
	<u>2,742,270.00</u>	<u>179,961.04</u>	<u>2,626,232.56</u>	<u>116,037.44</u>	<u>3,021,726.74</u>
<u>EXPENDITURES</u>					
SEWER O&H	2,761,243.00	60,859.49	1,876,847.70	884,395.30	2,113,750.16
SEWER SYSTEM IMPROVEMENTS	654,400.00	456,072.31	753,016.82	(98,616.82)	9,472,856.53
	<u>3,415,643.00</u>	<u>516,931.80</u>	<u>2,629,864.52</u>	<u>785,778.48</u>	<u>11,586,606.69</u>
	<u>(673,373.00)</u>	<u>(336,970.76)</u>	<u>(3,631.96)</u>	<u>(669,741.04)</u>	<u>(8,564,879.95)</u>

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CITY OF RIFLE
 FUND SUMMARY WITH COMPARISON TO PRIOR YEAR
 FOR THE 11 MONTHS ENDING NOVEMBER 30, 2010

SANITATION FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	BUD REMAINING	PRIOR YTD ACT
<u>REVENUE</u>					
SANITATION FUND	583,932.00	47,151.89	523,535.05	60,396.95	522,663.94
	583,932.00	47,151.89	523,535.05	60,396.95	522,663.94
<u>EXPENDITURES</u>					
SANITATION	697,400.00	43,242.82	440,513.30	256,886.70	434,203.85
	697,400.00	43,242.82	440,513.30	256,886.70	434,203.85
	(113,468.00)	3,909.07	83,021.75	(196,489.75)	88,460.09



CITY OF RIFLE
 FUND SUMMARY WITH COMPARISON TO PRIOR YEAR
 FOR THE 11 MONTHS ENDING NOVEMBER 30, 2010

VISITOR IMPROVEMENT FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	BUD REMAINING	PRIOR YTD ACT
<u>REVENUE</u>					
VISITOR IMPROVEMENT	171,151.00	9,886.59	127,346.40	43,804.60	167,248.51
	171,151.00	9,886.59	127,346.40	43,804.60	167,248.51
<u>EXPENDITURES</u>					
VISITOR IMPROVEMENT	338,255.00	263.84	86,898.90	251,356.10	146,134.93
	338,255.00	263.84	86,898.90	251,356.10	146,134.93
	(167,104.00)	9,622.75	40,447.50	(207,551.50)	21,113.58



MEMORANDUM

To: John Hier, City Manager
 From: Charles Kelty, Finance Director
 Date: January 8, 2011
 Subject: November 2010 Sales, Lodging, and Use Tax Report

Total Sales, Lodging, and Use Tax revenues, for the eleven months ended November 30, 2010, is \$6,258,943; 3% less than the prior year.

Sales tax revenues are \$5,755,435 year-to-date; 0.3% less than last year.

Lodging Taxes revenues are \$125,237 year-to-date; 25% less than last year. Building and Motor Vehicle Use Tax revenues are \$378,271 year-to-date and 29% less than last year.

**Sales Tax Report
 Prior Year Comparison**

Business Category	For Sales in November			Year-to-Date		
	2009	2010	% Change	2009	2010	% Change
Bars and Restaurants	\$ 45,789	\$ 45,606	0%	\$ 645,927	\$ 570,620	-12%
Car Parts and Sales	29,027	31,198	7%	380,472	375,965	-1%
Food	72,380	73,869	2%	838,029	802,648	-4%
General Retail	191,080	200,033	5%	2,363,445	2,098,903	-11%
Hardware	16,685	20,819	25%	265,269	268,472	1%
Liquor Stores	16,373	15,596	-5%	205,488	181,078	-12%
Motels	13,107	15,151	16%	235,863	177,808	-25%
Oil & Gas	16,609	19,028	15%	240,739	752,176	212%
Leasing/Misc	3,582	2,313	-35%	181,438	91,414	-50%
Utilities	37,292	39,385	6%	413,286	436,350	6%
Total	\$ 441,924	\$ 462,999	5%	\$ 5,769,956	\$ 5,755,435	-0.3%
Allocation to Funds:						
General Fund	\$242,099	\$253,644	5%	\$3,160,947	\$3,152,992	-0.3%
Street Improvement	63,132	66,143	5%	824,279	822,205	-0.3%
Rifle Information Center	10,429	10,927	5%	136,171	135,828	-0.3%
Parks & Recreation	126,264	132,285	5%	1,648,559	1,644,410	-0.3%
	\$441,924	\$462,999	5%	\$5,769,956	\$5,755,435	-0.3%

Report Criteria:

Detail 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						
	RI28488	GENRATOR WELDER	09/27/2010	75.00	.00	
	RI28918	HONDA GENERATOR	11/04/2010	125.23	.00	
	RI29280	GENERATOR	12/17/2010	120.84	.00	
	S157031	PROPANE FUEL	01/04/2011	55.51	.00	
Total 1003:				376.58	.00	
1009						
B & B Plumbing, Inc						
	33015	REPAIR BATHROOM	12/13/2010	178.95	.00	
Total 1009:				178.95	.00	
1018						
Valley Lumber						
	48846	CULTIVATOR HANDLE	11/09/2010	14.99	.00	
	49906	HEX MASONRY SCREW	12/13/2010	23.71	.00	
	49924	BIT DRILL	12/13/2010	5.98	.00	
	49946	SHELF	12/14/2010	75.42	.00	
	49951	DRILL BIT	12/14/2010	24.99	.00	
	49953	RUSTOP LEATHER BROWN GA	12/14/2010	27.99	.00	
	50144	CONSTRUCTION FIR	12/20/2010	85.89	.00	
	50168	TRACTION SAND TUBES	12/21/2010	31.74	.00	
	50186	EXPANSION JOINT	12/21/2010	17.94	.00	
	50218	TRACTION SAND TUBES	12/22/2010	92.06	.00	
	50225	CONSTRUCTION FIR	12/22/2010	18.55	.00	
	50281	WOOD SCREW	12/27/2010	7.36	.00	
	50304	BRUSH CUP	12/28/2010	55.43	.00	
	50321	RUST STOP SPRAY	12/28/2010	17.96	.00	
	50336	SOLID WIRE	12/29/2010	38.26	.00	
	50555	CONCRETE BLOCK	01/06/2011	4.17	.00	
	50641	LAMP CLAMP	01/10/2011	30.97	.00	
	50671	CHAIN	01/11/2011	10.47	.00	
	50678	CHAIN	01/11/2011	13.96	.00	
	C49657	BOARD SHELF	12/06/2010	406.97-	.00	
Total 1018:				190.87	.00	
1022						
Central Distributing Co						
	853948	Supplies	11/26/2010	30.58-	.00	
	854018	Supplies	11/29/2010	114.24-	.00	
	855204	Supplies	12/09/2010	15.90-	.00	
	855620	Supplies	12/15/2010	197.71	.00	
	856328	Supplies	12/22/2010	171.97	.00	
	856329	Supplies	12/22/2010	414.22	.00	
	856333	Supplies	12/22/2010	341.40	.00	
	856335	Supplies	12/22/2010	150.79	.00	
	856501	Supplies	12/22/2010	53.74	.00	
	857007	Supplies	12/29/2010	137.69	.00	
	857656	Supplies	01/05/2011	297.71	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
	857660	Supplies	01/05/2011	53.08	.00	
Total 1022:				1,657.59	.00	
1023						
Chelewski Pipe & Supply						
	129880	PIPE & FITTINGS	12/15/2010	41.16	.00	
Total 1023:				41.16	.00	
1055						
Columbine Ford, Inc						
	1261	2011 FORD ESCAPE	01/05/2011	15,676.43	.00	
Total 1055:				15,676.43	.00	
1059						
Consolidated Electrical Distr						
	4983-510998	RAB VANGH150QT	12/10/2010	242.00	.00	
	4983-511548	COMP CSEU2	12/17/2010	35.01	.00	
	4983-511627	SELECTOR SWITCH	12/20/2010	340.44	.00	
Total 1059:				617.45	.00	
1062						
Dana Kepner Company						
	1342122-00	PISTON CHAMBER	12/31/2010	263.03	.00	
	1342571-00	TOUCHCOUPLER	12/29/2010	7,046.40	.00	
Total 1062:				7,309.43	.00	
1070						
Federal Express Corp						
	7-344-82104	SHIPPING	12/30/2010	28.98	.00	
	7-344-82104	SHIPPING	12/30/2010	28.99	.00	
Total 1070:				57.97	.00	
1083						
Youth Zone						
	123110	ASSES & RECOMM/EDMOND/C	12/31/2010	1,750.00	.00	
Total 1083:				1,750.00	.00	
1100						
Karp, Neu, Hanlon P.c.						
	5560	GENERAL PLANNING	12/31/2010	7,797.76	.00	
	5561	AIRPORT PTNR	12/31/2010	2,754.50	.00	
	5562	wATER RIGHTS	12/31/2010	2,757.50	.00	
	5563	GENERAL PLANNING	12/31/2010	2,817.02	.00	
	5564	UMPTRA	12/31/2010	133.00	.00	
	5565	RETAIL VENT WALMART MINO	12/31/2010	714.00	.00	
	5566	LEGAL FEES/Encana	12/31/2010	602.00	.00	
	5567	SEWER FUND	12/31/2010	266.00	.00	
	5568	PIONEER	12/31/2010	64.50	.00	
	5571	antero	12/31/2010	150.50	.00	
	5572	QUEENS CROWN	12/31/2010	129.00	.00	
	5573	URA	12/31/2010	3,519.00	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
	5574	PARKS RECREATION	12/31/2010	1,520.00	.00	
	5576	LARAMIE ENERGY PERMIT	12/31/2010	43.00	.00	
	5579	LEGAL FEES/Runway expansion	12/31/2010	366.00	.00	
	5602	VALERUS WATERSHED PERMI	12/31/2010	129.00	.00	
Total 1100:				23,762.78	.00	
1105						
Meadow Gold Dairies						
	50205240	DAIRY PRODUCTS/SENIOR CT	12/27/2010	86.19	.00	
	50205275	DAIRY PRODUCTS/SENIOR CT	01/03/2011	76.47	.00	
	50205305	DAIRY PRODUCTS/SENIOR CT	01/06/2011	55.70	.00	
Total 1105:				218.36	.00	
1106						
Micro Plastics Inc						
	84196	PLAQUE	12/14/2010	56.20	.00	
Total 1106:				56.20	.00	
1110						
Napa Auto Parts						
	141878	REFL TPE STRP RD WHT	12/22/2010	15.38	.00	
	142019	QT CANS	12/23/2010	58.07	.00	
	142431	GASKET	12/28/2010	27.73	.00	
	142465	MOTOR OIL	12/28/2010	26.46	.00	
	142849	CLEANER	12/29/2010	18.88	.00	
	142938	WORKLGT	12/30/2010	131.76	.00	
	143558	FLEET CHARGE AF GAL	01/03/2011	31.98	.00	
	143573	FLEET CHARGE AF GAL	01/03/2011	31.98	.00	
	144960	MIRROR	01/11/2011	85.42	.00	
	144961	FASTENER	01/11/2011	12.66	.00	
	145108	STRAP	01/11/2011	15.04	.00	
Total 1110:				455.36	.00	
1111						
Neve's Uniforms, Inc						
	LN-236266	UNIFORM /PD	12/29/2010	145.90	.00	
	NE5721	UNIFORM /PD	12/21/2010	156.89	.00	
	NE5744	UNIFORM /PD	12/28/2010	108.89	.00	
	NE5777	UNIFORM /PD	01/06/2011	272.79	.00	
Total 1111:				684.47	.00	
1123						
Rifle Conoco/Rifle Towing						
	STMT 010111	TOWing	12/18/2010	162.00	.00	
Total 1123:				162.00	.00	
1126						
Rifle City Of						
	1453101 12011	50 UTE AVE	12/01/2010	332.26	332.26	12/31/2010
	2003101 12011	201 E. 18th st	12/01/2010	91.67	91.67	12/31/2010
	2004101 12011	612 RAILROAD AVE	12/01/2010	41.95	41.95	12/31/2010
	2005101 12011	1612 RAILROAD AVE	12/01/2010	99.46	99.46	12/31/2010

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
	2007101 12011	301 E 30TH ST	12/01/2010	126.09	126.09	12/31/2010
	2033001 12011	750 UTE	12/01/2010	116.11	116.11	12/31/2010
	2038001 12011	0409 CR 265/POUND	12/01/2010	81.69	81.69	12/31/2010
	2042001 12011	202 railroad ave	12/01/2010	11.60	11.60	12/31/2010
	2046001 12011	143 E 4TH ST/DDA	12/01/2010	41.95	41.95	12/31/2010
	216102 120110	124 W 2nd st	12/01/2010	47.53	47.53	12/31/2010
	2214101 12011	1500 DOGWOOD DR	12/01/2010	358.23	358.23	12/31/2010
	2215101 12011	225 EAST AVE	12/01/2010	16.65	16.65	12/31/2010
	2575101 12011	E 4TH ST	12/01/2010	16.65	16.65	12/31/2010
	2975101 12011	24998 HWY 6	12/01/2010	16.65	16.65	12/31/2010
	3079101 12011	595 W 24TH ST	12/01/2010	16.65	16.65	12/31/2010
	3221101 12011	000 BROWNING DR	12/01/2010	16.65	16.65	12/31/2010
	3351101 12011	1221 E CENTENNIAL PKWY	12/01/2010	16.65	16.65	12/31/2010
	3641101 12011	360 S 7TH ST #B	12/01/2010	16.65	16.65	12/31/2010
	3673101 12011	3100 DOKES LN	12/01/2010	47.53	47.53	12/31/2010
	3677101	2515 WEST CENTENNIAL PARK	12/01/2010	2,249.36	2,249.36	12/31/2010
	779102 120110	132 E 4TH ST	12/01/2010	47.53	47.53	12/31/2010
	823101 120110	202 railroad ave	12/01/2010	261.32	261.32	12/31/2010
	873106 120110	236 w 4th st-Utilites Rental Proper	12/01/2010	64.77	64.77	12/31/2010
	944103 120110	221 W 2ND ST	12/01/2010	194.01	194.01	12/31/2010
Total 1126:				4,329.61	4,329.61	
1132						
Rifle Lock & Safe						
	30455	KEYS	01/04/2011	13.60	.00	
Total 1132:				13.60	.00	
1138						
Schmueser/Gordon/Meyer, Inc						
	99055A-153	PHASE 001	12/16/2010	1,277.50	.00	
	99055A-153	PHASE 415	12/16/2010	2,015.00	.00	
	99055A-153	PHASE 240	12/16/2010	387.50	.00	
	99055A-153	PHASE 387a	12/16/2010	260.00	.00	
	99055A-153	PHASE 417/po # 75	12/16/2010	1,447.50	.00	
	99055A-153	PHASE 459	12/16/2010	225.00	.00	
	99055A-153	PHASE 460	12/16/2010	465.00	.00	
	99055A-153	PHASE 466	12/16/2010	896.25	.00	
	99055G-1-3	WWTF METALS EVALUATION	12/21/2010	9,095.75	.00	
	99055N-2	RIFLE WATER CONSERVATION	12/22/2010	1,300.00	.00	
Total 1138:				17,369.50	.00	
1143						
Swallow Oil Company						
	1816 123110	UNLEADED /FLEET	12/31/2010	2,576.78	.00	
	1816 123110	DIESEL /FLEET	12/31/2010	2,295.48	.00	
Total 1143:				4,872.26	.00	
1145						
Thatcher Company						
	1247698	Alum/Aluminum Sulfate	12/21/2010	5,015.34	.00	
Total 1145:				5,015.34	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
1181						
Garfield Steel & Machine, Inc						
	00074875	2X11G TUBE SQUARE	12/17/2010	81.98	.00	
	00074902	RADNOR LENSE	12/20/2010	157.25	.00	
	00074917	6 X 8.2 CHANNEL	12/21/2010	26.93	.00	
	00074926	1 1/2 X 11G TUBE SQUARE	12/22/2010	44.75	.00	
Total 1181:				310.91	.00	
1188						
Jean's Printing						
	104009	printing	12/23/2010	130.35	.00	
	110032	printing	01/04/2011	732.84	.00	
Total 1188:				863.19	.00	
1194						
Pitney Bowes, Inc						
	366282	POSTAGE MACHINE RENTAL	01/03/2011	349.00	.00	
Total 1194:				349.00	.00	
1252						
Elmer Glass Company/rifle Inc						
	1012769	TEMPERED SINGLE HUNG INS	12/16/2010	200.00	.00	
Total 1252:				200.00	.00	
1258						
Hach Company						
	7045253	DIGITAL SENSOR	12/23/2010	480.78	.00	
	7045257	CALIBRATION MODULE	12/23/2010	477.00	.00	
Total 1258:				957.78	.00	
1289						
Galls, An Aramark Company						
	511043056	HOBBIE RESTRAINT	12/15/2010	23.10	.00	
	511075505	BATTERY	12/30/2010	142.47	.00	
Total 1289:				165.57	.00	
1297						
Western Slope Trailer Sales						
	34030	LATCH	12/27/2010	11.50	.00	
Total 1297:				11.50	.00	
1348						
Grand Tunnel Ditch Co.						
	123110	107.40 MINERS INCHES OF WA	12/31/2010	387.25	.00	
	123110.	52.72 MINERS INCHES OF WAT	12/31/2010	190.09	.00	
	123110/	40 MINERS INCHES OF WATER	12/31/2010	144.23	.00	
	123110//	4.35 MINERS INCHES OF WATE	12/31/2010	34.70	.00	
Total 1348:				756.27	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
1358						
Timber Line Electric & Control						
	14243	TECHNICAL SUPPORT	12/24/2010	770.65	.00	
Total 1358:				770.65	.00	
1437						
TAYLOR FENCE COMPANY OF GRAND						
	G29436	CONST. PANEL RENTAL	12/30/2010	28.80	.00	
	G29437	CONST. PANEL RENTAL	12/30/2010	15.00	.00	
Total 1437:				43.80	.00	
1443						
Orkin Pest Control						
	6658038 01011	ANNUAL PEST CONTROL/SR C	01/01/2011	565.64	.00	
Total 1443:				565.64	.00	
1447						
Gempler's Inc.						
	1016526043	H2O WAND RAIN WAND	12/08/2010	108.10	.00	
Total 1447:				108.10	.00	
1505						
Markertek Video Supply						
	927364	TA3M TECNEC PREMIUM	12/06/2010	10.83	.00	
	930205	MICORPHONE	12/22/2010	80.88	.00	
Total 1505:				91.71	.00	
1558						
All-Phase Electric Supply Co I						
	2675-691650	WIRE	12/08/2010	141.03	.00	
	2675-691651	WIRE	12/08/2010	1,911.14	.00	
Total 1558:				2,052.17	.00	
1649						
Ikon Office Solutions						
	83950026	IMAGERUNNER LEASE	01/05/2011	1,195.04	.00	
Total 1649:				1,195.04	.00	
1709						
J.p. Cooke Co						
	101424	A-95 PLAIN ALUM LIC TAGS	12/17/2010	53.10	.00	
Total 1709:				53.10	.00	
1734						
United Companies						
	786705	MATERIAL QPR COLD MIX	12/18/2010	3,501.49	.00	
	787419	WIN 3 PRO GROUT	12/25/2010	231.95	.00	
	788294	SANDING MATERIALS	01/08/2011	7,233.84	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 1734:				10,967.28	.00	
1768						
Faris Machinery Company						
	G20777	GRABBER CYLINDER	12/24/2010	880.26	.00	
	G20785	GRABBER CYLINDER	12/29/2010	818.26	.00	
	G20787	HYDRAULIC PUMP	12/31/2010	2,766.03	.00	
Total 1768:				4,464.55	.00	
1830						
Grand Valley Foods						
	111208	PINEAPPLE DICED FZN	12/21/2010	42.94	.00	
	111385	FOOD PRODUCT/SR CENTER	01/04/2011	477.76	.00	
Total 1830:				520.70	.00	
1990						
Bookcliff Survey Services, Inc						
	7475	REVIEW CREATE MAP OF WAT	01/06/2011	305.00	.00	
Total 1990:				305.00	.00	
2122						
Utility Notification Center Co						
	2012575	RTL TRANSMISSIONS	12/31/2010	38.64	.00	
Total 2122:				38.64	.00	
2181						
Nalco Chemical Company						
	95592199	Drum	12/14/2010	708.84	.00	
	95622310	Drum	12/31/2010	6,431.08	.00	
Total 2181:				7,139.92	.00	
2208						
Amerigas						
	0613-279109A	PROPANE/CE	12/02/2010	226.68	.00	
	0613-280218A	PROPANE/CE	12/15/2010	705.08	.00	
	0613-280392A	PROPANE/CE	12/21/2010	330.56	.00	
Total 2208:				1,262.32	.00	
2343						
Mountain Pest Control						
	0252271	PEST CONTROL	12/08/2010	50.00	.00	
	0252272	PEST CONTROL	12/15/2010	66.00	.00	
Total 2343:				116.00	.00	
2412						
B&h Photo - Video, Inc						
	47707224	MANFROTTO 701 HDV FLUID H	12/22/2010	279.90	.00	
	47711509	SONY MHC-EC709IP	12/22/2010	761.88	.00	
	477404357	ON-STAGE MS7700B	12/23/2010	753.15	.00	
	47839305	SONY NP-770 LITHIUM BATTER	12/29/2010	261.53	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 2412:				2,056.46	.00	
2573						
Mountain West Office Products						
	251440I	supplies	11/08/2010	.05-	.00	
	251645I	supplies	11/12/2010	.11-	.00	
	252866I	supplies	12/14/2010	226.67	.00	
	253185I	supplies	12/16/2010	12.40	.00	
	253491I	supplies	12/22/2010	8.88	.00	
	253491I	supplies	12/22/2010	12.41	.00	
	253932I	supplies	01/05/2011	472.33	.00	
	254391	supplies	01/11/2011	228.96-	.00	
Total 2573:				503.57	.00	
2690						
Down Valley Septic & Drain LLC						
	DEC100424	ROLL OFF - TIP /CEMETARY	12/31/2010	200.00	.00	
	NOV100016	ROLL OFF - TIP /CEMETARY	11/30/2010	200.00	.00	
Total 2690:				400.00	.00	
2776						
Boyle Equipment Company, Inc						
	20110025	FEMALE COUPLER	01/06/2011	58.71	.00	
Total 2776:				58.71	.00	
2820						
Colo Rural Water Association						
	6708	ANNUAL MEMBERSHIP DUES	01/01/2011	400.00	.00	
Total 2820:				400.00	.00	
2846						
Colo Mtn News Media						
	5881656R	ADS	12/02/2010	129.90	.00	
	5908741R	ADS	12/09/2010	129.90	.00	
	5938579A	ADS	12/14/2010	30.87	.00	
	5941800R	ADS	12/16/2010	129.90	.00	
	5965892R	ADS	12/23/2010	129.90	.00	
	5994259R	ADS	12/30/2010	129.90	.00	
Total 2846:				680.37	.00	
2936						
Farmer Bros. Co.						
	53959850	FOOD PRODUCTS/SENIOR CTR	01/10/2011	261.42	.00	
Total 2936:				261.42	.00	
2948						
Gvf Distributing						
	708910	aprons	01/06/2011	7.50	.00	
Total 2948:				7.50	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
3083						
ALSCO						
	LGRA942525	work shirts and pants	12/14/2010	26.55	.00	
	LGRA945678	LAUNDRY/senior center	12/21/2010	55.39	.00	
	LGRA945679	work shirts and pants	12/21/2010	26.55	.00	
	LGRA948805	LAUNDRY/senior center	12/28/2010	52.90	.00	
	LGRA948806	work shirts and pants	12/28/2010	26.55	.00	
	LGRA952002	LAUNDRY/senior center	01/04/2011	35.72	.00	
Total 3083:				223.66	.00	
3085						
Insta Chain, Inc						
	39749	CHAIN WHEEL	01/05/2011	788.09	.00	
Total 3085:				788.09	.00	
3091						
Newman Signs Inc						
	TI-0229842	SQUARE TUBE	12/20/2010	1,029.00	.00	
Total 3091:				1,029.00	.00	
3127						
Snowmass Water & Sanitation Di						
	740	BACTERIOLOGICAL WATER TE	01/11/2011	74.25	.00	
Total 3127:				74.25	.00	
3156						
Superwash Of Rifle						
	2036 120110	CAR WASH	12/01/2010	7.96	.00	
Total 3156:				7.96	.00	
3389						
Sandy's Office Supply Inc						
	895895	SUPPLIES	12/14/2010	68.39	.00	
Total 3389:				68.39	.00	
3446						
Staples Business Advantage						
	8017248804	supplies	12/11/2010	90.72	.00	
	8017306641	supplies	12/18/2010	150.61	.00	
	8017393743	supplies	01/01/2011	599.97	.00	
Total 3446:				841.30	.00	
4055						
UPS/United Parcel Service						
	0000Y2097W0	SHIPPING	12/31/2010	128.04	.00	
	0000Y2097W5	SHIPPING	12/18/2010	6.16	.00	
	0000Y2097W5	SHIPPING	12/18/2010	19.57	.00	
	0000Y2097W5	SHIPPING	12/18/2010	82.47	.00	
	0000Y2097W5	SHIPPING	12/25/2010	42.05	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 4055:				278.29	.00	
4098						
Heuton Tire Co						
	83765	TIRES/FLEET	12/14/2010	448.28	.00	
Total 4098:				448.28	.00	
4141						
True Brew Coffee Service						
	131367	COFFEE	12/17/2010	34.11	.00	
	13168	COFFEE	12/17/2010	82.90	.00	
	131717	COFFEE	01/03/2011	50.93	.00	
Total 4141:				167.94	.00	
4207						
Radio Shack						
	10133148	APC BACKUPS ES 8 OUTLET	12/29/2010	59.99	.00	
Total 4207:				59.99	.00	
4321						
Barnes Distribution						
	2758589001	INDUSTRL BRK CLNER WASH	12/22/2010	111.11	.00	
Total 4321:				111.11	.00	
4406						
Rifle Creek Stone Inc						
	25648	3/4 Screened	12/21/2010	257.40	.00	
Total 4406:				257.40	.00	
4440						
Star Precast K&m Llc						
	3430	STOCKING BAY-OUTSIDE DIME	12/16/2010	6,026.00	.00	
Total 4440:				6,026.00	.00	
4701						
Tri County Fire Protection						
	69003	ANNUAL MAIN INSPECTION	01/03/2011	98.00	.00	
	69005	ANNUAL MAIN INSPECTION	01/03/2011	382.00	.00	
Total 4701:				480.00	.00	
4711						
Rocky Mountain Valve Llc						
	10700	REAPIR KIT	01/04/2011	488.66	.00	
Total 4711:				488.66	.00	
4728						
Garfield County Public Health						
	4722	FLU IMMUNIZATIONS	12/13/2010	60.00	.00	
	4722	HEP A HEP B SHOTS	12/13/2010	55.00	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 4728:				115.00	.00	
4811						
United Site Services Inc						
	103-51054	PORTABLE RESTROOM -metro	12/20/2010	65.00	.00	
	103-51055	PORTABLE RESTROOM/ Mount	12/20/2010	140.00	.00	
Total 4811:				205.00	.00	
4825						
Cross Propane Gas						
	50026	PROPANE/PW FACILITY	12/28/2010	2,050.15	.00	
Total 4825:				2,050.15	.00	
4879						
Cardiff Cleaning Services						
	4005	CLEANING JUSTICE CENTER	12/15/2010	4,175.00	.00	
Total 4879:				4,175.00	.00	
4926						
Ge Capital						
	54973373	SHARP COPIERS/ FINANCE	12/19/2010	216.47	.00	
	54973373	SHARP COPIERS/ PD	12/19/2010	359.22	.00	
Total 4926:				575.69	.00	
5053						
Rifle Economic Development Cor						
	52	ANNUAL MEMBERSHIP	01/07/2011	1,000.00	.00	
Total 5053:				1,000.00	.00	
5181						
FRED'S HARDWARE						
	20300 123110	SUPPLIES	12/31/2010	79.64	.00	
	20301 123110	SUPPLIES	12/31/2010	362.83	.00	
	20303 123110	SUPPLIES	12/31/2010	77.93	.00	
	20306 123110	SUPPLIES	12/31/2010	213.99	.00	
Total 5181:				734.39	.00	
5192						
PECZUH PRINTING COMPANY						
	168640	BUSINESS CARDS	12/27/2010	34.00	.00	
Total 5192:				34.00	.00	
5211						
STAPLES						
	121510	OFFICE SUPPLIES	12/15/2010	358.12	.00	
Total 5211:				358.12	.00	
5237						

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
ESI-ELEVATOR SERVICES, INC.						
	9724	ELEVATOR MAINT/SR CENTER	01/01/2011	1,820.00	.00	
Total 5237:				1,820.00	.00	
5253						
FASTENAL						
	CORIF37142	WELD PLIERS	12/06/2010	18.11	.00	
	CORIF37422	SWIVEL MED/HVY	12/17/2010	67.90	.00	
	CORIF37502	SWIVEL MED	12/21/2010	58.20	.00	
Total 5253:				144.21	.00	
5454						
KINSCO						
	53438	THROSHIELD VISION	12/28/2010	1,571.80	.00	
Total 5454:				1,571.80	.00	
5499						
O.J. Watson						
	0042628-IN	STRAIGHT BLADE	01/03/2011	231.09	.00	
Total 5499:				231.09	.00	
5503						
JAY-MAX SALES						
	203116-00	COTTON RAGS	12/22/2010	71.90	.00	
	203116-01	ALL SS WORMGEAR CLAMP	12/29/2010	15.10	.00	
Total 5503:				87.00	.00	
5548						
Power Equipment Company						
	G012047529	REPAIR KIT	12/20/2010	143.11	.00	
Total 5548:				143.11	.00	
5573						
WALSH ENVIRONMENTAL SCIENTIST						
	26128	RIFLE THEATRE ABATE SOW	12/13/2010	2,237.00	.00	
	28095	RIFLE THEATRE AIRDUST ASB	12/07/2010	2,561.79	.00	
Total 5573:				4,798.79	.00	
5752						
Accutest Mountain States						
	DZ-14081	alkalinity, organic carbon/water te	12/23/2010	218.00	.00	
Total 5752:				218.00	.00	
5796						
Norit Americas Inc.						
	511626	HYDRODARCO	12/20/2010	18,360.00	.00	
	511849	NAI-19091 Porta PAC LEASE	12/29/2010	2,370.00	.00	
Total 5796:				20,730.00	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
5823						
AlcoPro						
	0145322-IN	Mouthpiece Guth Saliva	01/05/2011	81.00	.00	
Total 5823:				81.00	.00	
5827						
MWH Laboratories						
	L0046654	RPS	12/31/2010	500.00	.00	
Total 5827:				500.00	.00	
5887						
COLORADO WEST BROADCASTING, IN						
	1260-00007-00	RIFLE BUCKS - SHOPPING INC	12/31/2010	176.00	.00	
Total 5887:				176.00	.00	
5894						
TRANS-TECH ENERGY AND ENV						
	2110107-1	REPAIR OF IM806 METER-SHIP	01/07/2011	934.50	.00	
	2110107-1	REPAIR OF IM806 METER-SHIP	01/07/2011	934.50	.00	
	2110107-1 010	REPAIR OF IM806 METER-SHIP	01/07/2011	862.03	.00	
Total 5894:				862.03	.00	
5928						
O C BILLIARDS						
	282	HIRUN 57 INCH CUES	12/17/2010	260.00	.00	
Total 5928:				260.00	.00	
6014						
Nationwide Chemical						
	144-04	CONCRETE PATCH	12/23/2010	1,038.00	.00	
Total 6014:				1,038.00	.00	
6041						
JC Supply Co						
	1031-09	OIL ABSORBER	12/22/2010	1,752.00	.00	
	1031-10	OIL ABSORBER	12/27/2010	1,752.00	.00	
	1031-11	OIL ABSORBER	12/31/2010	1,752.00	.00	
Total 6041:				5,256.00	.00	
6067						
Mountain Roll-offs, Inc.						
	1905	PORTABLE RESTROOM	12/29/2010	95.00	.00	
Total 6067:				95.00	.00	
6148						
Identix, Incorporated						
	48134	WARRANTY UPDGRADE	12/30/2010	26,617.00	.00	
Total 6148:				26,617.00	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
6161						
Ewing Irrigation Products						
	2705700	IMMSC-CD CENTRAL CNTRL S	12/20/2010	20,400.00	.00	
	2710829	ACM-600 HUNTER 6 ST EXPAN	12/22/2010	22,960.60	.00	
	2710830	ACC-PED FOR METAL CABINET	12/22/2010	1,037.92	.00	
	2715377	SITE SURVEY/LICENSE FEE	12/27/2010	750.00	.00	
Total 6161:				45,148.52	.00	
6202						
Hunter, Ross						
	104	PLAQUE CITY OF RIFLE TRAILS	01/06/2011	500.00	.00	
Total 6202:				500.00	.00	
6203						
Heritage Environmental SVCS, LLC						
	1521094	SHIPPING FEE	12/31/2010	43.00	.00	
Total 6203:				43.00	.00	
Grand Totals:				253,391.00	4,329.61	

Dated: 1/13/11City Treasurer: Charles Kelly

Report Criteria:

Detail report.

Invoices with totals above \$0 included.

Paid and unpaid invoices included.

Report Criteria:

Report type: GL detail

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice Sequence	Invoice GL Account	Discount Taken	Check Amount
12/10	12/31/2010	12012010	1126	Rifle City Of	1453101 120	1	100-4514-400-4	.00	332.26
12/10	12/31/2010	12012010	1126	Rifle City Of	2003101 120	1	100-4215-400-4	.00	91.67
12/10	12/31/2010	12012010	1126	Rifle City Of	2004101 120	1	210-4521-400-4	.00	41.95
12/10	12/31/2010	12012010	1126	Rifle City Of	2005101 120	1	210-4521-400-4	.00	99.46
12/10	12/31/2010	12012010	1126	Rifle City Of	2007101 120	1	210-4521-400-4	.00	126.09
12/10	12/31/2010	12012010	1126	Rifle City Of	2033001 120	1	100-4422-400-4	.00	116.11
12/10	12/31/2010	12012010	1126	Rifle City Of	2038001 120	1	100-4414-400-4	.00	81.69
12/10	12/31/2010	12012010	1126	Rifle City Of	2042001 120	1	100-4194-400-4	.00	11.60
12/10	12/31/2010	12012010	1126	Rifle City Of	2046001 120	1	205-4651-400-4	.00	41.95
12/10	12/31/2010	12012010	1126	Rifle City Of	216102 1201	1	310-4331-400-4	.00	47.53
12/10	12/31/2010	12012010	1126	Rifle City Of	2214101 120	1	310-4331-400-4	.00	358.23
12/10	12/31/2010	12012010	1126	Rifle City Of	2215101 120	1	205-4651-400-4	.00	16.65
12/10	12/31/2010	12012010	1126	Rifle City Of	2575101 120	1	205-4651-400-4	.00	16.65
12/10	12/31/2010	12012010	1126	Rifle City Of	2975101 120	1	320-4325-400-4	.00	16.65
12/10	12/31/2010	12012010	1126	Rifle City Of	3079101 120	1	210-4521-400-4	.00	16.65
12/10	12/31/2010	12012010	1126	Rifle City Of	3221101 120	1	320-4325-400-4	.00	16.65
12/10	12/31/2010	12012010	1126	Rifle City Of	3351101 120	1	100-4310-400-4	.00	16.65
12/10	12/31/2010	12012010	1126	Rifle City Of	3641101 120	1	100-4195-400-4	.00	16.65
12/10	12/31/2010	12012010	1126	Rifle City Of	3673101 120	1	210-4521-400-4	.00	47.53
12/10	12/31/2010	12012010	1126	Rifle City Of	3677101	1	320-4325-400-4	.00	2,249.36
12/10	12/31/2010	12012010	1126	Rifle City Of	779102 1201	1	100-4800-400-8	.00	47.53
12/10	12/31/2010	12012010	1126	Rifle City Of	823101 1201	1	100-4194-400-4	.00	261.32
12/10	12/31/2010	12012010	1126	Rifle City Of	873106 1201	1	100-4800-400-8	.00	64.77
12/10	12/31/2010	12012010	1126	Rifle City Of	944103 1201	1	100-4800-400-4	.00	194.01
Total 12012010:								.00	4,329.61
Grand Totals:								.00	4,329.61

Dated: 1/13/11

Accounts Payable: _____

Finance Director: Chad Kelly

Report Criteria:

Report type: GL detail

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice Sequence	Invoice GL Account	Discount Taken	Check Amount
12/10	12/30/2010	49034	1003	Action Shop Services, Inc	R128224	1	310-4331-400-4	.00	100.00
12/10	12/30/2010	49034	1003	Action Shop Services, Inc	RO29190	1	310-4331-400-4	.00	100.00
Total 49034:								.00	200.00
12/10	12/30/2010	49035	1452	Bell, Jim	122310	1	100-4199-400-6	.00	3,625.00
Total 49035:								.00	3,625.00
12/10	12/30/2010	49036	6192	CAPT	123010	1	100-4240-400-5	.00	25.00
Total 49036:								.00	25.00
12/10	12/30/2010	49037	4121	Cebt	123010	1	100-202-007	.00	69,021.44
12/10	12/30/2010	49037	4121	Cebt	123010	2	210-202-007	.00	12,971.68
12/10	12/30/2010	49037	4121	Cebt	123010	3	310-202-007	.00	14,548.52
12/10	12/30/2010	49037	4121	Cebt	123010	4	320-202-007	.00	3,926.19
12/10	12/30/2010	49037	4121	Cebt	123010	5	330-202-007	.00	1,015.08
12/10	12/30/2010	49037	4121	Cebt	123010	6	610-202-007	.00	1,595.08
12/10	12/30/2010	49037	4121	Cebt	123010	7	620-202-007	.00	3,190.16
12/10	12/30/2010	49037	4121	Cebt	123010	8	100-202-007	.00	1,884.64
Total 49037:								.00	108,152.79
12/10	12/30/2010	49038	6168	City Market #443	122310	1	100-4800-400-8	.00	20.00
Total 49038:								.00	20.00
12/10	12/30/2010	49039	6144	COMCAST CABLE	121510	1	100-4210-400-5	.00	2.00
Total 49039:								.00	2.00
12/10	12/30/2010	49040	5861	COUNTRY ATTIC	122310	1	100-4800-400-8	.00	100.00
Total 49040:								.00	100.00
12/10	12/30/2010	49041	5028	CRABTEE'S RED CANYON AUT	122910	1	100-4210-400-4	.00	6,476.25
Total 49041:								.00	6,476.25
12/10	12/30/2010	49042	3982	Cruise Control	122310	1	100-3000-313-0	.00	243.81
12/10	12/30/2010	49042	3982	Cruise Control	122310	2	201-3000-313-0	.00	63.58
12/10	12/30/2010	49042	3982	Cruise Control	122310	3	210-3000-313-0	.00	10.50
12/10	12/30/2010	49042	3982	Cruise Control	122310	4	207-3000-313-0	.00	127.16
Total 49042:								.00	445.05
12/10	12/30/2010	49043	2270	Fred Pryor Seminars	12163594	1	100-4210-400-5	.00	159.00
Total 49043:								.00	159.00
12/10	12/30/2010	49044	5207	Hayes, Peter	122310	1	100-4240-400-5	.00	85.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice Sequence	Invoice GL Account	Discount Taken	Check Amount
Total 49044:								.00	85.00
12/10	12/30/2010	49045	3015	Kroger/King Sooper Cust Charge	061780	1	100-4514-400-6	.00	20.44
12/10	12/30/2010	49045	3015	Kroger/King Sooper Cust Charge	076330	1	100-4514-400-6	.00	48.03
12/10	12/30/2010	49045	3015	Kroger/King Sooper Cust Charge	077893	1	100-4111-400-5	.00	71.91
12/10	12/30/2010	49045	3015	Kroger/King Sooper Cust Charge	095569	1	320-4325-400-5	.00	11.92
12/10	12/30/2010	49045	3015	Kroger/King Sooper Cust Charge	095569	2	310-4331-400-5	.00	11.92
12/10	12/30/2010	49045	3015	Kroger/King Sooper Cust Charge	137827	1	100-4111-400-5	.00	49.93
12/10	12/30/2010	49045	3015	Kroger/King Sooper Cust Charge	160202	1	100-4132-400-5	.00	82.60
Total 49045:								.00	296.75
12/10	12/30/2010	49046	5384	MOUNTAIN HIGH PAINT	122310	1	100-4800-400-8	.00	20.00
Total 49046:								.00	20.00
12/10	12/30/2010	49047	3288	Sanchez, Nancy	122310	1	100-4240-400-6	.00	5.99
Total 49047:								.00	5.99
12/10	12/30/2010	49048	1347	Timberline Sporting Goods	122310	1	100-4800-400-8	.00	360.00
Total 49048:								.00	360.00
12/10	12/30/2010	49049	2960	Walmart Community	021613	1	100-4194-400-6	.00	13.88
12/10	12/30/2010	49049	2960	Walmart Community	028338 1228	1	310-4331-400-6	.00	292.32
12/10	12/30/2010	49049	2960	Walmart Community	REFUND 12	1	100-4194-400-6	.00	13.88-
Total 49049:								.00	292.32
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264873211	1	320-4325-400-4	.00	4,350.25
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264873211	2	100-4310-400-4	.00	17.11
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	1	210-4513-400-4	.00	167.99
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	2	210-4513-400-4	.00	21.01
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	3	210-4513-400-4	.00	21.01
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	4	310-4331-400-4	.00	20.40
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	5	310-4331-400-4	.00	1,372.27
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	6	310-4331-400-4	.00	3,000.59
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	7	320-4325-400-4	.00	244.63
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	8	310-4331-400-4	.00	1,536.07
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	9	100-4310-400-4	.00	10.90
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	10	100-4422-400-4	.00	47.46
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	11	320-4325-400-4	.00	444.38
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	12	100-4800-400-4	.00	340.26
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	13	100-4310-400-4	.00	22.58
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	14	210-4521-400-4	.00	13.84
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	15	100-4310-400-4	.00	10.90
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	16	100-4422-400-4	.00	11.96
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	17	310-4331-400-4	.00	40.58
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	18	210-4521-400-4	.00	289.07
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	19	210-4521-400-4	.00	635.74
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	20	310-4331-400-4	.00	10.90
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	21	320-4325-400-4	.00	64.50
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	22	100-4310-400-4	.00	29.67
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	23	210-4521-400-4	.00	38.83

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice Sequence	Invoice GL Account	Discount Taken	Check Amount
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	24	210-4521-400-4	.00	10.90
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	25	100-4414-400-4	.00	205.52
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	26	210-4521-400-4	.00	18.55
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	27	100-4310-400-4	.00	10.90
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	28	310-4331-400-4	.00	516.37
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	29	210-4513-400-4	.00	10.90
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	30	100-4194-400-4	.00	2,204.01
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	31	100-4800-400-4	.00	31.53
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	32	100-4310-400-4	.00	14.48
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	33	100-4310-400-4	.00	26.80
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	34	210-4521-400-4	.00	295.69
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	35	310-4331-400-4	.00	55.04
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	36	210-4521-400-4	.00	54.26
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	37	100-4514-400-4	.00	1,056.16
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	38	210-4521-400-4	.00	812.03
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	39	100-4310-400-4	.00	1,149.91
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	40	210-4521-400-4	.00	340.70
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	41	310-4331-400-4	.00	12.44
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	42	100-4310-400-4	.00	239.30
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	43	100-4215-400-4	.00	1,996.30
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	44	100-4310-400-4	.00	77.95
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	45	210-4521-400-4	.00	1,368.50
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	46	310-4331-400-4	.00	115.80
12/10	12/30/2010	49050	1120	Xcel Energy Inc	264874632	47	100-4310-400-4	.00	102.70
12/10	12/30/2010	49050	1120	Xcel Energy Inc	265043510	1	320-4325-400-4	.00	2,367.14
12/10	12/30/2010	49050	1120	Xcel Energy Inc	265043510	2	310-4331-400-4	.00	253.06
Total 49050:								.00	26,109.84
Grand Totals:								.00	146,374.99

Dated: 1/3/11

Accounts Payable: _____

Finance Director: Charles Helms

Report Criteria:

Report type: GL detail

Report Criteria:

Report type: GL detail

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice Sequence	Invoice GL Account	Discount Taken	Check Amount
01/11	01/07/2011	49161	6124	A & D Pawn	123110	1	100-4800-400-8	.00	60.00
		Total 49161:						.00	60.00
01/11	01/07/2011	49162	6185	Active Communications	123110	1	100-4800-400-8	.00	160.00
		Total 49162:						.00	160.00
01/11	01/07/2011	49163	6194	ARMA International	235574	1	100-4114-400-5	.00	210.00
		Total 49163:						.00	210.00
01/11	01/07/2011	49164	1802	Base Camp Cafe	123110	1	100-4800-400-8	.00	460.00
		Total 49164:						.00	460.00
01/11	01/07/2011	49165	5218	Braaten, Mike	122910	1	100-4135-400-5	.00	110.00
		Total 49165:						.00	110.00
01/11	01/07/2011	49166	6200	CAMCA	010611	1	100-4121-400-5	.00	20.00
01/11	01/07/2011	49166	6200	CAMCA	010611	1	100-4121-400-5	.00	20.00
		Total 49166:						.00	40.00
01/11	01/07/2011	49167	6168	City Market #443	123110	1	100-4800-400-8	.00	20.00
01/11	01/07/2011	49167	6168	City Market #443	123110	1	100-4800-400-8	.00	60.00
		Total 49167:						.00	80.00
01/11	01/07/2011	49168	6020	CMCA	010611	1	100-4114-400-5	.00	110.00
		Total 49168:						.00	110.00
01/11	01/07/2011	49169	2846	Colo Mtn News Media	5839421A	1	205-4651-400-5	.00	28.34
		Total 49169:						.00	28.34
01/11	01/07/2011	49170	6106	Colorado Code Publishing Compa	RF-1005	1	100-4114-400-3	.00	141.00
		Total 49170:						.00	141.00
01/11	01/07/2011	49171	6063	Colorado Dept of Public Health	010411	1	203-4652-400-7	.00	75.00
		Total 49171:						.00	75.00
01/11	01/07/2011	49172	5861	COUNTRY ATTIC	123110	1	100-4800-400-8	.00	80.00
		Total 49172:						.00	80.00
01/11	01/07/2011	49173	2690	Down Valley Septic & Drain LLC	120110	1	320-3000-371-0	.00	99.96

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice Sequence	Invoice GL Account	Discount Taken	Check Amount
Total 49173:								.00	99.96
01/11	01/07/2011	49174	3358	Equifax	5969737	1	100-4210-400-5	.00	36.03
Total 49174:								.00	36.03
01/11	01/07/2011	49175	5181	FRED'S HARDWARE	123110	1	100-4800-400-8	.00	240.00
Total 49175:								.00	240.00
01/11	01/07/2011	49176	1078	Garfield County Sheriff	32393	1	100-4153-400-3	.00	5.00
01/11	01/07/2011	49176	1078	Garfield County Sheriff	32394	1	100-4153-400-3	.00	19.50
01/11	01/07/2011	49176	1078	Garfield County Sheriff	32395	1	100-4153-400-3	.00	19.50
01/11	01/07/2011	49176	1078	Garfield County Sheriff	32396	1	100-4153-400-3	.00	5.00
01/11	01/07/2011	49176	1078	Garfield County Sheriff	32397	1	100-4153-400-3	.00	5.00
Total 49176:								.00	54.00
01/11	01/07/2011	49177	4345	Helen Artist-Rogers/HR Design	010511	1	205-4651-400-3	.00	2,916.67
Total 49177:								.00	2,916.67
01/11	01/07/2011	49178	3972	Hier, John	010111	1	100-4132-400-5	.00	200.00
Total 49178:								.00	200.00
01/11	01/07/2011	49179	1575	International Inst Municipal	010111	1	100-4114-400-5	.00	250.00
Total 49179:								.00	250.00
01/11	01/07/2011	49180	4630	Kirkman, Ula	010611	1	210-4512-400-6	.00	75.00
Total 49180:								.00	75.00
01/11	01/07/2011	49181	4441	Koutsoubos, Louis	JAN RENT 0	1	310-4331-400-4	.00	1,085.00
Total 49181:								.00	1,085.00
01/11	01/07/2011	49182	3015	Kroger/King Sooper Cust Charge	132865	1	100-4514-400-6	.00	59.87
01/11	01/07/2011	49182	3015	Kroger/King Sooper Cust Charge	135218	1	100-4514-400-6	.00	25.10
Total 49182:								.00	84.97
01/11	01/07/2011	49183	5860	MARY'S WONDROUS THINGS	123110	1	100-4800-400-8	.00	360.00
Total 49183:								.00	360.00
01/11	01/07/2011	49184	1106	Micro Plastics Inc	123110	1	100-4800-400-8	.00	20.00
Total 49184:								.00	20.00
01/11	01/07/2011	49185	5558	Midland Art Co, LLC	123110	1	100-4800-400-8	.00	100.00
Total 49185:								.00	100.00

GL eriod	Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice Sequence	Invoice GL Account	Discount Taken	Check Amount
01/11	01/07/2011	49186	6193	Miller Arland	554895	1	210-4521-400-4	.00	900.00
Total 49186:								.00	900.00
01/11	01/07/2011	49187	1653	Millers Dry Goods	123110	1	100-4800-400-8	.00	600.00
Total 49187:								.00	600.00
01/11	01/07/2011	49188	1108	Mountain Clear Bottled Water	6884 123110	1	100-4310-400-6	.00	352.85
01/11	01/07/2011	49188	1108	Mountain Clear Bottled Water	6886 123110	1	320-4325-400-6	.00	61.50
Total 49188:								.00	414.35
01/11	01/07/2011	49189	6199	Mountain West Oil Field Service	120110	1	320-3000-371-0	.00	133.28
Total 49189:								.00	133.28
01/11	01/07/2011	49190	1110	Napa Auto Parts	123110	1	100-4800-400-8	.00	60.00
01/11	01/07/2011	49190	1110	Napa Auto Parts	123110.	1	100-4800-400-8	.00	20.00
Total 49190:								.00	80.00
01/11	01/07/2011	49191	1443	Orkin Pest Control	59802698	1	100-4514-400-4	.00	49.10
Total 49191:								.00	49.10
1/11	01/07/2011	49192	5960	Parker, Scott	2000557002	1	210-3000-347-0	.00	60.00
Total 49192:								.00	60.00
01/11	01/07/2011	49193	1118	Parts House	123110	1	100-4800-400-8	.00	40.00
Total 49193:								.00	40.00
01/11	01/07/2011	49194	5571	QUEVEDO, JENNIE	200	1	100-4121-400-5	.00	404.68
Total 49194:								.00	404.68
01/11	01/07/2011	49195	2830	Qwest	9706254960	1	100-4210-400-5	.00	133.62
01/11	01/07/2011	49195	2830	Qwest	9706257330	1	100-4114-400-5	.00	8.65
01/11	01/07/2011	49195	2830	Qwest	9706257330	2	100-4121-400-5	.00	11.70
01/11	01/07/2011	49195	2830	Qwest	9706257330	3	100-4132-400-5	.00	14.37
01/11	01/07/2011	49195	2830	Qwest	9706257330	4	100-4151-400-5	.00	29.22
01/11	01/07/2011	49195	2830	Qwest	9706257330	5	100-4191-400-5	.00	29.22
01/11	01/07/2011	49195	2830	Qwest	9706257330	6	100-4199-400-5	.00	11.70
01/11	01/07/2011	49195	2830	Qwest	9706257330	7	100-4240-400-5	.00	17.41
01/11	01/07/2011	49195	2830	Qwest	9706257330	8	100-4317-400-5	.00	21.98
01/11	01/07/2011	49195	2830	Qwest	9706257330	9	210-4512-400-5	.00	41.02
01/11	01/07/2011	49195	2830	Qwest	9706257330	10	100-4215-400-5	.00	98.91
01/11	01/07/2011	49195	2830	Qwest	9706257330	11	310-4331-400-5	.00	4.46
01/11	01/07/2011	49195	2830	Qwest	9706257330	12	320-4325-400-5	.00	4.46
01/11	01/07/2011	49195	2830	Qwest	9706257330	13	210-4521-400-5	.00	26.85
01/11	01/07/2011	49195	2830	Qwest	9706257330	14	620-4192-400-5	.00	11.70
01/11	01/07/2011	49195	2830	Qwest	9706257330	15	310-4331-400-5	.00	11.70
1/11	01/07/2011	49195	2830	Qwest	9706257330	16	320-4325-400-5	.00	11.70
01/11	01/07/2011	49195	2830	Qwest	9706257330	17	100-4310-400-5	.00	29.12

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice Sequence	Invoice GL Account	Discount Taken	Check Amount
01/11	01/07/2011	49195	2830	Qwest	9706258808	1	100-4414-400-5	.00	53.31
01/11	01/07/2011	49195	2830	Qwest	9706259179	1	100-4151-400-5	.00	195.04
01/11	01/07/2011	49195	2830	Qwest	K-719-111-3	1	210-4521-400-5	.00	52.69
01/11	01/07/2011	49195	2830	Qwest	K-719-111-3	2	100-4310-400-5	.00	102.91
01/11	01/07/2011	49195	2830	Qwest	K-719-111-3	3	310-4331-400-5	.00	81.29
01/11	01/07/2011	49195	2830	Qwest	K-719-111-3	4	210-4521-400-5	.00	52.90
01/11	01/07/2011	49195	2830	Qwest	K-719-111-3	5	100-4514-400-5	.00	44.54
01/11	01/07/2011	49195	2830	Qwest	K-719-111-3	6	310-4331-400-5	.00	49.73
01/11	01/07/2011	49195	2830	Qwest	K-719-111-3	7	100-4210-400-5	.00	43.56
01/11	01/07/2011	49195	2830	Qwest	K-719-111-3	8	210-4513-400-5	.00	48.01
01/11	01/07/2011	49195	2830	Qwest	K-719-111-3	9	100-4215-400-5	.00	54.58
01/11	01/07/2011	49195	2830	Qwest	K-719-111-3	10	310-4331-400-5	.00	53.63
01/11	01/07/2011	49195	2830	Qwest	K-719-111-3	11	100-4310-400-5	.00	52.86
01/11	01/07/2011	49195	2830	Qwest	K-719-111-3	12	320-4325-400-5	.00	65.82
01/11	01/07/2011	49195	2830	Qwest	K-719-111-3	13	320-4325-400-5	.00	62.86
01/11	01/07/2011	49195	2830	Qwest	K-719-111-3	14	210-4521-400-5	.00	97.31
01/11	01/07/2011	49195	2830	Qwest	K-719-111-3	15	210-4521-400-5	.00	54.35
Total 49195:								.00	1,683.18
01/11	01/07/2011	49196	4207	Radio Shack	123110	1	100-4800-400-8	.00	420.00
Total 49196:								.00	420.00
01/11	01/07/2011	49197	5862	RANCH HOUSE MERCANTILE,	123110	1	100-4800-400-8	.00	160.00
Total 49197:								.00	160.00
01/11	01/07/2011	49198	6196	Redi Services	120110	1	320-3000-371-0	.00	133.28
Total 49198:								.00	133.28
01/11	01/07/2011	49199	2409	Reserve Account	122910	1	310-4331-400-3	.00	306.74
01/11	01/07/2011	49199	2409	Reserve Account	122910	2	320-4325-400-3	.00	306.74
01/11	01/07/2011	49199	2409	Reserve Account	122910	3	330-4320-400-3	.00	306.75
01/11	01/07/2011	49199	2409	Reserve Account	122910	4	100-4111-400-3	.00	15.83
01/11	01/07/2011	49199	2409	Reserve Account	122910	5	100-4114-400-3	.00	39.51
01/11	01/07/2011	49199	2409	Reserve Account	122910	6	100-4132-400-3	.00	1.76
01/11	01/07/2011	49199	2409	Reserve Account	122910	7	100-4151-400-3	.00	1,100.86
01/11	01/07/2011	49199	2409	Reserve Account	122910	8	100-4191-400-3	.00	103.09
01/11	01/07/2011	49199	2409	Reserve Account	122910	9	100-4199-400-3	.00	1.56
01/11	01/07/2011	49199	2409	Reserve Account	122910	10	100-4240-400-3	.00	297.45
01/11	01/07/2011	49199	2409	Reserve Account	122910	11	100-4317-400-3	.00	21.13
01/11	01/07/2011	49199	2409	Reserve Account	122910	12	210-4512-400-3	.00	91.97
01/11	01/07/2011	49199	2409	Reserve Account	122910	13	310-4331-400-3	.00	1,252.31
01/11	01/07/2011	49199	2409	Reserve Account	122910	14	320-4325-400-3	.00	22.81
01/11	01/07/2011	49199	2409	Reserve Account	122910	15	100-4422-400-3	.00	2.20
01/11	01/07/2011	49199	2409	Reserve Account	122910	16	204-4650-400-3	.00	1.32
Total 49199:								.00	3,872.03
01/11	01/07/2011	49200	1125	Rifle Chamber Of Commerce	3203	1	205-4651-400-5	.00	75.00
01/11	01/07/2011	49200	1125	Rifle Chamber Of Commerce	3210	1	210-4512-400-5	.00	75.00
Total 49200:								.00	150.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice Sequence	Invoice GL Account	Discount Taken	Check Amount
01/11	01/07/2011	49201	1132	Rifle Lock & Safe	123110	1	100-4800-400-8	.00	40.00
		Total 49201:						.00	40.00
01/11	01/07/2011	49202	5960	Rigsby Brock	2000558002	1	210-3000-347-0	.00	60.00
		Total 49202:						.00	60.00
01/11	01/07/2011	49203	5872	Sammy's on Park Ave	123110	1	100-4800-400-8	.00	160.00
		Total 49203:						.00	160.00
01/11	01/07/2011	49204	1345	Shanghai Gardens	123110	1	100-4800-400-8	.00	60.00
		Total 49204:						.00	60.00
01/11	01/07/2011	49205	5960	Solinger Bill	123110,	1	210-3000-347-0	.00	60.00
		Total 49205:						.00	60.00
01/11	01/07/2011	49206	6197	Stallion Oil Field Services	120110	1	320-3000-371-0	.00	33.32
		Total 49206:						.00	33.32
01/11	01/07/2011	49207	6048	Tally Ho Shires & Sporthorses	121110	1	210-4512-400-5	.00	400.00
		Total 49207:						.00	400.00
01/11	01/07/2011	49208	5865	THAI CHILI RESTAURANT	123110	1	100-4800-400-8	.00	40.00
		Total 49208:						.00	40.00
01/11	01/07/2011	49209	6182	Trendz Clothing Co	123110	1	100-4800-400-8	.00	520.00
		Total 49209:						.00	520.00
01/11	01/07/2011	49210	6198	United Site Services	120110	1	320-3000-371-0	.00	8.33
		Total 49210:						.00	8.33
01/11	01/07/2011	49211	1018	Valley Lumber	123110	1	100-4800-400-8	.00	100.00
		Total 49211:						.00	100.00
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	1	310-4331-400-5	.00	29.80
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	2	320-4325-400-5	.00	29.80
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	3	210-4523-400-7	.00	37.81
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	4	100-4414-400-5	.00	73.41
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	5	100-4240-400-5	.00	118.65
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	6	100-4422-400-5	.00	21.40
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	7	100-4194-400-5	.00	21.40
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	8	100-4194-400-5	.00	35.74
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	9	100-4132-400-5	.00	52.58
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	10	100-4311-400-5	.00	47.30
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	11	100-4135-400-5	.00	52.33
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	12	620-4192-400-5	.00	217.45

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice Sequence	Invoice GL Account	Discount Taken	Check Amount
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	13	100-4111-400-5	.00	34.72
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	14	210-4521-400-5	.00	312.08
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	15	100-4191-400-5	.00	96.66
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	16	100-4210-400-5	.00	1,065.19
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	17	100-4317-400-5	.00	52.33
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	18	210-4512-400-5	.00	248.50
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	19	330-4320-400-5	.00	37.95
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	20	100-4514-400-5	.00	32.59
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	21	100-4310-400-5	.00	214.93
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	22	310-4331-400-5	.00	27.94
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	23	320-4325-400-5	.00	27.95
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	24	320-4325-400-5	.00	283.46
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	25	320-4325-400-5	.00	163.12
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	26	100-4317-400-5	.00	18.35
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	27	320-4325-400-5	.00	13.32
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	28	100-4310-400-5	.00	7.34
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	29	310-4331-400-5	.00	13.32
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	30	100-4114-400-5	.00	52.33
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	31	620-4192-400-5	.00	35.80-
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	32	210-4512-400-5	.00	2.06-
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	33	320-4325-400-5	.00	18.95
01/11	01/07/2011	49212	1004	Verizon Wireless, Bellevue	0936379411	34	310-4331-400-5	.00	18.95
Total 49212:								.00	3,439.79
01/11	01/07/2011	49213	6175	Walmart	123110	1	100-4800-400-8	.00	9,740.00
Total 49213:								.00	9,740.00
01/11	01/07/2011	49214	2960	Walmart Community	003469	1	100-4514-400-6	.00	99.63
01/11	01/07/2011	49214	2960	Walmart Community	003695	1	100-4194-400-6	.00	45.00
01/11	01/07/2011	49214	2960	Walmart Community	003695	2	100-4111-400-6	.00	27.00
01/11	01/07/2011	49214	2960	Walmart Community	003737	1	100-4194-400-6	.00	36.44
01/11	01/07/2011	49214	2960	Walmart Community	003951	1	310-4331-400-6	.00	19.94
01/11	01/07/2011	49214	2960	Walmart Community	005527.	1	310-4331-400-6	.00	16.44
Total 49214:								.00	244.45
01/11	01/07/2011	49215	6195	Western Slope Communications	31264	1	204-4650-400-7	.00	250.00
Total 49215:								.00	250.00
01/11	01/07/2011	49216	6043	Wilkins Angie	123110	1	210-4521-400-5	.00	39.00
Total 49216:								.00	39.00
01/11	01/07/2011	49217	5588	WINGNUTZ BAR & GRILL	123110	1	100-4800-400-8	.00	80.00
Total 49217:								.00	80.00
01/11	01/07/2011	49218	5960	Winkler Cathy	123110	1	210-3000-347-0	.00	60.00
Total 49218:								.00	60.00
11/11	01/07/2011	49219	1120	Xcel Energy Inc	0352903184	1	310-4331-400-4	.00	82.08

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice Sequence	Invoice GL Account	Discount Taken	Check Amount
Total 49219:								.00	82.08
01/11	01/07/2011	49220	6063	Colorado Dept of Public Health	010411.	1	203-4652-400-7	.00	55.00
Total 49220:								.00	55.00
01/11	01/07/2011	103110015	1114	Wells Fargo Bank West	0103110015	1	310-4331-400-8	.00	1,656.15 M
01/11	01/07/2011	103110015	1114	Wells Fargo Bank West	0103110015	2	310-4331-400-8	.00	6,666.67 M
Total 103110015:								.00	8,322.82
01/11	01/07/2011	103110016	3858	Wells Fargo Bank Mn Na	0103110016	1	310-4333-400-8	.00	3,594.59 M
01/11	01/07/2011	103110016	3858	Wells Fargo Bank Mn Na	0103110016	2	310-4333-400-8	.00	5,833.33 M
Total 103110016:								.00	9,427.92
Grand Totals:								.00	49,398.58

Dated: 1/7/11

Accounts Payable : _____

Finance Director: *Shane Helt*

Report Criteria:

Report type: GL detail

January 13, 2011

Mayor Keith Lambert
Rifle City Council
P. O. Box 1908
Rifle, Colorado 81650

Re: January 19, 2011 City Council Meeting

Dear Mayor Lambert and Members of the Rifle City Council:

The purpose of this letter is to briefly outline the discussion we will have at the January 19, 2011 Rifle City Council Meeting.

1. Agreements with the Rifle Economic Development Corporation Regarding Valley Lumber Property. As you know, the Rifle Economic Development Corporation (REDC) has worked closely with the City regarding the redevelopment of the Valley Lumber Property and the City and the REDC have entered into various agreements regarding that relationship. With the recent negotiation of a Lease with Brenden Theatres discussed below, the City's agreements with the REDC need to be addressed accordingly.

A. Termination and Release of Exclusive Right to Negotiate. In 2010 the City and the REDC entered into that certain Exclusive Right to Negotiate and Memorandum of Understanding regarding the redevelopment of a portion of the Valley Lumber Property for the construction of a Health and Wellness Center. In that MOU, the City agreed to exclusively negotiate with the REDC with respect to a portion of the Valley Lumber Property. When the City and the REDC started discussing a lease with Brenden Theatres for the construction of a multi-plex theatre, the REDC recognized it needed to release the City of its obligations to only negotiate with the REDC. The enclosed Termination and Release of Exclusive Right to Negotiate was approved and signed by the REDC late last year so that the City could commence and continue the negotiations with Brenden Theatres unbridled. It is now before the City Council to formally approve the Termination and Release.

We recommend that the City Council approve the Termination and Release of Exclusive Right to Negotiate and Memorandum of Understanding with the REDC.

B. First Amendment to Infrastructure Design Agreement. The City was awarded a \$25,000 DOLA grant last summer for costs associated with the design of infrastructure necessary to get the Valley Lumber Property investment ready. The REDC agreed to contribute 50% of the matching funds for the DOLA grant (\$12,500) and perform the duties of contractor under the

Mayor Keith Lambert
Rifle City Council
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Grant. Because the Health and Wellness Center cannot be located on the Valley Lumber Property, the REDC cannot contribute funds towards the Grant match; however, it has already prepared and published bids for the design work and it is willing to continue the role of contractor under the Grant. Because time is of the essence with preparing the Valley Lumber Property for Brenden Theatres, the City welcomes the REDC's continued assistance. The enclosed First Amendment to Infrastructure Design Agreement sets forth the parties new relationship. The REDC will not be providing any funds for the work, but it will oversee the completion of the design work. The City is responsible for the match funds under the DOLA grant and because the scope of the design work is expanding with an actual user on the Property, the cost of such work will exceed the original amount. The "not to exceed" amount is blank in the enclosed Agreement, but with the bids scheduled to return next week, staff should have a solid estimate to report at your meeting. The REDC has also agreed to convey to the City property donated to the REDC by John Isham adjacent to the Valley Lumber Property. We included the conditions of this property conveyance in this First Amendment rather than draft a separate document. The Isham Property was donated to the REDC with the condition that a lot line adjustment plat be prepared and recorded adjusting the property western boundary to the middle of Rifle Creek (the parcel boundary now lies on the west side of Rifle Creek and is of no use to the redevelopment of the Valley Lumber Property). Bookcliff Surveying is going to prepare the necessary plat on behalf of and as a donation to the REDC and the City is agreeing to execute the plat since it will be the owner of that parcel by the time the plat is finalized.

We recommend approval of the First Amendment to Infrastructure Design Agreement between the City and the REDC.

2. Ground Lease for Valley Lumber Property. Staff is very pleased to announce that we have negotiated the enclosed Ground Lease with Brenden Theatres for a multi-plex theatre on 24,000 square feet of the Valley Lumber Property which will contain 6-7 screens with a seating capacity of 675-900. The Lease further allows an expansion of the Theatre with an additional 4,500 square feet for two movie screens in the future at Brenden's option. The City is responsible for constructing the public improvements for the Valley Lumber Property and preparing all of the Common Area, including parking, sidewalks and landscaping. The Leased Premises encompasses only the footprint of the Theatre and any future expansion. Exhibit A to the Lease shows a very general layout of the Property and the Theatre Pad Site. The final location and shape of the Theatre footprint and the parking configuration will be determined through the site plan and building permit process.

The City will prepare the Property to allow Brenden to build on the Theatre Pad Site and Brenden is committing to build the Theatre pursuant to the City's draft Central Business District Zone Code adhering to the City's usual building permit process. The REDC, which is bidding out the design work for the public improvements, indicated the design will be completed by the end of February, allowing hard engineer's estimates to be made for the cost of the public improvements at that time.

Mayor Keith Lambert
Rifle City Council
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Brenden Theatres will be coming to the City Council's March 2, 2011 meeting to present final architectural design of the Theatre. Because we do not have a good estimate of the cost of the public Improvements for which the City is responsible, and we still only have conceptual elevations of the Theatre as Brenden prices various options, both parties agreed to have an "out" in the Lease in case costs prohibit current expectations. Therefore, either party may terminate the Lease by giving notice to the other party by March 4, 2011. However, we plan on working very closely with Brenden to avoid such a result.

The term of the lease is ten (10) years with the option to extend it with two (2) five (5) year extensions. Brenden will pay rent in the amount of \$5,000 per month and they hope to have the Theatre open by Thanksgiving 2011 with rent payments commencing December 1, 2011. In the event construction takes longer not due to Brenden's fault, rent will commence when the Theatre opens for business. Rent can be increased by three percent (3%) if the option term is exercised. Brenden will further be responsible for all of its utilities and its share of Common Area expenses based upon its parking needs. Brenden is provided a license over the Common Area and sufficient parking for their operation and the City will maintain all of the Common Area. The Lease further contains customary insurance requirements and indemnity provisions related to each party's activities. At the end of the Term of the Lease, and any extensions, the City will take possession of the Theatre building.

We recommend approval of the Ground Lease between the City and Brenden Theatre Corporation.

3. First Amendment to Rifle Creek Theatre Façade Construction Agreement. As a result of cost overruns related to the construction of the façade of the Rifle Creek Theatre, at your last meeting you agreed to utilize monies budgeted in 2011 for Phase 2 of the theatre's interior renovation to complete the façade work (Phase 1). The City has an existing agreement with the New Ute Theatre Society, Inc. for the Phase 1 work that set forth the appropriated amounts. The enclosed First Amendment increases that amount by \$34,090.11 and extends the completion date of the façade construction to March 31, 2011.

We recommend approval of the First Amendment to Rifle Creek Theatre Façade Construction Agreement between the City and the New Ute Theatre Society, Inc. on your consent agenda.

4. Ordinance No. 1, Series of 2011 (Amendment to Ordinance No. 21, Series of 2004 vacating a portion of Shoupe Avenue). In 2004, City Market was planning an expansion of its Rifle store and the City negotiated a trail easement along Rifle Creek. At the same time, to clean up property issues, the corporate owner of the Property, Dillon Real Estate, Co., Inc. requested that a portion of Shoupe Avenue located in the middle of the parking lot be vacated. The City approved the right-of-way vacation by Ordinance No. 21, Series of 2004. That ordinance was never recorded and therefore not effective and the trail easement was never executed and conveyed to the City. We became aware of this

KARP NEU HANLON, P.C.

Mayor Keith Lambert
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as the City commenced construction of the Rifle Creek Trail between 16th Street and the City Market parking lot. The City received a license from Dillon Real Estate to construct the trail that is now completed while Dillon's attorney worked on other title and real estate issues. Dillon is now ready to convey the trail easement to the City and with new title information, we need to amend Ordinance No. 21, Series of 2004 for it to be accurate. The enclosed Ordinance No. 1, Series of 2011 makes the required amendments and vacates Shoupe Avenue as it exists in City Market's parking lot. The enclosed Improvement Survey shows the location of Shoupe Avenue that is being vacated, as well as the location of the new trail. We will present the revised trail easement document to you at the second reading of Ordinance No. 1 on February 2nd.

We recommend approval of Ordinance No. 1, Series of 2011 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

JSN:
Enclosure

**TERMINATION AND RELEASE OF
EXCLUSIVE RIGHT TO NEGOTIATE
AND
MEMORANDUM OF UNDERSTANDING**

This Termination and Release of Exclusive Right to Negotiate and Memorandum of Understanding (“MOU”) is made and entered into as of the ___ day of _____, 2010 by and between the RIFLE ECONOMIC DEVELOPMENT CORPORATION, a Colorado not-for-profit corporation (the “REDC”) and the CITY OF RIFLE, COLORADO, a municipal corporation organized and existing under the laws of the State of Colorado (the “City”).

Recitals:

A. The City and the REDC entered into that certain Exclusive Right to Negotiate and Memorandum of Understanding dated _____ 2010 regarding the redevelopment of a portion of the City-owned Valley Lumber Property for the construction of a Health and Wellness Center by the REDC (the “MOU”).

B. To support the construction of the Health and Wellness Center, to encourage the redevelopment of the Downtown and to spur additional development, the City agreed to exclusively negotiate with the REDC with respect to a portion of the Valley Lumber Property subject to the terms of the MOU.

C. With the assistance of the REDC, the City has the opportunity to negotiate an agreement with a multi-plex movie theatre developer to be located on the Valley Lumber Property which will meet many of the City’s goals and the REDC is willing to release the City from its obligation to negotiate exclusively with the REDC.

NOW, THEREFORE, for and in consideration of the foregoing recitals, the mutual promises and obligations of the parties set forth herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged and confessed, the parties hereto hereby agree as follows:

1. **Incorporation of Recitals.** The foregoing recitals are incorporated herein as if set forth in full.

2. **Termination of MOU/Continued Cooperation.** The City and the REDC hereby agree to terminate the MOU dated _____ 2010 with no further obligations of either party under the MOU. The REDC and the City do, however, desire to continue to cooperate regarding the redevelopment of the Valley Lumber Property to attract additional developers and users.

IN WITNESS WHEREOF, the parties hereto have executed this Termination and Release the day and year first above written.

CITY OF RIFLE, COLORADO

RIFLE ECONOMIC DEVELOPMENT
CORPORATOION

By: _____
Honorable Keith Lambert
Its: Mayor

By: Muhaf Jimhane
Its: President

**FIRST AMENDMENT TO
INFRASTRUCTURE DESIGN AGREEMENT
VALLEY LUMBER PROPERTY REDEVELOPMENT
BETWEEN
THE RIFLE ECONOMIC DEVELOPMENT CORPORATION
AND THE CITY OF RIFLE**

This First Amendment to Infrastructure Design Agreement (“Fist Amendment”) is made and entered into effective the 1st day of January, 2011 by and between the RIFLE ECONOMIC DEVELOPMENT CORPORATION, a Colorado not-for-profit corporation (the “REDC”) and the CITY OF RIFLE, COLORADO, a municipal corporation organized and existing under the laws of the State of Colorado (the “City”).

W I T N E S S E T H:

WHEREAS, the City is the owner of the real property generally described as the “Valley Lumber Property” and the City and the REDC entered into that certain Exclusive Right to Negotiate and Memorandum of Understanding regarding the redevelopment of the Valley Lumber Property for the construction of a Health and Wellness Center (“MOU”); and

WHEREAS, the City applied for and received a grant from the Colorado Department of Local Affairs in the amount of \$25,000 for the design of infrastructure and drainage improvements to the Valley Lumber Property to make the entire parcel “investment ready” (the “DOLA Grant”) and the City and the REDC entered into that certain Infrastructure Design Agreement where each party agreed to share equally in contributing the required fifty percent (50%) matching funds for the DOLA Grant in the amount of \$12,500 each (the “Infrastructure Agreement”); and

WHEREAS, in the Infrastructure Agreement, the REDC agreed to take responsibilities for all aspects of soliciting bids, awarding contracts, and managing the work to be performed under the DOLA Grant (the “Project”) subject to the terms and conditions contained therein and the REDC agreed to perform such duties for the Project as a developer of the Valley Lumber Property to further the goals of the City; and

WHEREAS, subsequent to the execution of the MOU and the Infrastructure Agreement, the City, with assistance from the REDC, has been able to negotiate a lease with a multi-plex movie theatre developer to be located on the Valley Lumber Property, which precludes the construction of the Health and Wellness Center; and

WHEREAS, the City and the REDC agreed to terminate the MOU by separate agreement and because the Health and Wellness Center will not be located on the Valley Lumber Property, the REDC is unable to contribute funds to the Project as agreed to under the Infrastructure Agreement; and

WHEREAS, the REDC is otherwise willing to perform all other obligations under the Infrastructure Agreement to further mutual goals of the City and the REDC with the redevelopment of the Valley Lumber Property and because it has already commenced these duties and time is of the essence, the City desires that the REDC continue its performance of such obligations; and

WHEREAS, the REDC obtained property adjacent to the Valley Lumber Property from John Isham to be part of the Valley Lumber Property redevelopment that it wants to donate to the City; and

WHEREAS, the City and the REDC desire to amend the Infrastructure Agreement to address these new circumstances.

NOW, THEREFORE, for and in consideration of the foregoing recitals, the mutual promises and obligations of the parties set forth herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged and confessed, the parties hereto hereby agree as follows:

1. Incorporation of Recitals. The foregoing recitals are incorporated herein by this reference as if set forth in full.

2. Amendment to Infrastructure Agreement. Section 2 of the Infrastructure Agreement is hereby amended to read as follows:

REDC Management of and Payments for the Project. Working as a partner with the City, the REDC agrees to manage all aspects of the Project and the City will be solely responsible for all funding requirements of the Project in an amount not to exceed \$_____. The City shall be the contracting party for the DOLA Grant and perform all reporting requirements in the DOLA Grant. The REDC agrees to perform all of the duties of the "Contractor" as set forth in the DOLA Grant, including but not limited to soliciting bids and awarding contracts for the Project, and supervising and managing the Project so the City has bid packages prepared to release for the construction of the improvements, all in full compliance with the terms and conditions of the DOLA Grant with the goal of furthering the development potential of the Valley Lumber Property. The REDC shall provide all of the information the City needs to comply with its reporting requirements under the DOLA Grant.

3. Donation of the Isham Property. By January 31, 2011, or as soon as practical thereafter, the REDC agrees to convey to the City that property described on Exhibit A attached hereto and incorporated herein by this reference (the "Isham Property") to be developed in concert with the Valley Lumber Property. The City acknowledges that the Isham Property was donated to the REDC with the condition that a lot line adjustment plat be approved and recorded adjusting the western boundary line of the Isham Property

so that it falls in the middle of Rifle Creek and the City agrees it is taking ownership of the Isham Property with such condition. The REDC agrees to prepare and process the lot line adjustment plat and the City agrees to execute the lot line adjustment plat as the owner of the Isham Property to effectuate the adjustment.

4. Ratify and Affirm Infrastructure Agreement. Except as expressly amended herein, the parties ratify and affirm the Infrastructure Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment as of the day and year first above written.

CITY OF RIFLE, COLORADO

RIFLE ECONOMIC DEVELOPMENT
CORPORATOION

By: _____
Honorable Keith Lambert
Its: Mayor

By: _____
Its: _____

Press Release

Contact: Matt Sturgeon
Phone: (970) 665-6499

FOR IMMEDIATE RELEASE
9 a.m. MST Jan 14, 2011

BRENDEN THEATRE CORP ANNOUNCES NEW CINEMA IN RIFLE, CO

RIFLE, CO, JAN 14, 2011: Brenden Theatre Corporation announced intentions to build a state of the art movie cinema in downtown Rifle with an anticipated opening day in late fall 2011. Brenden Theatre Corp currently operates over 90 screens in California, Nevada, and Arizona. This would be Brenden's first theatre in Colorado.

The City of Rifle and Rifle Economic Development Corporation have been partnering to find a catalyst for downtown revitalization the past two years and believe Brenden Theatres will offer an anchor to attract additional development downtown as well as help attract customers to existing retail and restaurants serving Rifle's Central Business District.

Brenden Theatre Corp will construct a seven or eight-plex cinema on City owned property commonly referred to as the old Valley Lumber site. Brenden Theatre Corp. will lease approximately 24,000 square feet of land from the City of Rifle

for 10 years with two, five year renewal options. At the end of the lease, the theatre building will be turned over to the City.

This project was assisted by local businesses including a land donation from John Isham, owner of Jon's Liquor, a land trade with Valley Lumber Co., and a land trade with Western Rockies Federal Credit Union.

The Rifle Economic Development Corporation previously had been strategizing to place a Health and Wellness Center on this site. Site constraints won't allow the site to accommodate both a theatre and Health & Wellness Center. The Economic Development Corp. is now evaluating other locations for the City's future Health and Wellness Center.

-END-

**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. 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

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 D.

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 D. 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.

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

Mayor

[CITY SEAL]

ATTEST:

City Clerk

STATE OF COLORADO)
) ss.
GARFIELD COUNTY)

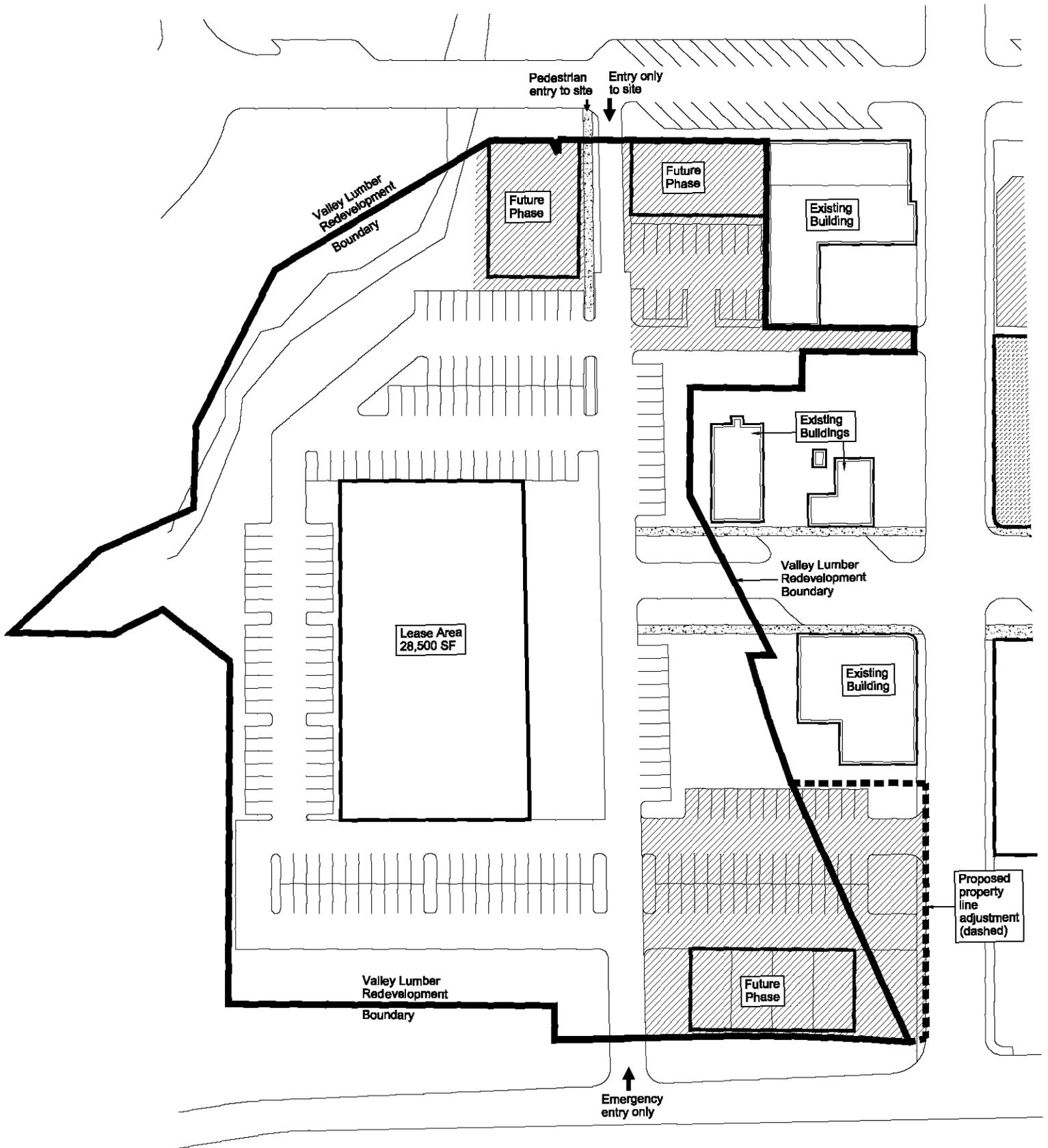
The foregoing instrument was acknowledged before me this ___ day of _____, 20___, by Keith Lambert as Mayor and Lisa Cain as City Clerk of the City of Rifle.

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

[NOTARIAL SEAL]

Notary Public

My commission expires:




136 East Third Street
 Rifle, CO 81650
 (970) 625-0580 phone
 (970) 625-0581 fax
 www.jjarch.com
 Johnson-Carter
 Architects, P.C.
 Copyright 2011

Valley Lumber Redevelopment Rifle, Colorado 81650

A1
 Date: 01-13-11

MEMORANDUM

To: Mayor and City Council

From: John Hier

Re: Memorandum of Understanding with Rifle Economic Development Corp.

As Council may recall, the Rifle Economic Development Corporation requested a budget allocation last fall to assist them in their efforts to expand their activities on a regional basis. They have been successful thus far in obtaining participation from other communities including Parachute and New Castle. Their hope is to provide economic development assistance throughout western Garfield County.

The City budgeted \$8,000 within its 2011 Economic Development Fund to assist in this effort.

The attached MOU outlines the nature of their proposed goals, provides the City with a position on their Board of Directors, and requires an annual budgeting and accounting report to the City.

I recommend approval of this Memorandum of Understanding.

Thanks

John



AGREEMENT

The City of Rifle, Colorado (City) and Rifle Economic Development Corporation (REDC), a not-for profit organization, agree as follows:

Whereas, it is and has been the policy of the City to actively encourage, promote and stimulate economic development; and

Whereas, REDC was formed in 2007 in order to establish a full service economic development program; and

Whereas, REDC has requested that the City grant financial support to expand the capacity of the organization to include communities within Western Garfield County; and

Whereas, the strategic objectives of REDC are to (1) foster a positive image for Western Garfield County, (2) recruit targeted businesses and industries that create quality jobs, (3) enhance local business growth and expansion, (4) make Western Garfield County a major competitor on the Western Slope, and (5) play a lead economic development role while building cooperative relationships with other economic development organizations; and

Whereas, in order to accomplish the goals of REDC and develop a coordinated regional economic development partnership, it is the commitment of the City to contribute annually to the funding of REDC:

Now, therefore, the City and REDC stipulate and agree:

1. On an annual basis, and as City finances allow, City pledges to contribute to the funding of REDC a lump sum dollar amount. Such lump sum shall be determined at the sole discretion of the City and shall be dispersed to REDC in two installments, with the first installment on or about the first day of January of each year, and the second installment on or about the first day of July of each year. For the calendar year of 2011, such sum shall be Eight Thousand Dollars and No Cents (\$8,000).
2. Upon signing of agreement and receipt of annual financial support, City is granted authority to appoint one board seat to REDC Board of Directors.
3. In consideration of the above, REDC shall annually prepare and maintain a budget for its operations and operate within said budget, expend its funds in furtherance of the

PO Box 823 • Rifle, Colorado 81650 • 970.625.4202 • www.rifleedc.com



Memo

To: John Hier, City Manager
From: Matt Sturgeon, Assistant City Manager *MS*
Copy: Dick Deussen, City Engineer and Frank Shaw, O&M Supervisor
Date: 1/13/2011
Re: Valley Lumber Asbestos Abatement

Pursuant to State regulations, staff obtained an Asbestos report for all the structures on the former Valley Lumber site. This report is necessary to obtain a demolishing permit from the Colorado Department of Health and Environment. The report found no Asbestos in the out buildings; however, the main building contains Asbestos in several building components including drywall, caulking, and some roofing materials.

The presence of Asbestos in a form that can become "friable" during demolishing requires the City abate the Asbestos prior to City crews removing the structure from the site. Staff solicited bids from three contractors pursuant to the Purchasing Code for professional services less than \$20,000. When we began receiving feedback on the project, staff learned the project will exceed \$20,000. Each of the contacted vendors stated the price will exceed this dollar amount. At the end of work Thursday, staff was in possession of one firm bid in the amount of \$31,989.00 (potentially \$44,814.00). The higher price would be to cover cost of roofing disposal if it is determined City crews can't remove and dispose of roofing materials containing "non-friable" asbestos. We are anticipating at least two additional bids.

This work is being complete to facilitate redevelopment of the Valley Lumber site where time is of the essence. The Purchasing Code would ordinarily require staff put out a Request for Proposals with this new knowledge of price; this would be the conservative approach as the Purchasing Code really doesn't speak to what to do if costs exceed expectations when properly following the code. The RFP process, as we learned recently with the Ute Theatre, will take several weeks causing delay to the entire project.

There are no firms capable of doing this work located within Rifle or Garfield County. Additionally, the intent of the Purchasing Code was met with staff trying to get the lowest price for the work for the benefit of Rifle tax payers. Therefore, staff is requesting City Council take the following action January 19:

- 1.) Waive the RFP process in this instance, because no "local" firm is being harmed by said waiver and the intent is being met, which is to obtain the best price for the local tax payer in a non-arbitrary manner. Additionally, time constraints require deliberate action by City Council to ensure additional cost overruns don't occur because of delay.
- 2.) Grant staff authority to enter into a contract with the low bidder in an amount not to exceed \$44,814; the lowest known bid to date that anticipates the potential Asbestos abatement associated with roofing tar.



Monarch Site Services, Inc.
1220 East Hampden Avenue
Englewood, Colorado 80113
Tel: 303-355-1778
Fax: 303-355-1771

www.monarchsiteservices.com

Date: January 12, 2011

PROPOSAL
ASBESTOS ABATEMENT

Monarch Site Services, Inc. (Contractor) is pleased to present the following proposal:

Owner/Customer: City of Rifle
202 Railroad Avenue
Rifle, CO 81650

Property address: Valley Lumber
211 West 2nd Street
Rifle, Colorado

1. Scope of work:

The scope of work will be as follows:

- Removal of asbestos drywall and sprayed on texture per Walsh survey. \$31,989.00
If this work can be performed at approximately the same time as the other City abatement contract, then a mobilization fee of \$1,266.00 can be waived. The adjusted base price would then be \$30,723.00
Additional savings may also be gained if a time and material structure is utilized with a "not to exceed" price equal to the base contract amount.
- Option#1 Removal of approx. 5,700 sq.ft. of asbestos roofing = \$12,825.00 add

2. Contract Price:

Owner/Customer shall pay Contractor thirty one thousand, nine hundred, eighty nine dollars and cents (\$31,989.00) ("Contract Price").

3. Payment Terms:

The Contract Price, including any change orders, shall be paid as follows:

- Twenty five percent (25%) of the Contract Price is due upon contract signing with the balance, including any change orders, due **in full upon Project Completion.** Project Completion is defined in Paragraph 9 of this proposal.
- Asbestos Containing Materials (ACM) will not be disposed of until Contractor is paid in full. Proper disposal is required to receive a demolition permit.
- Acceptable forms of payment: check
- If payment is not received per the terms set forth above, Owner/Customer shall pay all of Contractor's legal costs and attorney's fees incurred in procuring payment, including post-judgment costs and attorney fees incurred in the collection efforts, plus interest at the rate of 18% per annum.

Monarch Site Services, Inc. Initial: _____ Initial: _____

Page 1

4. Price Includes:

Labor, equipment, materials, transportation, disposal, and permit.

5. Price Excludes:

- Final clearance report
- Bond
- Unforeseen asbestos containing material discovered on the property not in the original scope of work.
- Power and water

6. Contractor's Responsibilities:

Subject to payment of the Contract Price, Contractor shall pay all of its subcontractors and suppliers and will keep the property free from all liens for labor and materials and all other liens and encumbrances related to its work.

7. Insurance:

- a. General Liability/Pollution Liability/Workman's Compensation Insurance: Contractor shall supply a certificate of insurance to the Owner/Customer evidencing coverage prior to commencing work.

8. Change Orders:

In the event that any asbestos containing material is discovered on the property that was not included in the original scope of work, then any such alteration to the scope of work shall require a written change order. The suspected material must be tested and confirmed as asbestos containing. Contractor shall submit a written change order to Owner/Customer that will amend the Scope of Work and the Contract Price. All monies due as a result of change orders shall be paid at the time of project completion/clearance and are subject to the Payment Terms set forth above.

9. Project Completion:

The project shall be deemed complete when all asbestos containing material within the original scope of work, and within the scope of any signed change orders, has been removed and Final Clearance(s), if applicable, have been issued by an independent inspector. Owner/Customer is not responsible for any costs associated with remobilization if Contractor fails to remove any ACM within the scope of its work.

10. Performance standards:

Contractor shall perform work to meet or exceed state, local, and federal regulations relating to the successful abatement of asbestos as outlined in the above scope of work and as required by the State of Colorado Air Quality Commission Regulation No. 8, Part B-Asbestos. Regulatory agencies include OSHA, EPA, and the Colorado Department of Health.

11. OSHA standard 29 CFR 1926.1101 (k)(1)(ii) states:

Building and or facility owners shall notify the following persons of the presence, location, and quantity of ACM or PACM, at the work sites in their buildings and facilities. Notification shall either be in writing, or shall consist of personal communication between the owner and the person to whom notification must be given or their authorized agent: (A) Prospective employers applying or bidding for work whose employees reasonably can be expected to work in or adjacent to areas containing such material: (B) Employees of the owner who will work in or adjacent to areas containing such material: (C) On multi-employer work sites, all employers or employees who will be performing work within or adjacent to areas containing such materials: (D) Tenants who will occupy areas containing such material.

12. Marketing:

Contractor reserves the right to hang a banner or place a sign on the premises for the purposes of marketing. Sign or banner will be removed upon project completion.

13. Confidentiality:

It is understood and agreed that the terms of this contract are confidential. The terms, covenants and/or restrictions of this contract shall not be disclosed to any third-party without the prior written consent of the parties.

14. Cancellation:

The parties agree that this contract will be in full force and effect upon signing and that any attempt to cancel the contract by the Owner/Customer will result in damages paid to Contractor as allowed under Colorado law or fifty percent (50%) of the contract amount, whichever is greater.

15. Arbitration:

It is understood and agreed between the parties that should any dispute arise out of this Contract, said dispute shall be submitted to an arbitrator selected under the Better Business Bureau Alternative Dispute Program and shall follow the arbitrator's decision after a hearing on the dispute which shall be final and binding on the parties. In the event of any arbitration or litigation pertaining to this contract, the arbitrator or court shall award to the prevailing party all reasonable costs and expenses, including attorney and legal fees.

16. Pricing:

Pricing is good for ninety (90) days following date of proposal.

Owner/Customer Approval:



Signature & Title

Chuck Bower
Print Name

1/12/11
Date

Contractor Approval:

Signature & Title

Print Name

Date

***Nelson Engineering & Construction Inc.
892 M 8/10 Rd.
Mack, CO 81525
970-260-0445***

Jan 14, 2011

*Frank Shaw
City of Rifle
202 Railroad Ave.
Rifle, CO 81650
379-2398
Fax 625-0254*

Job: Removal of asbestos contaminated Sheetrock at 211 West 2nd St.

Obtain an asbestos removal permit from the Colorado Dept of Health. Set up full containment with 2 layers of floor poly, critical barriers, negative hepa exhaust machines, 3 stage decon with shower, 2 stage waste loadout.

Remove all the asbestos contaminated sheetrock from the main office building, obtain a final air clearance from a third party. Dispose of the asbestos at an approved landfill. This work does not include removal of the roofing materials. We will require water, power, and heat to remain on at the building during abatement activates. All work to be done in compliance with EPA and state regulations.

Total \$ 98,675.00



Date: January 13, 2011
To: John Hier, City Manager
From: Aleks Briedis, Recreation Director
RE: Centennial Playground Master Plan

Great Outdoors Colorado (GOCO) has announced its 2011 competitive grant cycle for Local Park and Outdoor Recreation grants. Staff would like to apply for a grant to complete the planned playground and amenities in Centennial Park on the north end of the great bowl. Applications are due March 4th with awards being announced June 14th.

To be able to apply for this grant, we will need a detailed master plan with cost estimates for this area. Design Concepts has given the city a proposal for this to include a tot lot playground, a primary aged playground, play equipment selected to carry the energy and mining theme, swings, picnic shelter with restroom, concrete walk connections, ADA accessibility, interpretive, educational and discovery activities. Due to the park being located in the flood plain, designs will be inserted into the existing flood analysis model to account for drainage and maintenance.

Funds were not budgeted for this plan in the 2011 budget. Staff is recommending reallocating funds from the Deerfield Park Planning Funds to pay for the Centennial Playground Plan. In the event we are short for funds in the future, to complete the Deerfield Park Plan, staff will investigate backfilling with Parkland Dedication funds. We are hoping that we will not have to do this, but staff will come back to Council if this is needed.

Currently \$208,000 is budgeted for the Deerfield Park Planning. Design Concepts proposal for the Centennial Playground Plan is \$9,980.

Staff recommends reallocating \$9,980 from the Deerfield Park Plan to complete the Centennial Playground Plan.



January 13, 2011

Aleks Briedis
Recreation Director
City of Rifle
202 Railroad Ave.
Rifle, Colorado 81650

211 North Public Rd.
Suite 200
Lafayette, CO 80026
tel. 303.664.5301
fax 303.664.5313

Re: **Fee Proposal for Centennial Park's Playground Master Plan**

Dear Aleks:

We are pleased to submit our proposal for Landscape Architectural services for master plan documentation of the play area located within Centennial Park in Rifle, Colorado. Thank you for giving us the opportunity to provide these services and continue with the overall vision and design of the Centennial Park Master Plan. As always, we are excited to collaborate with the City on this project.

In 2005 Design Concepts designed the overall Master Plan for Centennial Park and in 2008/2009 provided construction documents for Phase I of the Centennial Park Master Plan which was constructed in 2010. A Phase I Master Plan rendering was provided to the City once construction was complete.

Our understanding is that we will provide master plan design services for the entire play area for this park. Amenities to include a tot lot playground, a primary aged playground, play equipment selected to carry the energy and mining theme, swings, picnic shelter with restroom, concrete walk connections, ADA accessibility, interpretive, educational and discovery activities. Design Concepts will design these unique features so that they stay true to the concept while providing safe, fun and creative learning and play opportunities.

The Master Plan will be utilized to apply for a GOCO grant, determine a detailed cost estimate, provide direction for fund raising or donations, provide the base for future construction documents/installation and assist with the play equipment vendor bidding process.

Due to Centennial Park being located within a flood plain, the play area design will take into account drainage and maintenance. Conceptual playground designs will be inserted into the existing flood analysis model

by SGM to be certain the design does not impact the predicted flood waters.

Existing site survey information will be utilized for the Master Plan document. Construction documentation and observation is not a part of this proposal.

We would like to offer the following proposal for our services:

Basic Services

MASTER PLAN

Based upon your input, we will prepare a Master Plan for Centennial Park's play area.

We will provide the following services:

- Prepare a conceptual master plan of layout for review
- Prepare preliminary cost estimate
- Prepare a detailed preliminary master plan based on design input
- Update the cost estimate
- Provide play equipment cut sheets for input and comments
- Attend review meeting with City and PRAB for presentation and input on design (one meeting assumed, to be held consecutively)
- Prepare a revised rendered final master plan
- Prepare a final cost estimate
- Document design responses and priorities throughout the process.

REIMBURSABLE EXPENSES ESTIMATE

Reimbursable items include delivery; printing and reproduction to be used outside our office will be billed at a rate equal to amount of incurred expense.

BILLING

Invoicing will be monthly and will not exceed the total fee quoted for Basic Services plus any reimbursable expenses. No additional services will be billed unless authorized.

ADDITIONAL SERVICES

Services not included in Basic Services listed above, but which may become necessary in the course of the project will be billed as Additional Services on an hourly basis as is in accordance with the attached Schedule of Fees. Such items include additional meetings with PRAB, the City or

public meetings. The City will be notified when Additional Services are required and an estimate provided prior to beginning work.

FEE PROPOSAL

Basic Services

Master Plan	\$ 9680.00
Estimated Reimbursable Expenses	<u>\$ 300.00</u>
TOTAL BASE BID FEE	\$9,980.00

Design Concepts will provide substantial support as site planners and Landscape Architects for this site. Designing play areas is one of our specialties that we are thoroughly passionate about, and we look forward to being a part of this project.

Sincerely,


Shanen Weber, RLA
Principal

**UTILITY DEPARTMENT
INTEROFFICE MEMO**



TO: John A. Hier, City Manager

FROM: Deussen, P.E., City Engineer, Charles G. Stevens, Utility Director

CC: City Council Members, Robert Burns, Water Supervisor

DATE: January 12, 2011

RE: Authorize Completion of Phase II for the Design of the Rifle Regional Water Purification Facility

REQUEST

Please request City Council to approve this investment expenditure to extend the amount of the award of Phase 2, Design and Bid Documents Production to Malcolm Pirnie, Inc. in the amount of \$1,196,392.

DISCUSSION

Phase 1, the Basis of Design Report, is now complete for a 6 mgd facility meeting the requirements of CDPHE. The City of Rifle previously awarded an amount not to exceed \$380,500 in 2010 for Phase 2, to complete certain portions of the design for the new facility and related improvements. This included preparation of documents for procurement of the membranes, obtaining a CDOT access permit, determining the extent of wetlands on the site, evaluation of the existing 24" raw water pipeline, obtaining a geotechnical report and modification of the 30% drawings to include pressure membranes.

In accordance with the schedule for this project, Phase 2 would be completed by the end of 2011. This will be a time and expense contract with a not-to-exceed price.

The engineering required to complete the design includes over 300 drawings and 200 specification sections and includes approximately 13,000 man-hours, 5 subcontractors and permitting from 8 agencies.

The addition of the 2010 amount authorized (\$380,500) and the amount requested herein (\$1,196,392) equal the amount request in the attached letter.

Funds are available from the 2011 Water Capital Fund Budget in the amount of \$1,196,392 (310-4333-400-723).



*UTILITY DEPARTMENT
INTEROFFICE MEMO*



This project is planning for and making decisions that take into account future generations, is consistent with the City's vision, is delivering high quality drinking water that is safe and meets community expectations while increasing efficiency, is ensuring more reliable water service and is anticipating future regulations.

ACTION

The City Engineer and Utility Director recommend the extension and award of Phase 2 Design and Bid Documents Production to Malcolm Pirnie, Inc. in an amount not to exceed \$1,196,392 for 2011.

Attachment (1)



June 10, 2010

Mr. Charlie Stevens
Utility Director
CITY OF RIFLE
202 Railroad Avenue
Rifle, Colorado 81650

Re: Rifle Water Purification Facility – Engineering Design Services

Dear Mr. Stevens:

At the City Council workshop of February 3, 2010 the City indicated that the treatment capacity of the Rifle Regional Water Purification Facility (RRWPF) at Site 2 be revised from a hydraulic capacity of 8 mgd expandable to 16 mgd to 6 mgd expandable to 8 mgd. The change was made to better reflect the long term growth rate and water demands for the City of Rifle. This was based on Census records from 1980 and 2000 along with population estimates for 2009 (approximately 8,800). The revised estimated capital cost of the 6 mgd expandable to 8 mgd is \$29,980,000. This letter provides a status summary of the engineering design services and budget to date and identifies proposed revisions to the scope for the design assignment and requests consideration for a change in the design budget to reflect the additional design effort required.

1.0 Background - The City identified the design approach to the RRWPF in the Request for Proposal (RFP) dated February 2008. Malcolm Pirnie submitted Draft 1 of the 'Basis of Design Report' (BDR) on December 21, 2009 for the City's review, comments and direction. The Draft 1 BDR provided a detailed approach to the design of an 8 mgd hydraulic capacity facility prior to start of detailed design. The estimated capital cost of the water treatment plant included treatment processes to meet the City's finished water quality goals. The accompanying Figure 3-1 (Attachment A) is a process diagram illustrating the water treatment unit processes. The additional unit treatment processes, not originally identified in the RFP, include granular activated carbon contactors, chlorine dioxide addition, break tank, new on-site hypochlorite generation system, and sludge drying beds. Centrifuge dewatering of residuals was not included in the BDR, but was included as part of the RFP.

It is understood that the estimated capital cost identified in the Draft 1 BDR of \$46,150,000 was possibly beyond the capacity of the City to fund and perceived as capacity in excess of current growth rates. In December 2009 and January 2010, in close consultation with the City, a review was made of the RRWPF hydraulic capacity. A memo (Attachment B) was prepared and submitted by Malcolm Pirnie to the City that provided an overview of the City's population projection and maximum day unit water demands. The 6 mgd capacity is projected to serve the City until 2025. The ultimate capacity of 8 mgd will serve an estimated population of 19,700 people and is more atuned to the wastewater reclamation facility (WWRF) design estimate.

5.0 Estimated Effort to Complete the Detailed Design - A summary of the effort to move forward with and complete by submitting the detailed design package to the City is presented below:

1. Investigate the 'raw water' pipeline condition between the RRWPF and the GMWTP and develop an action plan to possibly convert the pipe from raw water conveyance to finished water conveyance.
2. Additional geotechnical investigation for foundation design information tailored to the proposed building site locations.
3. Procure low pressure membranes. The differences between low pressure membrane treatment systems are significant, and having a definitive direction on which manufacturer will be used at the RRWPF will allow the design to progress in a steady manner. The choice of membrane manufacturer will impact the layout of the membrane system, but will also impact upstream and downstream hydraulics, chemical feed systems, and residuals handling systems, electrical systems, and instrumentation and control requirements. Preparing a set of membrane procurement specifications for competitive evaluation will be the first task to reach the 60% design milestone. This will require a financial commitment of approximately \$100,000 to \$150,000 from the City to the selected manufacturer to prepare membrane engineering documents.
4. Prepare design drawings. A list of the projected design drawings is attached (Attachment E). The list includes the design drawings for the water treatment plant as identified in the BDR Draft 1. The total number of sheets is estimated to be 300. This is an increase of approximately 80 sheets reflecting the additional unit processes as described above in Section 2. However, it is recognized that several sheets are for additional details that should have been incorporated in the proposal.
 - a. Site Development, Drainage and Landscaping based upon Site 2 and Campus Style Layout
 - b. Highway 6 Access to Site 2
 - c. Process Mechanical
 - d. Structural
 - e. Architectural
 - f. Electrical
 - g. Instrumentation and Controls
 - h. HVAC and Plumbing.
5. Preparation of design drawings in ACAD Civil 3D compared with typical 2D drawings.
6. Obtain necessary permit and utility approvals for the construction of the facility.

A comparison of the current drawing list and the drawing list originally presented in the proposal are attached (Attachment F).

2.0 Revised Approach - At a City Council workshop of February 3, 2010 the City indicated that the design of the RRWPF needed to be revised from a hydraulic capacity of 8 mgd expandable to 16 mgd to 6 mgd expandable to 8 mgd. The change was made to reflect a historically lower population growth rate than identified in the Water Master Plan prepared by SGM and a reduction in the maximum day unit water demand attributable to City initiatives to reduce water demand. This resulted in a reduction of the capital cost as presented in the Draft 1 BDR. Several pipelines that were identified in the RFP were either altered or eliminated from the scope to reduce capital costs as well. The estimated RRWPF capital cost of the 6 mgd expandable to 8 mgd was \$29,980,000.

3.0 Engineering Services Fee Submission - Malcolm Pirnie submitted a proposal to the City dated March 6, 2009 that identified an engineering services cost based on the approach identified in the City's RFP for the RRWPF at Site 1 (Adjacent to Rifle Pond).

Our submission to the City included the following:

1. Phase 1 Fee Proposal Process Selection, Testing and Basis of Design Report in the amount of \$278,200.
2. Phase 2 Fee Proposal for Design in the amount of \$1,218,818. It was noted that the Phase 2 fee was an estimate based on the City's preliminary scope of work presented in Exhibits 5 and 6 of the RFP with the actual fee to be considered/negotiated at the completion of the Basis of Design Report.

A contract was executed for the work on April 30, 2009. At the time, the City had identified \$500,000 in funds for engineering work in FY2009. Paragraph 8.1.1 of the contract indicated that Malcolm Pirnie would complete Phase 1 and part of Phase 2 through submission of the 30% design effort.

4.0 Fee and Scope Status - A summary of the project Phase 1 and part of Phase 2 tasks including work to be completed is tabulated in the attached Table 1 (Attachment C) and summarized as follows:

1. Revise the draft Basis of Design Report to incorporate the City's comments to the BDR Draft 1 dated November 2009, change in site location and direction from the City Council to change the RRWPF plant hydraulic capacity.
2. Complete RO pilot study and provide report.
3. Revise 30% drawings impacted by the decision to change the RRWPF hydraulic capacity and deliver the drawing set to the City.

Over the course of the work, several changes to the project scope occurred. The cause of these changes varied, as did their impact on the project. Table 2 attached (Attachment D) summarizes these changes in project scope.



6.0 Estimated Budget to Complete the Detailed Design - An estimated budget to complete the design is as follows:

- a. Malcolm Pirnie labor and expenses = \$917,512
- b. Sub consultant to Malcolm Pirnie:
 - i. Site Development and Landscaping = \$128,060
 - ii. Structural = \$263,320
 - iii. HVAC and Plumbing = \$96,000
 - iv. Geotechnical Investigation (includes bore for RW pipeline) = \$22,000
 - v. Cost Estimating (60%, 90%) = \$15,000
 - vi. Contingency (Intel RO Assessment) = \$10,000
 - vii. Contingency (Pipeline Condition Investigation) = \$65,000
 - viii. Contingency (Survey = \$10,000; NEPA NWP = \$50,000) = \$60,000
- c. **Estimated Cost to Complete = \$1,576,892**

Note: Contingency may or may not be required. If required, dollars expended will be billed on a time and materials basis and will be discussed with City staff prior to initiating work.

Contingency dollars for the Intel RO assessment included to assess the condition of the Intel RO system, evaluate the viability to use at the new RRWPF, provide model analysis on the existing system and RO elements, evaluate feasibility to increase capacity with another RO element model, and provide a summary and recommendation memorandum to the City. This effort may result in an overall savings to the City of Rifle of approximately \$700,000 in capital cost.

Contingency dollars for the pipeline condition assessment included to potentially reduce capital expenditures for a new finished water pipeline. The \$65,000 expended may result in a savings to the City of \$750,000 to \$1,000,000 for the demo and installation of a new finished water pipeline from Site 2 to GMWTP if the existing pipeline is determined to be in good condition.

Contingency dollars for the survey and NEPA Nationwide Permit has been included to account for any federal requirements due to potential impacts to wetlands, perform wetland delineation, and application for permit that is difficult at this time to quantify. An additional survey may be required for pipeline alignment and extent of wetlands.

The following table shows the additional fee requested to complete the design of RRWPF. Based on the additional recommended RRWPF unit processes coming out of the BDR and the additional effort to incorporate these into the design package and the revised hydraulic capacity as noted in Sections 1 through 4, the estimated additional fee is \$579,874 from the originally proposed Phase 2 fee from 2009.



Item	Fee
2010 Revised Design Fee for Phase 2	\$1,798,692
2009 Fee for Phase 2 Submitted in Proposal	\$1,218,818
Revised Cost to Complete Design (\$1,798,692-\$1,218,818)	\$579,874
Design Completed to Date	\$221,800
Remaining Total Phase 2 Engineering Fee to Complete	\$1,576,892

7.0 Design Schedule - It is assumed that the detailed design will begin after completion of the BDR. It is assumed that detailed design will begin June, 2010 with key milestones as follows:

- 30% Design – June 2010
- Membrane Procurement – July 2010
- 60% Design – April 2011
- 90% Design – July 2011
- Permitting – July 2010 - August 2011
- Final Design – August 2011
- Contractor Prequalification – September 2011
- Bid Date – October 2011
- Award – November 2011

We appreciate your consideration of this request. We trust this meets the City’s needs.

Very truly yours,

MALCOLM PIRNIE, INC.

Mr. Bayard Yang, P.E.
 Associate
 Project Manager

Mr. Jack Bryck, P.E., BCEE
 Senior Associate
 Design Manager

cc: File
 Jeff Kracht, Vice President

Attachments: Attachment A: Figure 3-1
 Attachment B Memorandum re: Regional Water Purification Facility revised cost estimate, February 2, 2010
 Attachment C: Table 1, Summary of Project Status
 Attachment D: Table 2, Summary of Changes in Project Scope
 Attachment E: List of Design Drawings
 Attachment F: Comparison of Drawing Lists



COLORADO WATER RESOURCES & POWER DEVELOPMENT AUTHORITY

Logan Tower Bldg – Suite 620, 1580 Logan Street, Denver, Colorado 80203-1942
303/830-1550 · Fax 303/832-8205 · info@cwprda.com

January 3, 2011

Charles Stevens, Utility Director
City of Rifle
202 Railroad Avenue
Rifle, CO 81650

RE: Drinking Water Pre-Loan Planning and Design Assistance Grant

Dear Mr. Stevens:

The Colorado Water Resources and Power Development Authority (the "Authority") and the Water Quality Control Division (the "Division") have reviewed the City of Rifle's application for a planning and design grant related to the City's Water System. I am pleased to inform you that a \$10,000 grant is hereby offered to support a portion of the planning costs associated with the development of the Engineering Design Documents. This grant is intended to help the City bring actual construction work for the water system to fruition in a timely manner.

Funding for the engineering study is made possible through a coordinated effort between the Authority and the Division. A contractual agreement conveying the \$10,000 grant obligation is attached. **Please sign the agreement, make a copy for your records and return the executed agreement to:**

Colorado Water Resources and Power Development Authority
Attention: Keith McLaughlin
1580 Logan Street, Suite 620
Denver, Colorado 80203

The Division's staff will be responsible for managing this grant and the Authority will distribute the funds upon the Division's approval. Please contact Louanna Cruz at the Division at 303.692.3604 for payment disbursement information. Be aware that appropriate expenditure documentation must accompany requests for reimbursement (Attachment A) and the expenses noted on the invoice(s) must be incurred after the effective date of this agreement. In addition, completed Engineering Design Documents must be submitted to the WQCD for approval prior to disbursement of final grant funds.

As noted in bold on the *Revolving Fund Pre-Loan Planning/Design Grant Agreement*, if the Contractor does not borrow funds from this program, a waiver from reimbursing the grant must be requested from the Authority's Board of Directors.

Best wishes to you in successfully accomplishing this work.

Sincerely,



Keith McLaughlin
Finance Director

Attachment – City of Rifle's - Pre-loan Planning and Design Assistance Grant Agreement
Attachment A - Request for Reimbursement

cc: Michael Beck, WQCD
Barry Cress, DOLA



Colorado Department
of Public Health
and Environment

REVOLVING FUND PRE-LOAN PLANNING/DESIGN ASSISTANCE GRANT AGREEMENT

This agreement made this 1st day of January, 2011, is by and between: the Colorado Water Resources and Power Development Authority (Authority) as approved by the Water Quality Control Division (WQCD), and City of Rifle, herein after referred to as the Contractor.

A grant of up to \$10,000 from fiscal year 2011 funds is derived from the Administrative Fee collected for the

Drinking Water Revolving Fund Water Pollution Control Revolving Fund.

The project is listed on the 2011 Eligibility List as number 020007D. The grant will help defray a portion of the start up expenses associated with the documents required by the Revolving Fund programs. **Note: If the Contractor is not borrowing funds from this program, a waiver from reimbursing the Authority the amount of the grant must be requested from the Authority (please see Pre-Loan planning/design assistance procedures for more information).**

In consideration of this agreement, the parties agree to the following:

- A. **The Scope of Work** to be completed by the Contractor shall include documents necessary to obtain approval from WQCD for:
- Preliminary Engineering Report Environmental Assessment
- Engineering Design Documents Technical, Managerial, Financial Capacity (Drinking Water Only)
- B. **The Term of this agreement** once approved by the Finance Director of the Authority shall continue through and including June 30, 2012. No extensions will be granted.
- C. **Payments** to the Contractor for costs incurred on the project described in the scope of work will be processed by the Authority after approval of the request for reimbursement and invoices by the WQCD.

To receive compensation under this agreement, the Contractor shall submit a signed "Request for Reimbursement" and all applicable invoices. "Request for Reimbursement" is included hereto as "**Attachment A.**"

Disbursements will be made as follows: Up to 75% of the award will be paid out with applicable invoices and Request for Reimbursement form. The remaining 75% of the award will be paid out after submission of the draft documents described in paragraph A have been submitted to WQCD.

Requests for reimbursement shall be sent to:

**ATTN: Louanna Cruz
Colorado Department of Public Health and Environment
WQCD-OA-B1
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530**

- D. **Compliance with Article X, Section 20 of the Colorado Constitution (TABOR Amendment)** shall be the responsibility of the Contractor. The funds used for this agreement are considered state dollars and may impact compliance with the TABOR Amendment.

Signatures:

By: _____
Authorized Representative (Designate Title)

FEIN: _____

WQCD:

By: _____
Program Manager

Authority:

By: _____
Finance Director

Cc: Barry Cress, DOLA
Michael Beck, WQCD

**ATTACHMENT A
REVOLVING FUND PRE-LOAN PLANNING/DESIGN ASSISTANCE GRANT
REQUEST FOR REIMBURSEMENT**

TO: Colorado Department of Public Health and Environment
WQCD Financial Solutions Unit
4300 Cherry Creek Drive South, B-2
Denver, Colorado 80246-1530

ATTN: Louanna Cruz, WQCD FSU Project Manager

FROM: City of Rifle Phone #: _____
202 Railroad Avenue
Rifle, CO 81650

Project Number: 020007D Funds From WPCRF or DWRF
Pay Request Number: _____ Check here for final payment _____
Expenditures: From: _____ To: _____

Contract Amount: \$ 10,000
Previous Amount Paid: \$ _____
Requested Amount: \$ _____
Grant Contract Balance: \$ _____

The person, firm or corporation to whom the amount requisitioned is due, or to whom a reimbursable and advance has been made, is: _____

Please make check payable to: _____

This is to certify that the above expenses were incurred according to the grant agreement and invoices are attached.

Authorized Representative Signature Date

Authorized Rep (Typed or Printed) Title

To be completed by the Water Quality Control Division.

I hereby certify that all contract requirements have been met and the amounts billed are correct.
Payment is authorized.

Project Manager Date

8" Acacia St. Connection across Govt Creek to 8" main in Whiteriver Ave

Planning-Level Capital Costs

Item Description	Qty.	Units	Unit Cost		Line Cost
Creek crossing	50	lf	\$	500 \$	25,000
8" PVC C-900	700	lf	\$	60 \$	42,000
Fittings	1	ls	\$	4,000 \$	4,000
Traffic Control	1	ls	\$	5,000 \$	5,000
Asphalt Replacement	30	lf	\$	25 \$	750
Curb and gutter replacement	30	lf	\$	25 \$	750
8" Gate valves	2	ea	\$	850 \$	1,700
Hydrants	1	ea	\$	3,000 \$	3,000
Tie-ins	2	ea	\$	3,000 \$	6,000
Mobilization/Demobilization	1	ls	\$	15,000 \$	15,000
		Sub-total		\$	103,200
Contractor O&P @ 30%	1	ls	\$	30,960 \$	30,960
		Sub-total		\$	134,160
Planning Const. Cost Contingency @ 15%	1	ls	\$	20,124 \$	20,124
		Construction Total		\$	154,284
Survey @ 5%	1	ls	\$	7,714 \$	7,714
Engineering Design & Construction @15%	1	ls	\$	23,143 \$	23,143
Total Capital Cost				\$	185,141

**CITY OF RIFLE, COLORADO
ORDINANCE NO. 1
SERIES OF 2011**

AN ORDINANCE OF THE CITY OF RIFLE, COLORADO, AMENDING AND
SUPERSEDING ORDINANCE NO. 21, SERIES OF 2004 APPROVING THE
VACATION OF SHOUBE AVENUE BETWEEN LOTS 2, 3 AND 6, BLOCK A
AND LOTS 1, 4 AND 5, BLOCK B, NORTH RIFLE ADDITION.

WHEREAS, by Ordinance No. 21, Series of 2004, the City of Rifle, Colorado (the "City") approved the vacation of a portion of Shoupe Avenue between Los 2, 3, and 6 Block A and Lots 1, 4, and 5, Block B, North Rifle Addition; and

WHEREAS, Ordinance No. 21, Series of 2004 was never executed by the City or recorded with the Garfield County Clerk and Recorder and therefore the vacation did not become effective as required by the Ordinance because certain conditions precedent, namely Owner's dedication of a trail easement to the City, had not been satisfied; and

WHEREAS, while working on Owner's trail dedication to the City, certain other discrepancies in Ordinance No. 21, Series of 2004 were discovered that need to be corrected and a portion of Shoupe Avenue that was reserved to the City is no longer needed for its trail system and can be vacated; and

WHEREAS, the City Council of the City of Rifle desire to amend Ordinance No. 21, Series of 2004 and supersede it with this Ordinance; and

WHEREAS, Millicent M. Johnsen, Fred Jacobs, Herman Berg and Norman Goldberg (collectively "JJBG") own certain real property described as Lots 2, 3, and 6, Block A and Dillon Real Estate Co. ("Dillon") owns certain real property described as Lots 1, 4, and 5, Block B, North Rifle Addition within the City (hereinafter the "Property") (JJBG and Dillon are hereinafter collectively referred to as "Owner"); and

WHEREAS, Shoupe Avenue separates the Property, although it is currently and has historically been utilized by Owner and Owner's tenant's supermarket; and

WHEREAS, Owner filed a Petition with the City of Rifle, Colorado, requesting that it vacate that portion of Shoupe Avenue that separates the Property (hereinafter "vacated right-of-way") as it serves no public purpose and it would allow Owner to continue utilizing the vacated right-of-way to serve the Property; and

WHEREAS, the City shall not vacate any easement, right-of-way or roadway if doing so would jeopardize the rights of the public, or any public utility; however, in this case, the proposed right-of-way vacation would not jeopardize the public, any public utility, or deny any owner of access to their property; and

WHEREAS, pursuant to C.R.S. §43-2-303(1)(a), the City Council may vacate any roadway or part thereof located within the corporate limits of the City subject to any provision of the City Charter, the Constitution and the Statutes of the State of Colorado; and

WHEREAS, the City Council finds and determines that the right-of-way vacation is not presently needed nor will it need to be used by the City and it desires to grant the vacation.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF RIFLE, COLORADO, ORDAINS THAT:

1. Incorporation. The Rifle City Council adopts the foregoing recitals and conclusions as facts and determinations and incorporates them by reference as if set forth in full herein.
2. Vacation and Merger. That portion of Shoupe Avenue between Lots 2, 3, and 6, Block A and Lots 1, 4, and 5, Block B, North Rifle Addition is hereby vacated, and this vacated right-of-way shall merge with the Property as provided by C.R.S. §43-2-302.
3. Recordation. The right-of-way vacation provided for herein shall not become effective until this Ordinance is recorded with the Office of the Clerk and Recorder of Garfield County by the City.
4. Waiver of Defects. Owner waives all objections it may have over defects, if any, in the form of this document, the formalities for execution, or over the procedure, substance, and form of the ordinances or resolutions adopting this document.

INTRODUCED on January 20, 2011, read by title, passed on first reading with amendment, 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 February 2, 2011, passed without amendment, approved and ordered published in full as required by Charter.

Dated this ____ day of _____, 2011.

CITY OF RIFLE, COLORADO

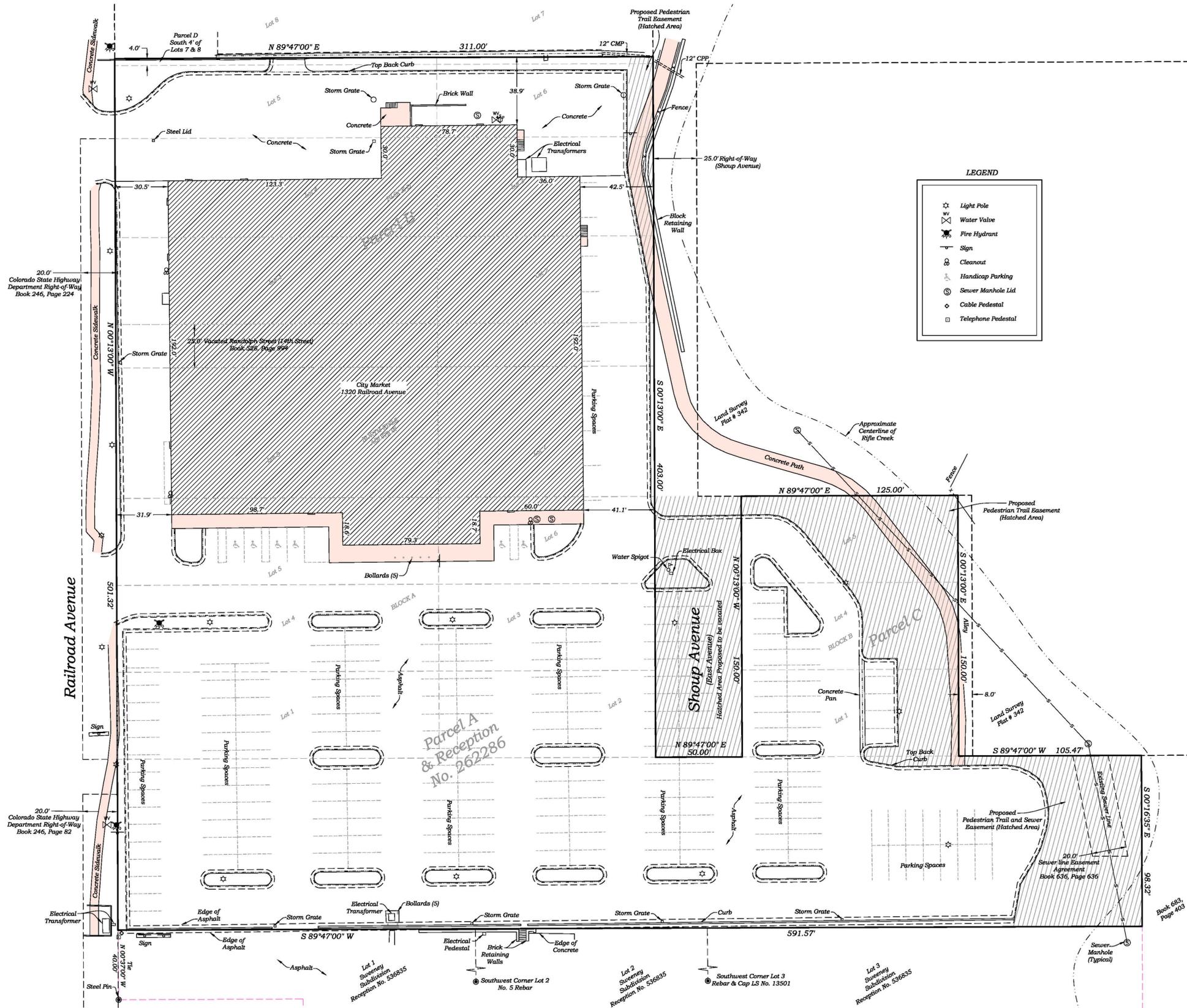
By: _____
Mayor

ATTEST:

City Clerk

IMPROVEMENT SURVEY

A Parcel of Land Situate in the SE1/4NW1/4 of Section 9, Township 6 South, Range 93 West of the 6th Principal Meridian, City of Rifle, County of Garfield, State of Colorado.



PROPERTY DESCRIPTION

PARCEL A

1) AS RECORDED UNDER RECEPTION NUMBER 262286:

LOTS 1 THROUGH 8, INCLUSIVE, BLOCK A, AND LOTS 1 THROUGH 6, INCLUSIVE, BLOCK D, NORTH RIFLE ADDITION TO THE TOWN OF RIFLE;

A TRACT OF LAND SITUATED IN LOT SIXTEEN (16), SE 1/4 NW 1/4, SECTION 9, TOWNSHIP 6 SOUTH, RANGE 93, WEST OF THE 6TH P.M., ACCORDING TO THE MAP OF RIFLE IRRIGATION AND POWER CO., ON FILE IN CLERK AND RECORDER'S OFFICE AND MORE FULLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON WEST LINE OF SAID LOT 16, WHENCE THE SOUTHWEST CORNER OF SAID LOT 16 BEARS SOUTH 00°37' E. 209 FEET, THENCE NORTH 00°37' WEST 284 FEET, THENCE EAST 600.55', THENCE SOUTH 00°37' EAST 284 FEET, THENCE WEST 600.55 FEET TO THE WEST LINE OF SAID LOT 16, THE POINT OF BEGINNING, EXCEPTING A SMALL TRACT SITUATED IN THE SOUTHEAST CORNER OF ABOVE DESCRIBED TRACT AND MORE FULLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF ABOVE DESCRIBED TRACT, THENCE NORTH 37° WEST 64 FEET, THENCE WEST 48 FEET, THENCE SOUTH 26°39' WEST 71.6 FEET, THENCE EAST 80.1 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF 14TH STREET LYING BETWEEN LOTS 1 AND 2, BLOCK D AND LOTS 7 AND 8, BLOCK A, OF THE NORTH RIFLE ADDITION TO THE CITY OF RIFLE.

EXCEPTING SWEENEY MINOR SUBDIVISION AND THAT PROPERTY RECORDED IN BOOK 472 AT PAGE 476.

COUNTY OF GARFIELD
STATE OF COLORADO

PARCEL B

LOTS 1-6, INCLUSIVE, BLOCK D
NORTH RIFLE ADDITION

COUNTY OF GARFIELD
STATE OF COLORADO

PARCEL C

LOTS 1, 4 AND 5
BLOCK B
NORTH RIFLE ADDITION TO THE TOWN (NOW CITY) OF RIFLE.

TOGETHER WITH ANY INTEREST IN EAST AVENUE SITUATED SOUTHERLY OF THE NORTH LINE OF SAID LOT 5.

COUNTY OF GARFIELD
STATE OF COLORADO

PARCEL D

THE SOUTH FOUR FEET OF LOTS 7 AND 8, BLOCK D
NORTH RIFLE ADDITION TO THE TOWN OF RIFLE.

NOTES

1.) DATE OF THE FIELD SURVEY WAS AUGUST 26, 2010.

2.) THIS SURVEY IS BASED ON THE TITLE COMMITMENT ORDER NO. GW63005252-3 DATED JUNE 25, 2010 PREPARED BY LAND TITLE GUARANTEE COMPANY, AND RECEPTION NO. 262286, DOCUMENTS OF RECORD AND MONUMENTS FOUND IN PLACE AS INDICATED HEREBON.

3.) THE BASIS OF BEARING FOR THIS SURVEY IS A BEARING OF S83°35'02"E BETWEEN THE SOUTHWEST ANGLE POINT OF LOT 1 OF SWEENEY SUBDIVISION, A STEEL PIN IN PLACE AND THE SOUTH ANGLE POINT OF LOT 3 SWEENEY SUBDIVISION, A NO. 5 REBAR IN PLACE.

IMPROVEMENT SURVEY

I HEREBY STATE THAT THIS IMPROVEMENT SURVEY WAS PREPARED BY BOOKCLIFF SURVEY SERVICES, INC. FOR LAND TITLE GUARANTEE COMPANY. I FURTHER STATE THAT THE IMPROVEMENTS ON THE ABOVE DESCRIBED PARCEL ON THIS DATE, AUGUST 26, 2010, EXCEPT UTILITY CONNECTIONS, ARE ENTIRELY WITHIN THE BOUNDARIES OF THE PARCEL, EXCEPT AS SHOWN, THAT THERE ARE NO ENCROACHMENTS UPON THE DESCRIBED PREMISES BY IMPROVEMENTS ON ANY ADJOINING PREMISES, EXCEPT AS INDICATED, AND THAT THERE IS NO APPARENT EVIDENCE OR SIGN OF ANY EASEMENT CROSSING OR BURDENING ANY PART OF SAID PARCEL, EXCEPT AS NOTED. I FURTHER STATE THAT THIS PROPERTY IS SUBJECT TO RESERVATIONS, RESTRICTIONS, COVENANTS AND EASEMENTS OF RECORD OR IN PLACE.

MICHAEL J. LANGHORNE, COLORADO REGISTRATION NO. 36572
FOR AND ON BEHALF OF
BOOKCLIFF SURVEY SERVICES, INC.

REVISION	DESCRIPTION

BOOKCLIFF
Survey Services, Inc.

1336 East 3rd Street
Rifle, Colorado 81650
Ph: (970) 625-1330
Fax: (970) 625-2773

IMPROVEMENT SURVEY

CITY MARKET
MONTGOMERY, LITTLE AND BORAN, PC
5445 DTC PARKWAY, SUITE 800
GREENWOOD VILLAGE, CO 80111

FILE: IMPRV
DFT: SCOTT B.
CK: M.J.
DATE: 9/22/10
PROJECT NO.
10109-01
SHEET 1
OF 1

Manager's Report

January 13, 2011



January is a month when projects, plans and workloads begin to move forward at a faster pace, and this year is no exception. City departments are developing their spring plans, and moving current projects forward. My comments are as follows:

SOLID WASTE RFP

The request for proposals for solid waste collection services is nearly complete. This RFP will have some interesting elements to consider. For example, the City presently accepts recyclables at the O&M shop. Within the RFP, we will examine the feasibility and cost of curbside recycling.



Also, the City presently provides a number of special pickups, including oil, tires, batteries, furniture and appliances. We will evaluate how a private firm could continue to provide these services, and at what cost.

Billing will be an issue if the service is privatized with one contractor. In that event, it will likely be necessary for the City to continue to mail

billings to customers, on behalf of the contractor.

The City will want to sell all of its present equipment and inventory to the contractor. We will have to evaluate carefully the offer received for this equipment.

This will be a very comprehensive evaluation. However, if there are cost savings to residents, we will need to consider privatization of the service.

UTE THEATRE

This past week, we received news that the grant for removal of asbestos at the UTE Theater has been approved by the State Department of Health. Mike Braaten will proceed with the necessary grant agreement and other State Health Department requirements to facilitate use of the grant monies. Work on the theater should begin as soon as these issues are complete.



In the interim, the City Parks Department has agreed to assist with removal of the seats from the theater. This is necessary to accommodate the asbestos removal. A storage facility will need to be located to store the seats during the next phases of work on the building.

ALL HANDS MEETING

We are scheduling an all hands meeting for February 15th. We hold these meetings several times each year. This provides us with an opportunity to inform all employees on City programs, projects and other issues. We will provide them with 2011 budget and work plan information, as well as information within the Strategic Plan for 2011. We will also discuss issues such as health insurance and safety programs. Finally, we will have financial

advisors present to provide City workers with advice on retirement and investment programs.

NEW COPIERS

New copy machines recently leased by the City have been delivered. These copiers offer many more features than the older machines. Employees can print to the copiers from their desktop computers. The machines can be used to scan and fax, as well as accept faxes. We are excited about the ability to use the copiers to perform these functions. Best of all, they are less costly on a monthly basis than the older machines.



SUMMARY

I feel we are off to a good start in 2011, and I look forward to working with staff and the City Council to complete our work plans.

As always, please contact me with your concerns or questions.

Thanks,

John Hier
City Manager

AUCTION

The City Finance Department will be auctioning some surplus City property on Tuesday, January 18th, 10:00 A.M. at the Public Works Operation and Maintenance shop. Most of the items are



miscellaneous items such as desks, bikes, paint sprayer, tires, etc. There are two vehicles including a

1982 Chevy Dump Truck (needs brakes), and a former police department Crown Victoria Cruiser.

STAFF TRAINING

We have recently implemented new training for staff regarding employee safety issues. We will also be providing training to all managers with respect to public presentations. This is scheduled for February.

United States Senate

WASHINGTON, DC 20510

December 17, 2010

Honorable Ken Salazar
Secretary
Department of the Interior
1849 C Street NW
Washington, DC 20240

Dear Secretary Salazar:

We are writing to follow up on our request of December 19, 2009, concerning the need to objectively answer critical questions about impacts of large scale commercial oil shale development on water, wildlife, communities and local economies. We have once again heard from a diverse group of local constituents in northwest Colorado who continue to seek a comprehensive study of those potential impacts prior to consideration of any commercial oil shale development. Those constituents include local government officials, ranchers, water and wildlife interests and others.

As we noted in our previous request, the Bureau of Land Management (BLM) concluded in their September 2008 Programmatic Environmental Impact Statement on oil shale that the agency lacked information to meet the congressional mandate in the Energy Policy Act of 2005 that “development be conducted in an environmentally sound manner using practices that minimize impacts.” In addition, on November 29th 2010, the General Accountability Office released a report on the potential impacts to water of oil shale development, finding that oil shale development could have significant impacts on the quantity and quality of water resources and recommending that the Department of the Interior initiate water-related research with DOE and state agencies involved in water regulations.^[1]

While we and our constituents are appreciative of your efforts in the second round of research, development and demonstration (RD&D) leasing to require that information developed on those leases is more accessible and timely, the fact remains that the RD&D program is focused more on technology and processes than on potential impacts on land, water and people. That additional information is critical to responsible planning by local and state governments and federal and state agencies.

As we requested in our 2009 letter, we ask that RD&D be completed and the data analyzed prior to considering offering leases for commercial development. We also continue to believe that information from the RD&D program must be supplemented by an independent evaluation conducted by the National Academy of Science (NAS) that investigates, among other things:

- The status of oil shale extraction technologies;
- The likely positive and negative implications of the various technologies for the production of kerogen from oil shale resources;
- The cumulative energy inputs required to produce oil from shale;

^[1] GAO-11-35.

- The cumulative economic and environmental impacts of commercial-scale oil shale production on energy and water sources and associated energy infrastructure required for the commercial application of various oil shale technologies currently in operation or under development;
- The time frame for viable large-scale commercial oil shale production and events that should serve as a precursor to commercial leasing, such as development of commercially viable and environmentally safe technologies;
- Workforce capacity requirements associated with commercial scale development and the potential impacts of assimilating those workers and their families; and
- Means of ensuring a fair return to the public from the production of oil shale on public land.

Given the lack of current relevant information, any move toward commercial leasing should occur only in concert with a thorough comprehensive analysis of cumulative impacts that would provide the Department of Interior, other relevant federal and state agencies, and local and state governments the means to make informed planning decisions.

We and our constituents recognize the challenges of funding such a study in the current economic and budgetary climate. Therefore, we ask only that you adopt now a policy requiring this type of analysis be completed prior to implementing any commercial oil shale leasing program. They and we pledge to work with you toward scoping and seeking funding for this independent study by NAS as economic conditions improve.

Only by proceeding slowly and judiciously and with current comprehensive information can we be assured that not just technological questions but the broader issues of water needs and impacts, socio-economic impacts, environmental impacts and other impacts can be planned for and mitigated in a manner that leaves local communities and surrounding lands both healthy and prosperous and diminishes the chances they will be devastated by another boom and bust oil shale cycle.

We look forward to your positive response and to working with you and your department on this important issue.

Sincerely,



Senator Mark Udall



Senator Michael F. Bennet



MEMORANDUM

To: John Hier, City Manager

From: Mike Braaten, Government Affairs Coordinator

Date: January 11, 2011

Re: Staff updates

CDPHE funds asbestos abatement at the Ute Theater

Staff received an award letter from CDPHE for asbestos abatement funding at the Ute Theater on January 11. The request for funding was for \$60,738, with a \$20,000 cash match from the City. Upon further review by CDPHE, they found the removal and storage of the theater seats to be a related expense to the abatement and included \$4,262 for removal and storage costs for a total award of \$65,000.

Staff is working with CDPHE to expedite the contract process to allow the project to proceed. No "reimbursable" work can start until the contract is in place with the state and a notice to proceed is provided by the state.

EnCana Natural Gas - Boiler Replacement Grant Request Funded.

Back in November I indicated that staff had submitted a request to Encana for replacement and commissioning of 4 new high efficiency natural gas boilers for the City Hall and the Senior Center. The request was partially funded at \$50,000. Staff received the check from EnCana on January 10 and it has been deposited in the Energy Efficiency Fund until the work can be completed. Staff will prepare a thank-you letter to EnCana for their generous donation to the City.

2011 General Assembly Convenes

On Wednesday, January 12, the Colorado General Assembly convened for their 120-day legislative session. Staff is currently reviewing the proposed legislation and will provide periodic updates to Department Heads and Council as appropriate.

DOLA performance report to Senate Local Government Committee of the State Legislature

DOLA Deputy Director, Bruce Eisenhauer, has invited staff to testify to the City's relationship with DOLA and discuss issues of importance with the Senate Local Government Committee during DOLA's annual performance review before the committee in late January.

CLUB 20 Denver Legislative meeting

Staff will again be participating in Club 20's annual legislative meeting in Denver occurring January 27 and 28 at the State Capitol building. This will provide staff a good opportunity to meet members of the new administration as well as getting reacquainted with our new State Senator – Jean White, as well as other west-slope representatives.

CML Annual Legislative Workshop

The CML Legislative Workshop is slated for Wednesday, February 23. Staff plans to attend - please let me know if any Council members are interested in attending. The day following the Legislative workshop, Thursday, Feb. 24th, the CML policy committee will be meeting to provide CML staff guidance on legislative issues

Gates Family Foundation grant request submitted

Staff submitted a request to the Gates Family Foundation for \$40,000 to assist in the interior remodel of the Ute Theater building. Funding decisions will be made in the next two months.

Senators submit request to Secretary Salazar

Staff was recently invited and has been representing the City in a small group of impacted NW Colorado local governments and other interest groups regarding oil shale development. This summer the group requested of our congressional delegation a request to Secretary of the Interior Ken Salazar for, among other things, environmental and social impact analysis prior to oil shale commercial leasing. The attached letter from Senators Udall and Bennet to Sec. Salazar was a result of that request. Let me know if there are questions.



ENGINEERING / PUBLIC WORKS / UTILITIES

PROJECT STATUS REPORT as of: 1/19/11

Bold Text = New Information

Capital Improvement Projects

Water Treatment Plant Design

The Final Draft Basis of Design Report (BODR) and 30% drawings have been submitted for Staff review, comments made and returned to the consultant. An updated BODR is expected with the 60% submittal. A draft plant layout drawing and profile have been prepared which takes into account pressure membranes and wetlands delineation. **To complete the design, the contract with the consultant needs to be extended and a request will be submitted at this Council Meeting.**

The Membrane Procurement Documents were delivered to two manufacturers (GE and Pall) to obtain bids. Bids were obtained for shop drawings of the membrane system, pilot test, and purchase of the units. Bids were received on October 28, 2010 and a recommendation was included for Council approval at the December 15th meeting for shop drawings and the demonstration test. **Staff and the consultant have finalized negotiations and an agreement, Notice of Award and bond forms have been sent to GE for them for signature.**

An evaluation report has been prepared and Staff has reviewed, to determine if the existing 24" ductile iron raw water main can be reused as a finished water main, saving over a million dollars (if a new line needed to be included in the treatment plant design and construction cost). **A portion of the report has been included in the Council packet for review.**

Wetlands have been delineated and surveyed at the plant site. To obtain funds from USDA will require an Environmental Report (ER) and Corps of Engineers will require an Environmental Assessment (EA) for an Individual Permit in lieu of a Nationwide Permit. **This environmental report and the**

permit work were not included in the original scope of work for design. The consultant is presently preparing this report and permit.

Geotechnical field work at the treatment plant site and along the raw water pipeline route is **complete** and a report will be delivered in the near future with structural and pavement recommendations for design.

A review by the State of Colorado Governor's Energy Office of the membrane procurement documents and 30% drawings was conducted and several recommendations were made to conserve energy. These recommendations will be incorporated, where feasible, in final design by our consultants.

A traffic study for the future RRWPF was completed and CDOT has issued an access permit for an entrance to the plant site from U.S. 6. Plans are being prepared for the entrance.

Bypass Pipeline at Rifle Pond

This project, funded partially by a STAG Grant, will consist of a bypass pipeline from the River Intake to the raw water pump station, a pond outlet back to the river and one or two bores across the railroad and U.S. 6 for a future raw water pipeline to the new Water Treatment facility. Design plans and specifications, submitted for review by Staff, have been returned to the consultant for correction. Staff has met with CDOT to discuss a boring location for the raw water pipeline to the new RRWPF. CDOT wishes to replace an existing culvert under US 6 adjacent to the location we propose for the raw water pipeline bore. The wetlands delineation and survey have been completed, applications for boring across the Union Pacific railroad and U.S. 6 prepared and design plans and specs are being finalized. **Plans have been submitted for review and applications for Utility Permits submitted to UPRR and CDOT.**

Deerfield Park Planning

The final development plan for the Park has been prepared by the Consultant. A cost for Phase 1 construction has been developed. The project is on hold until funding has been determined.

Rifle Arterial Transportation Engineering (S.H. 13 & U.S. 6)

Alternatives reviewed and evaluated for both the gateway entrance to the City and Park Avenue extension can be viewed on www.riflegateway.com. The final report has been received and the executive summary was included in a previous Council packet for review. Staff has authorized design of several phases included in the original design contract. A presentation was made to the Intermountain Regional Planning Commission to include the Gateway Project in the list of projects for prioritization for funding.

Energy Park Improvements

Phase 1 improvements include roadways, water and sewer service, a solids line extension from the RRWWRF to the composting plant, electrical service, detention ponds, landscaping and drainage swales. A gravity service to the existing sewer is also included. The contractor has paved the roadways and installed water and sewer mains. The solids line from the RRWWRF has been installed. Trees have been planted and the irrigation system has been installed. The stormwater detention pond outlet and completion of the gravel shoulders along the roadway will be delayed until next spring. A punch list has been developed and sent to the contractor.

Biosolids Removal at the North Wastewater Plant

Work has now begun as CDPHE has approved land disposal at selected sites. The third lagoon has been drained and sludge is ready for composting. The second lagoon has also been drained. The contractor will complete the work next year.

Water Sales Building

The project has been put on hold because software is unavailable to mesh with the Finance Department software.

Valley Lumber Site Demolition

City staff has removed salvageable materials and water and sewer services will be disconnected. Gas and electrical services will be disconnected by Xcel in the near future. Material and equipment storage by the City and others are being removed. Asbestos investigation has been completed and does not require CDPHE regulation.

Valley Lumber Infrastructure Design

An RFP has been sent to several engineering firms for design of sewer relocation and other improvements including rough grading, water mains, drainage, shallow utilities, landscaping and concrete work. A traffic study has been authorized **and a meeting with CDOT was held to determine and discuss their concerns. Geotechnical work is proceeding.**

Expansion of O&M Service Center

This project has been advertized with proposals due on February 7, 2011. It is proposed to add a 30 foot wide by 78 foot long bay on the east side of the building with garage doors at each end.

Development Projects

Staff is working on the following development projects:

Development projects on hold because of the present economic downturn:

Pioneer Mesa, Phase 2	14 th Street Marketplace
Scalzo Ranch (The Grove)	West Side Mobile Homes
Comfort Suites	Whiteriver Plaza
Remington Square	The Farm
Eagles Nest	

Development projects presently under construction include:

- Rifle Heights (minor punch list items remain)
- Creekside Townhomes (punch list items)
- NUTS sidewalk demolition
- North Pasture Commercial
- Mountain Family Health Center
- 1828 Enterprise Court
- 762 Buckhorn Drive
- Senior Center Air Conditioning
- 1557 Rifle Heights Drive

Projects in progress through Planning/Engineering are:

- Kum & Go at Centennial Parkway and Railroad Avenue
- Kum & Go at 26th Street
- Queen's Crown
- Roan View Industrial Park
- Rimrock
- Trapper Hollow
- Rifle Airpark
- Mendoza Restaurant Remodel
- 819 Randolph Avenue
- 1413 Munroe Avenue
- Burgess Dental Office
- Wal-mart lot split

Right-of-Way Permits

Active permits for Contractors to use the public R/W include:

- Gas/Electrical Installation in alley back of Shell Station
- Scupper installation at New Ute Theater
- 688 Fairway Avenue sewer service repair

Garfield County Projects within the Rifle Area

Garfield County Airport Runway Realignment and Improvements

The City improvements in this project are now complete with only one punch list item remaining.

Garfield County Airport Water and Sewer System Expansion

A report has been delivered on deficiencies in the existing water/wastewater systems at the Airport and a meeting was held to discuss these concerns with the County Airport Manager, who will correct the deficiencies.

JAN 7 2011



January 5, 2011

Mr. Charlie Stevens
Utilities Director
City of Rifle
202 Railroad Avenue
Rifle, CO 81650

Re: Rifle Regional Water Purification Facility, Raw Water Pipeline Condition Assessment

Dear Mr. Stevens:

We are pleased to submit to the City the enclosed report from InfraMetrix regarding the condition assessment of approximately 3,400 lf of existing 24 inch diameter ductile iron raw water transmission pipeline, reportedly constructed about 30 years ago between the site of the Rifle Regional Water Purification Facility (RRWPF) and the Graham Mesa Water Treatment Plant (GMWTP). Malcolm Pirnie contracted with InfraMetrix to complete the survey to assess the condition of the transmission pipeline, and determine its physical suitability for use as a finished drinking water transmission pipeline in the future, upon the completion of the RRWPF.

Broadband electromagnetic (BEM) survey is a nondestructive means of determining the thickness of ductile iron pipe while the pipeline is in service. In October 2010, InfraMetrix performed surveys at four locations selected by the City on the existing 24 inch raw water transmission pipeline. The survey locations were west of the proposed RRWPF site, and south of the City's GMWTP. Three of the locations were excavated by Johnson Construction of Rifle. The fourth location was at an existing manhole that houses an air relief valve.

The results of the surveys along with visual inspection of the external condition of the pipe indicate very little corrosion. The remaining pipe wall thickness was calculated to be sufficient for the proposed service conditions as a finished drinking water pipeline. However, the remaining useful life of the pipeline could not be determined from the information that is available. The pipe wall thickness at time of installation is unknown, and a calculation of pipe wall loss, and rate of pipe wall loss, is not possible. There are areas of concern noted in the report, including distinct pockets of thinning in the vicinity of the air relief valve, wet soil conditions in the excavation at Station 21+00, and indications of longitudinal thinning at the same Station location.

The industry standard expected useful life of ductile iron pipelines exceed the approximately 30 years that this pipeline has been in service. This, coupled with the remaining pipe wall thickness, leads Malcolm Pirnie to recommend that the pipeline be used as a finished drinking water transmission pipeline upon the completion of the RRWPF construction. It is estimated that by reusing the existing pipeline that the City will save approximately \$1,000,000 in capital cost that



would have been expended to design and construct a replacement pipeline in the event that the existing pipeline condition was not acceptable for the intended use as a finished drinking water pipeline. The cost of the raw water pipeline condition assessment was \$65,000.

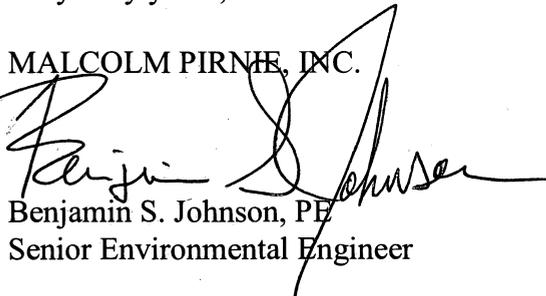
The pipeline should be inspected routinely for signs of degradation following the completion of the RRWPF construction, and it is recommended that the pipeline be considered for replacement in 15-20 years or when demand increases the velocity/headloss beyond that normally acceptable for municipal water service.

In order to reuse the pipeline, the design of the RRWPF must include a connection to the transmission main near the RRWPF site and piping changes at the City's GMWTP to bypass the GMWTP site. The connection must be designed to limit the amount of time the pipeline is out of service, as it will still be supplying raw water to the GMWTP during the construction of the RRWPF. The pipeline will be cleaned and disinfected prior to beginning service as a finished drinking water pipeline. All of this work will be included as part of the design of the RRWPF, which is currently underway.

We trust this meets your needs. Please feel free to contact me at (303) 316-6538 should you have any questions on the report. Malcolm Pirnie would like to thank InfraMetrix for their efforts in generating the data and report and the City's assistance with the field work.

Very truly yours,

MALCOLM PIRNIE, INC.



Benjamin S. Johnson, PE
Senior Environmental Engineer

Enclosure: BEM Survey of 24 inch Diameter Ductile Iron Raw Water Transmission Pipeline for City of Rifle CO.

CC: Dick Deussen, City of Rifle
Robert Burns, City of Rifle
Bob Kerry, InfraMetrix
Jack Bryck, Malcolm Pirnie
Bayard Yang, Malcolm Pirnie
File C-1, 6594-002



December 31, 2010

Mr. Benjamin Johnson
Malcolm Pirnie, Inc.
100 Fillmore St. Suite 200
Denver, CO 80206

Re: BEM Survey of 24 inch Diameter Ductile Iron Raw Water Transmission Pipeline for City of Rifle, CO

Dear Mr. Johnson:

InfraMetrix, LLC was contracted by Malcolm Pirnie to conduct a non destructive inspection of a 24 inch diameter ductile iron raw water transmission pipeline utilizing the Broadband Electromagnetic (BEM) current system. The inspection was performed on the raw water transmission pipeline located North of Highway 6 and 24 in Rifle CO owned and operated by the City of Rifle Utilities Department.

The City intends, when the new water treatment plant is constructed, to convert the 24" raw water transmission main to a finished water transmission main. If adequate pipe wall thickness is available in the existing main to accommodate the finished water pipeline pressure requirements, it will not be necessary to install a new finished water transmission main, saving capital funds.

The actual BEM field work was performed from October 15 through October 16, 2010. A total of 4 locations along a continuous reach of the raw water transmission pipeline were investigated. The BEM scans were performed along the exterior surface of the pipe at each location. The entire circumference along a 5 foot longitudinal length was inspected at three of the sites. An exposed section of the pipe crown area in the immediate vicinity of an air release valve was inspected at the fourth site. The BEM scans were performed using the HSK 200 (Hand Scanning Kit 200) non-destructive testing equipment.

This letter report summarizes the technology used, field efforts, and results of the BEM inspections.

Technology and Equipment Description

The HSK utilizes Broadband Electro-Magnetic (BEM) technology and can be considered a pulse eddy current system. This technology is a derivative of geophysical equipment which has been used in the mineral exploration industry for more than eighty years and is therefore based on well established principles.

The developer of the HSK is Rock Solid Group based in Australia. Rock Solid Group's background knowledge of this technology and experience in its use in the exploration industry has allowed for the adaptation to non-destructive testing (NDT) inspections.

Depending on pipe use and available access, external or internal pipe wall condition assessments are typically carried out on all types of ferrous pipelines to explore the integrity of the ferrous pipe wall.

Advantages of the HSK inspection system of NDT include:

- Scanning is not limited by the diameter of the pipe

Mr. Benjamin Johnson

BEM Survey of 24 inch Ductile Iron Raw Water Transmission Pipeline

Page 2

- Ability to survey through thick coatings (2"+) of materials such as paint or tar commonly found on many buried and exposed pipelines.
- The technique scans through the full wall of pipe registering corrosion or flaws within the full wall thickness.
- Negligible effect of outside stray current fields potentially contaminating resulting data. Where stray fields are identified, variations in data capture parameters are possible since the device is non-frequency dependent.

The equipment selected for the NDT scanning of the pipeline was an HSK200 (Hand Scanning Kit) probing system. This ultra-sensitive instrument is capable of generating comprehensive magnetic and electromagnetic images, measuring intensity variation of ferrous material corresponding to the characteristics of pipe wall conditions for identification of degradation due to corrosion or abrasion.

At three of the four test locations, excavations were performed to expose approximately 8 to 10 linear feet of raw water transmission pipeline prior to the BEM scanning. Scanning of pipeline was undertaken at these three locations with a 2 inch, six sensor hand held antenna, incrementally positioned uniformly around the pipe circumference. Readings taken with the sensor antenna progressed along the external pipe surface around the external circumference of the pipe.

The scanning of each of these three sections consisted of 5 complete rotations along the outside diameter of the pipe with the 2 inch, six sensor antenna resulting in approximately 5 longitudinal feet of scanning per segment.

The NDT grid with survey orientation is schematically illustrated in **Figure 1 of Appendix 1**. Scanning was undertaken from the exterior of the pipe starting and finishing at the crown of the pipe. When facing in the direction of the flow, scans were conducted in a clockwise direction.

To facilitate proper sensor placement during the scanning, a pre-plotted plastic grid template with 2" intervals was fixed to the exterior of the pipe allowing for accurate reference points of each individual scan reading.

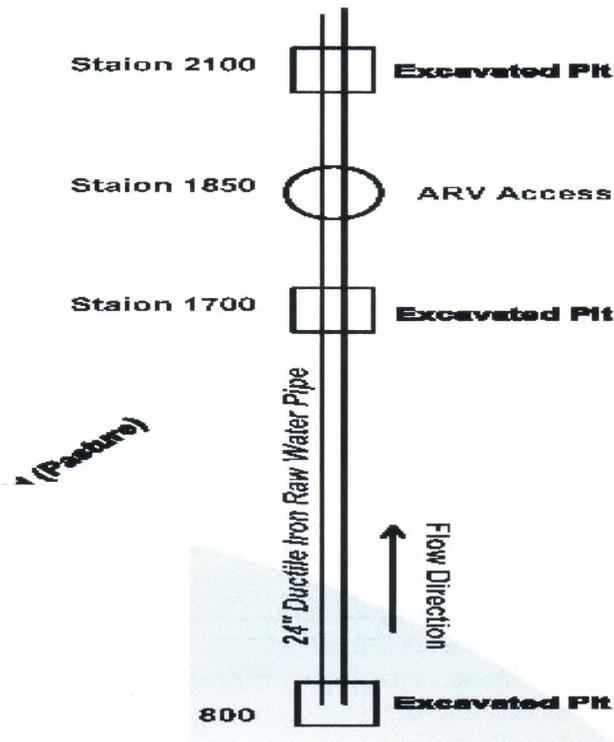
Scanning of the fourth site, located in an air release valve access manhole, was accomplished with a 1 inch, three sensor hand held antenna, incrementally positioned uniformly along the exposed crown area of the pipe in the immediate vicinity of the air release valve. The smaller sized sensor was used to optimize the scan measurements that could be obtained within the limited space available in the manhole. Readings taken with the sensor antenna progressed along the external pipe surface along the exposed surface of the pipe.

Field Inspection

Field testing started on the October 15, 2010 and was completed on October 16, 2010.

Pipeline surface exposure, visual inspection, and BEM scanning were performed at the open excavation site at Station 8+00 (stationing based on As-Built drawings provided by the City) and the air release manhole site at Station 18+50 on October 15, 2010. Pipeline surface exposure was also performed at the open excavation site at Station 17+00 on October 15, 2010. Visual inspection and BEM scanning was completed at the open excavation site at Station 17+00 on October 16, 2010. Pipeline surface exposure, visual inspection, and BEM scanning were also performed at the open excavation site at Station 21+00 on October 16, 2010.

The following figure shows the configuration and number referencing of the scanned pipe segments.



The pipe scanned was a 24 inch diameter ductile iron raw water transmission pipeline. According to the City, the date of construction of this pipeline was in 1980. The ductile iron pipe was lined externally with a bituminous coating. City personnel speculated that the pipeline possibly had an interior cement lining, although it was not possible to field verify this. The original wall thickness of the pipeline at each test site is unknown. Partial pipe markings were observed at two of the excavated sites during the fields work.

Scanning was conducted directly on top of the external bituminous coating.

BEM Scanning Results

The collected data was processed using a multi stage screening and processing procedure. The percentage intensity variation of the ferrous material was determined to facilitate interpretation of pipe characteristics.

The results of the visual external inspection and the BEM scan are included in **Table 1**. A brief description of the results at each site is presented below. A copy of the post processing data report prepared by Rock Solid Group is attached in **Appendix 1**.

Table 1
Summary of Raw Water Pipeline Conditions at Survey Locations

Site	Evidence of External Corrosion	Range of Measured Wall Thickness (in)	Average Measured Wall Thickness (in)	BEM Scan Observations
8+00	No	0.67 - 0.49	0.58	No indications of longitudinal thinning patterns observed.
17+00	Yes	0.63 – 0.43	0.49	Possible indications of longitudinal thinning patterns observed in invert and crown areas.
18+50	Yes	0.56 – 0.36	0.50	Thinning observed in the vicinity of the air release valve. No other thinning patterns observed.
21+00	Yes	0.42 – 0.35	0.39	Possible indications of longitudinal thinning patterns observed in invert area.

Processed data results have also been provided in excel format. For the segment scans the data contains X & Y co-ordinates corresponding to the position of the data readings on the pipes surface, and Z co-ordinate corresponding to apparent wall thickness. All measurements are in inches. All apparent wall thicknesses collected at each reading can be found in the file named “DataSummary_Inframatrix_Rifle.xls.” In addition, detailed plots showing the pipe thickness data are presented in **Appendix 1-A**. Additional field notes obtained during the inspections can be found in **Appendix 1-B**. Photographs taken during the visual inspection are presented in **Appendix 2**.

BEM Specific Site Results

The following discusses each specific scanned segment.

Station 8+00: The pipeline was accessed via an open excavation pit. The results of the visual inspection at this site did not indicate any signs of external corrosion. Several instances of packed native silt adhering to the pipelines exterior surface were noted. Based on the 1,212 thickness measurements taken during the BEM scan, the pipe experienced little or no wall loss. The average wall thickness was 0.58 inches with a range of 0.49 - 0.67 inches. The pipe thickness variation appeared in circular bands, which are most likely due to manufacturing variation. No indications of longitudinal thinning patterns, indicating internal corrosion and/or erosion were apparent. The wall thickness at this site was the thickest of all sites that were BEM scanned.

Station 17+00: The pipeline was accessed via an open excavation pit. The results of the visual inspection at this site indicated several instances of signs of minor external corrosion. More instances of packed native silt adhering to the pipelines exterior surface than observed at Station 8+00 were noted at this site. Based on the 1,224 thickness measurements taken during the BEM scan, the pipe experienced minimal wall loss which was likely due to internal corrosion. The average wall thickness was 0.49 inches with a range of 0.43 - 0.63 inches. Partial labeling observed on the pipe read “CL 50 SUPERBELL”. The BEM measurements indicated a higher than expected pipe thickness based on the visible pipe labeling. This is most likely due to a cumulative effect of variations during the manufacturing process and measurement tolerances of the BEM equipment. The pipe thickness variation was apparent in circular bands, which are most likely due to manufacturing variation. However, there were indications of longitudinal thinning patterns, indicating internal corrosion and/or erosion at portions of the invert and crown of the pipe. The average wall thickness at this site was the third thickest of all sites that were BEM

scanned, and virtually identical to the small section scanned at Station 18+50.

Station 18+50: The pipeline was accessed via a shallow manhole servicing an air release valve. The results of the visual inspection at this site indicated signs of minor external corrosion of the limited pipeline surface that was accessible. Based on the 471 thickness measurements taken during the BEM scan, the pipe experienced minimal wall loss of the overall scanned areas, with distinct pockets of thinning in the vicinity of the air release valve which was likely due to internal corrosion. The average wall thickness was 0.50 inches with a range of 0.36 - 0.56 inches. With the exception of the air release valve area thinning, no other thinning patterns were apparent. The average wall thickness at this site was the second thickest of all sites that were BEM scanned, and virtually identical to Station 17+00.

Station 21+00: The pipeline was accessed via an open excavation pit. The results of the visual inspection at this site indicated multiple instances of signs of minor external corrosion. In comparing all sites, the most instances of packed native silt adhering to the pipelines exterior surface were noted at this site. Based on the 1,230 thickness measurements taken during the BEM scan, this pipe was the thinnest of all four of the inspected sites. However, the average wall thickness indicated by the BEM was consistent with the labeling observed on the pipe which read "GRIFFIN-20^R AMSTED DUCTILE". City of Rifle personnel on site indicated that the manufactured wall thickness of this pipe may be 0.380 inches. The average wall thickness was 0.39 inches with a range of 0.35 - 0.42 inches. Circular pipe thickness variation was not apparent at this site. However, there were possible indications of longitudinal thinning patterns, indicating internal corrosion and/or erosion at portions of the invert of the pipe.

From results obtained, the pipeline at Site 8+00 appears to be the thickest with an average measured wall thickness of 0.58 inches. This site is located at the lowest elevation of the four test sites. Thinner pipeline was observed at Sites 17+00 and 18+50 with almost identical average measured wall thickness of 0.49 inches and 0.50 inches, respectively. Site 21+00 exhibited the thinnest pipeline of the four test sites with an average measure wall thickness of 0.39 inches.

Reviewing the elevations of the four test locations, there is an elevation difference of approximately 165 feet between Site 8+00 and the water treatment facility located at Fir Avenue and Dogwood Drive, near the top of the hill. The elevation differences between Sites 17+00 and 18+50 and the water treatment facility are 98 feet and 97 feet, respectively. Finally, the elevation difference between Sites 21+00 and the water treatment facility is 91 feet.

There appears to be a pattern of progressively thinner pipe as the elevation difference decreases, and leads to the question as to whether different classes of pipeline were used as the pipeline progressed up the hill. However, as previously noted, the class of ductile iron pipe used in the construction is unknown, resulting in an unknown original wall thickness, other than know from the pipe marking at Station 17+00..

In addition to measurement of the current pipeline wall thicknesses, an objective of this study was to evaluate the deterioration in wall thickness which can be caused by external corrosion, internal corrosion and internal erosion, to determine the pipe wall thickness remaining until the minimum design thickness is reached. To accomplish this, conservative assumptions were made that the 24-inch water line was constructed of Class 50 pipe, which has a nominal wall thickness of 0.38 inches. Minimum measured wall thicknesses measured at each test site were evaluated. The measurement tolerance of the BEM equipment was taken into account to present best case and worst case estimates of the remaining wall thickness to minimum design thickness. A summary of the projected remaining wall thickness to minimum design life for the pipelines at each site are presented in **Table 2**. The design net minimum wall thickness was calculated based on expected internal working and surge pressures that the pipes would be subjected to. The design net minimum wall thickness also accounted for manufacturer provided service allowance and casting tolerances. For expected working and surge pressures of 150 and 85 psi,

respectively, and factoring in the service allowance and casting tolerances, the design net minimum wall thickness was calculated to be 0.29 inches. The BEM equipment tolerance for the type of pipe ductile iron pipe scanned is plus or minus 0.04 inches. The minimum adjusted remaining wall thickness factored in a possibility that the BEM measurements were indicating 0.04 inches higher (thicker) than the actual pipe thickness. The maximum adjusted remaining wall thickness factored in a possibility that the BEM measurements were indicating 0.04 inches lower (thinner) than the actual pipe thickness.

Calculations used to derive the projected remaining thicknesses to minimum design life for each pipeline are shown in **Appendix 3**.

**Table 2
Determination of Minimum wall Thickness**

Site	Assumed Original Wall Thickness (in)*	Minimum Measured Wall Thickness (in)	Design Net Minimum Wall Thickness (in)	Minimum Adjusted Remaining Wall Thickness to Minimum Design Thickness (in)	Average Remaining Wall Thickness to Minimum Design Thickness (in)	Maximum Adjusted Remaining Wall Thickness to Minimum Design Thickness (in)
8+00	0.38	0.49	0.29	0.16	0.20	0.24
17+00	0.38	0.43	0.29	0.10	0.14	0.18
18+50	0.38	0.36	0.29	0.03	0.07	0.11
21+00	0.38	0.35	0.29	0.02	0.06	0.10

* Class 50 pipe thicknesses were assumed.

** BEM equipment tolerance is + or - 0.04 in. Manufacturing tolerance is about +0.05 to -0.08.

CONCLUSIONS

In general, the results of the four test sites indicate that the average pipe wall thickness at each site remains at or above the nominal pipeline thickness of 0.38 inches for the assumed Class 50 pipeline after approximately 30 years of service. As stated earlier, there appears to be a pattern of thinned pipe measurements as the test sites progress upwards in elevation along the pipeline. The nature of the thinning is unknown.

A conservative assessment evaluating the measured minimum pipe thicknesses at each site and factoring in a scenario of equipment measurement tolerances resulting in thinner than measured wall thicknesses indicated that Stations 21+00 and 18+50 may be within 0.02 in. and 0.03 in., respectively of their design net minimum wall thickness of 0.29 inches. Stations 8+00 and 17+00 may be within 0.16 in. and 0.10 in., respectively.

A similar assessment was made evaluating the measured minimum pipe thicknesses at each site and factoring in a scenario of equipment measurement tolerances resulting in thicker than measured wall thickness. This scenario indicated that Stations 21+00 and 18+50 may be within 0.10 in. and 0.11 in., respectively of their design net minimum wall thickness of 0.29 inches. Stations 8+00 and 17+00 may be within 0.24 in. and 0.18 in., respectively.

In addition to the question on original pipe thickness, the internal lining material, if any, is unknown. As a result, the internal cement lining and underlying wall may be eroded to some degree by the water flow

Mr. Benjamin Johnson

BEM Survey of 24 inch Ductile Iron Raw Water Transmission Pipeline

Page 7

over the course of the lifetime of the pipe. The BEM detailed plots presented in **Appendix 1-A** showed only slight indications of possible minor internal erosion (longitudinal thinning patterns) of the metal component of the pipe at Site 17+00, 18+50, and 21+00. There were no signs of significant internal metal erosion at Site 8+00.

Site 21+00 was the only site that exhibited notable external corrosion. The cause of the corrosion at this site is not readily apparent. Only a qualified, experienced corrosion engineer would be able to determine the root cause of the corrosion, but this level of effort was not included in the project. However, based on the experience of the individuals involved in this project, this site could be experiencing cycles of wet/dry periods due to fluctuations in the water level of apparent surface drainage resulting in varying oxygen levels leading to corrosion. Two remaining locations, (Sites 17+00 and 18+50,) showed only very minor instances of external corrosion associated with fine native silt adhering to the exterior surface of the pipeline.

Estimating the remaining useful life of the pipeline is difficult from the information provided. There is a discrepancy between the measured wall thickness and the assumed wall thickness based on the markings uncovered during the survey. As such, the initial wall thickness of the pipe could not be determined, and an estimate of pipe loss could not be made. However, the remaining pipe wall thickness exceeds the required thickness for future service conditions, and there are few signs of significant internal and external corrosion. The results of the survey and subsequent analysis indicate that the pipe is suitable for the intended pressure and velocity service conditions. As such, it appears the life expectancy of the pipe could be many more years.

If you have any questions or need any additional information, feel free to contact us.

We appreciate the opportunity to be of service to you and we look forward to the opportunity of working together on future opportunities.

Sincerely,

InfraMetrix, LLC

Robert J Kerry

Robert Kerry
Project Manager

Attachments

Appendix 1

**BEM Survey of 24 inch Diameter Ductile Iron
Raw Water Transmission Pipeline
City of Rifle, CO**

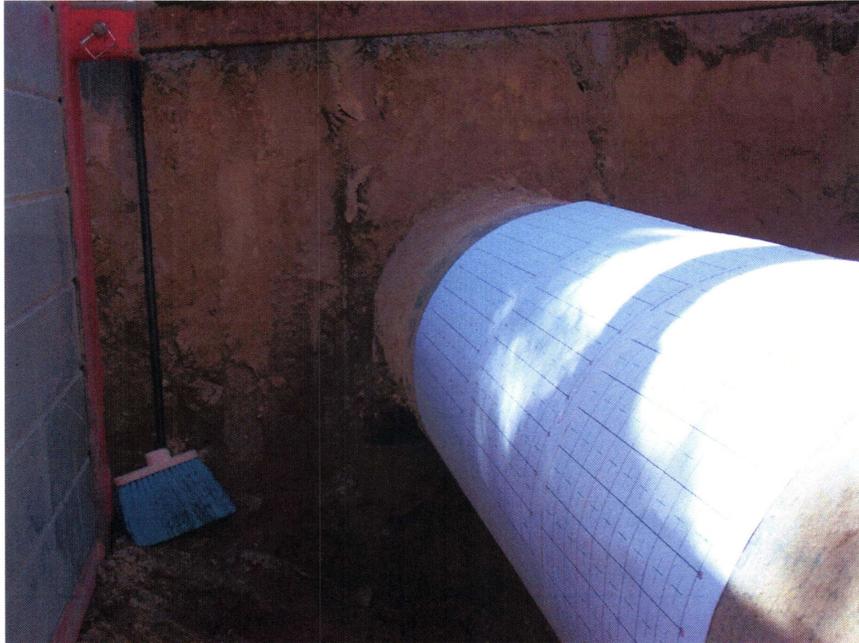


Station 21+00 – Topside view of inspection site



Station 21+00 – Overall view of inspection site

**BEM Survey of 24 inch Diameter Ductile Iron
Raw Water Transmission Pipeline
City of Rifle, CO**



Station 21+00 – View of BEM grid facing South

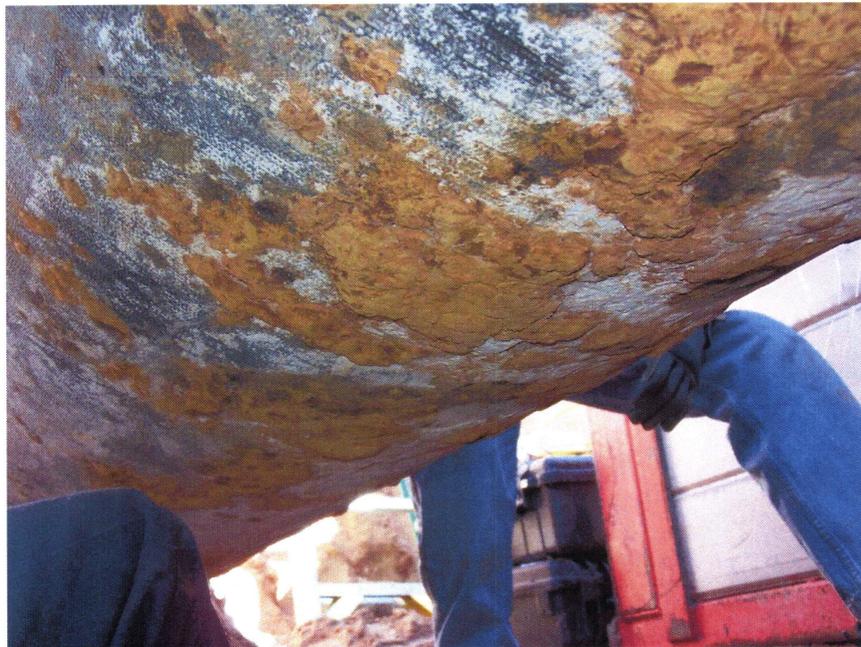


Station 21+00 – View of BEM grid facing North

**BEM Survey of 24 inch Diameter Ductile Iron
Raw Water Transmission Pipeline
City of Rifle, CO**



Station 21+00- adherence of packed native silt, slight surface corrosion in some spots



Station 21+00- adherence of packed native silt, slight surface corrosion in some spots

**BEM Survey of 24 inch Diameter Ductile Iron
Raw Water Transmission Pipeline
City of Rifle, CO**



Station 21+00 – Samples of packed fine silt removed from pipe surface. Surface coating chipped from pipeline in some cases

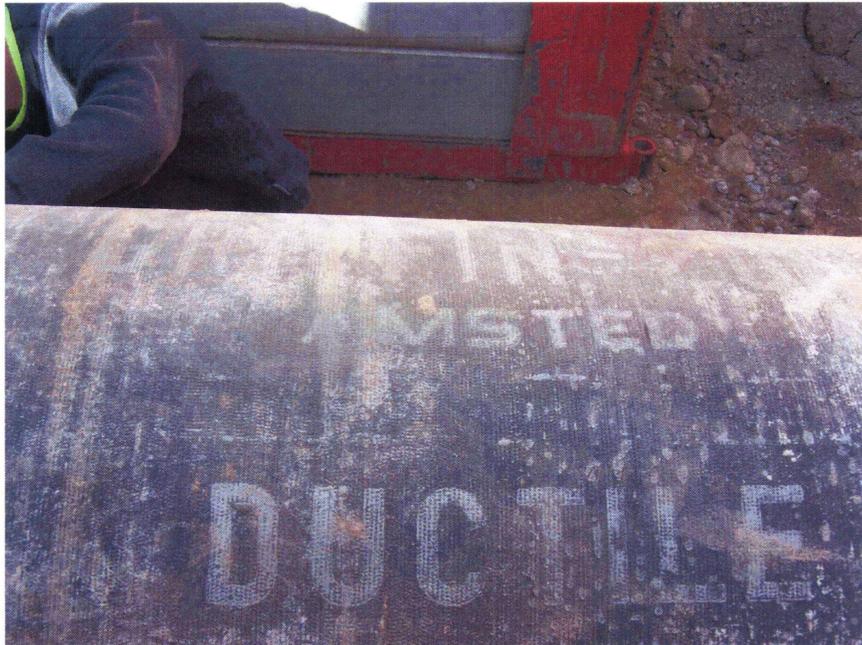


Station 21+00- adherence of packed native silt, slight surface corrosion in some spots

**BEM Survey of 24 inch Diameter Ductile Iron
Raw Water Transmission Pipeline
City of Rifle, CO**



Station 21+00- adherence of packed native silt, slight surface corrosion in some spots



Station 21+00 – Partial surface markings visible

**BEM Survey of 24 inch Diameter Ductile Iron
Raw Water Transmission Pipeline
City of Rifle, CO**



Station 21+00- adherence of packed native silt, slight surface corrosion in some spots



Station 21+00- adherence of packed native silt, slight surface corrosion in some spots

**BEM Survey of 24 inch Diameter Ductile Iron
Raw Water Transmission Pipeline
City of Rifle, CO**



Station 18+50 – View of Northwest portion of exposed pipeline crown



Station 18+50 – Topside view of exposed pipeline crown and ARV

**BEM Survey of 24 inch Diameter Ductile Iron
Raw Water Transmission Pipeline
City of Rifle, CO**



Station 18+50 – View of exposed crown of pipeline and ARV

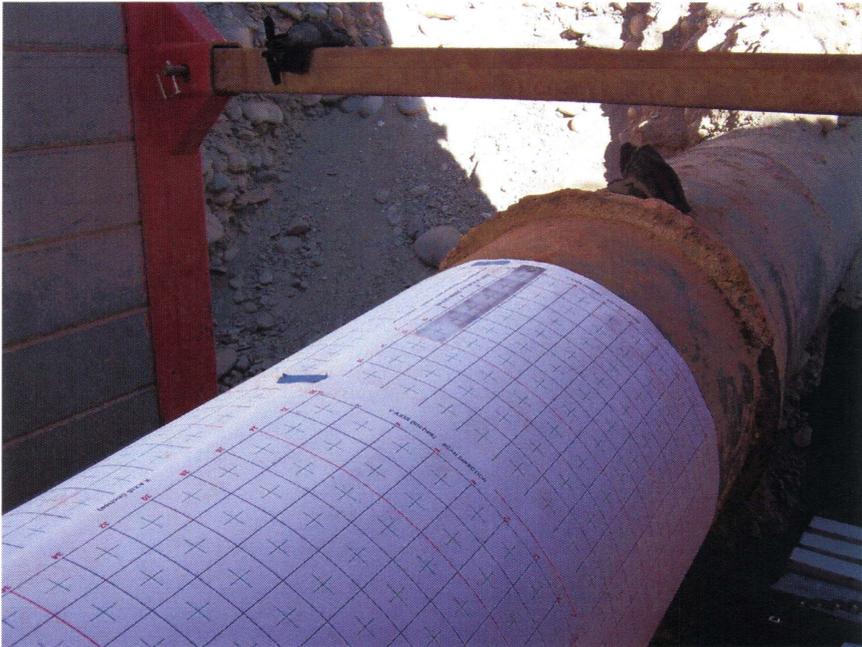


Station 18+50 – View of Northeast portion of exposed pipeline crown

**BEM Survey of 24 inch Diameter Ductile Iron
Raw Water Transmission Pipeline
City of Rifle, CO**



Station 17+00 – top side view of inspection site, viewing South

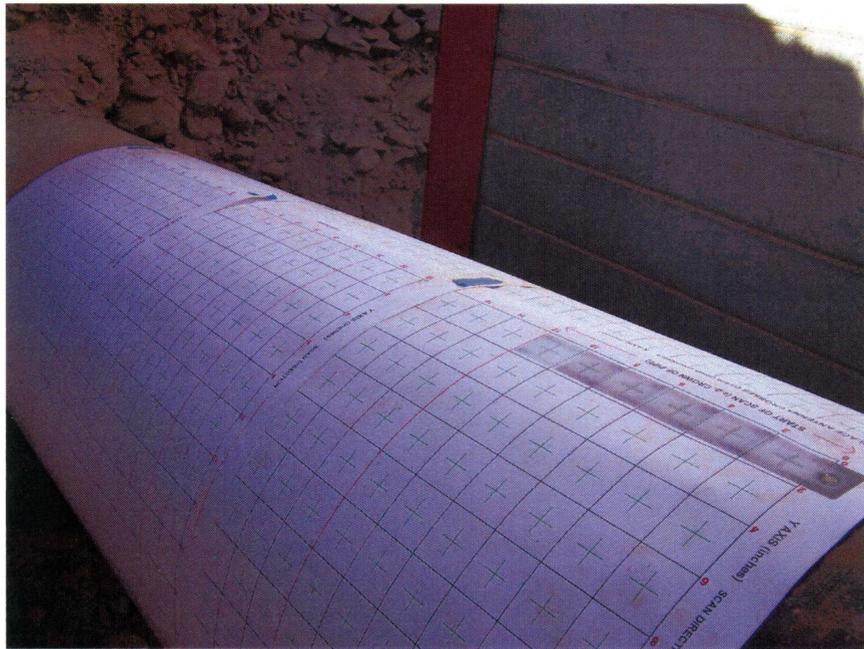


Station 17+00 – View of BEM grids and bell end, viewing North

**BEM Survey of 24 inch Diameter Ductile Iron
Raw Water Transmission Pipeline
City of Rifle, CO**



Station 17+00- adherence of packed native silt, slight surface corrosion in some spots



Station 17+00 – View of BEM grid

**BEM Survey of 24 inch Diameter Ductile Iron
Raw Water Transmission Pipeline
City of Rifle, CO**



Station 17+00- adherence of packed native silt, slight surface corrosion in some spots



Station 17+00- adherence of packed native silt, slight surface corrosion in some spots

**BEM Survey of 24 inch Diameter Ductile Iron
Raw Water Transmission Pipeline
City of Rifle, CO**



Station 17+00 – Bell end visible



Station 17+00- adherence of packed native silt, external coating intact

**BEM Survey of 24 inch Diameter Ductile Iron
Raw Water Transmission Pipeline
City of Rifle, CO**



Station 17+00 – Partial surface markings visible



Station 17+00- adherence of packed native silt, external coating intact

**BEM Survey of 24 inch Diameter Ductile Iron
Raw Water Transmission Pipeline
City of Rifle, CO**



Station 8+00 Overall view of inspection site, viewing South



Station 8+00 Overall view of inspection site, viewing South

**BEM Survey of 24 inch Diameter Ductile Iron
Raw Water Transmission Pipeline
City of Rifle, CO**



Station 8+00 – View of BEM grid and equipment

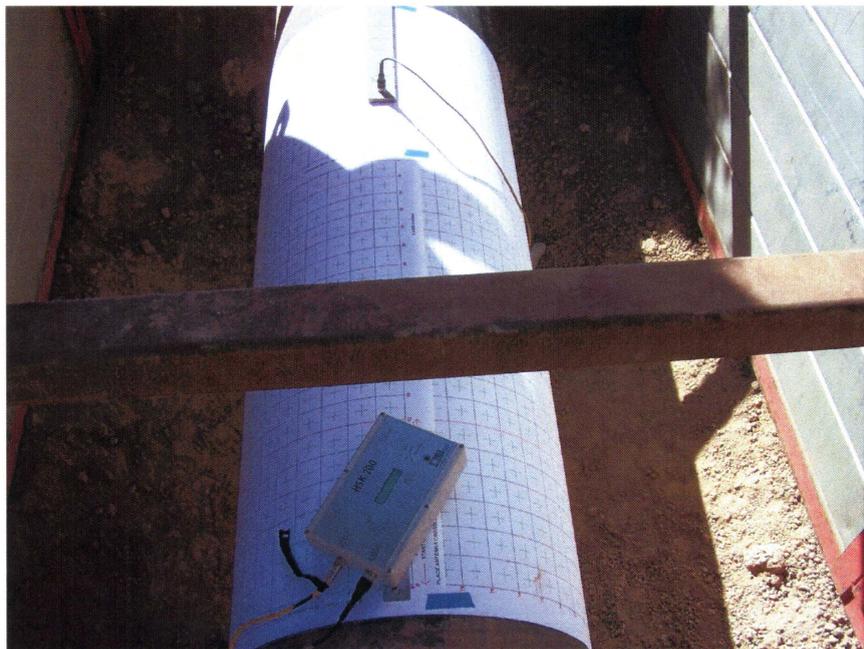


Station 8+00 Overall view of inspection site, viewing South

**BEM Survey of 24 inch Diameter Ductile Iron
Raw Water Transmission Pipeline
City of Rifle, CO**



Station 8+00 - adherence of packed native silt, external coating intact

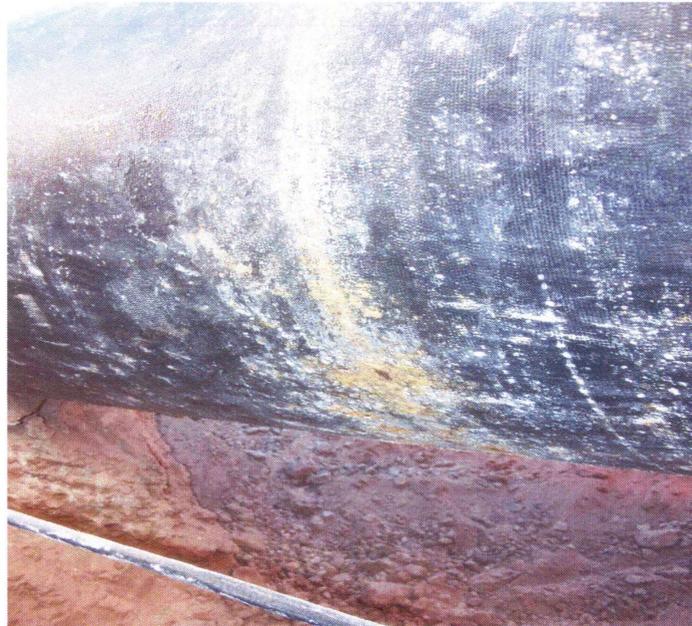


Station 8+00 – View of BEM grid and equipment

**BEM Survey of 24 inch Diameter Ductile Iron
Raw Water Transmission Pipeline
City of Rifle, CO**

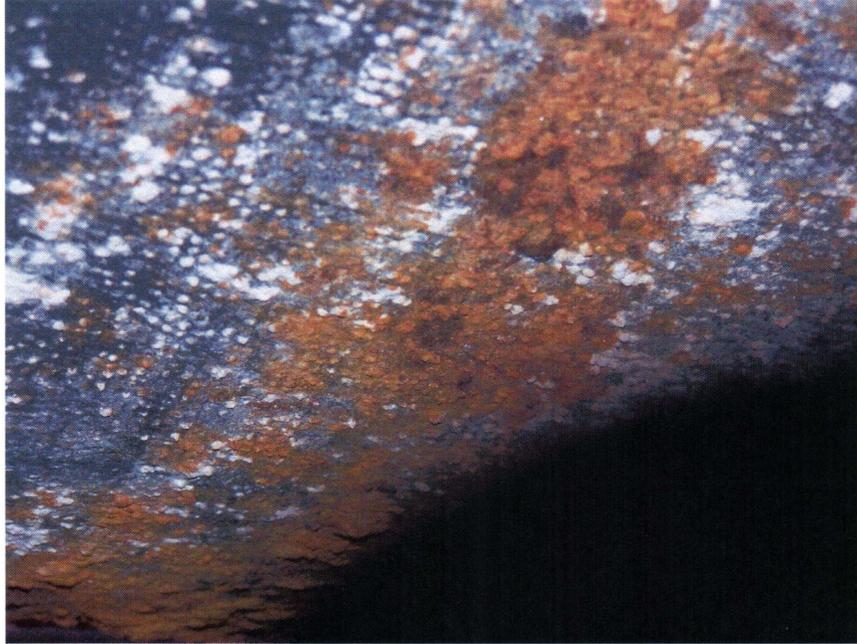


Station 8+00 – Bell end visible, viewing North



Station 8+00 - adherence of packed native silt, external coating intact

**BEM Survey of 24 inch Diameter Ductile Iron
Raw Water Transmission Pipeline
City of Rifle, CO**



Station 8+00 - adherence of packed native silt, external coating intact



Station 8+00 - adherence of packed native silt, external coating intact

**BEM Survey of 24 inch Diameter Ductile Iron
Raw Water Transmission Pipeline
City of Rifle, CO**



Station 8+00 - Discolor due to fine silt, exterior coating intact



Station 8+00 - Discolor due to fine silt, exterior coating intact

Appendix 2