



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

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**REGULAR MEETING  
June 1, 2011**

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

6:00 P.M. Garfield Clean Energy (Jeff Dickenson)  
6:30 P.M. Discuss audit of 2010 financial records (Charles Kelty) – need 30 min

**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 May 18, 2011 Regular Meeting
  - B. Liquor License Renewals – Red River Quick Mart; Sports Corner; 6&13 Quick Mart; Rocky Mountain Liquors
  - C. Liquor License Renewal – Wal-Mart
  - D. Authorize the Mayor and the City Clerk to sign all documents relating to the USDA Rural Development loan and/or grant
  - E. April Financial Report
  - F. April Sales Tax Report
  - G. Accounts Payable
  - H. Liquor License Renewal and Report of Changes – WingNutz Bar & Grill
- 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 accepting audit of 2010 financial records (Charles Kelty)
- 7:30 p.m. 6. Consider proposal for the consulting and design services of acoustical and audiovisual for the New Ute Theatre (Johnson – Carter)
- 7:40 p.m. 7. Consider approving Black Tail Minor Subdivision Final Plat and Subdivision Improvements Agreement - Resolution No. 8, Series of 2011 (Nathan Lindquist)
- 7:50 p.m. 8. Consider authorizing distribution of discount prescription cards (Keith Wood)
- 8:00 p.m. 9. Consider adopting policies for Rifle Community Television - Resolution No. 7, Series of 2011 (Jim Bell)
- 8:10 p.m. 10. Consider awarding contract for Irrigation Audits (Dick Deussen)
- 8:20 p.m. 11. Consider award of UPS System for the Traffic Signal (Dick Deussen)
- 8:30 p.m. 12. Consider participating as a cooperative agency for the BLM's oil shale and tar sands programmatic Environmental Impact Statement (PEIS) (Mike Braaten) 15 min
- 8:40 p.m. 13. Consider acceptance of DOLA HUD and Tiger II Grant Agreements (Matt Sturgeon)
- 8:50p.m. 14. Consider amending Section 18 – 9 – 30 of the Rifle Municipal Code (2003 IFC Amendment) – Ordinance No. 5, Series of 2011 (First Reading) (Matt Sturgeon)
- 9:05p.m. 15. Consider Amending Municipal Code Regarding Medical Marijuana Business Licensing (including moratorium) – Ordinance No. 3, Series Of 2011 (Second Reading)
- 9:20 p.m. 16. Consider Amending Municipal Code Regarding Mail Ballot Elections – Ordinance No. 4, Series Of 2011 (Second Reading)
- 9:30 p.m. 17. Administrative Reports
  - A. City Manager Report
  - B. Other Reports
- 9:40p.m. 18. Comments from Mayor and Council
- 9:50 p.m. 19. Executive Session - Discussion personnel matter under CRS 24-6-402(2)(f) and not involving: (1) any specific employees who have requested discussion of the matter in open session; (2) any member of this body or any elected official; (3) the appointment of any person to fill an office of this body or of an elected official; or (4) personnel policies that do not require the discussion of matters personal to particular employees (John Hier)

*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: June 15, 2011 at 7:00 p.m.**





MEMORANDUM

To: John Hier, City Manager  
From: Charles Kelty, Finance Director  
Date: May 26, 2011  
Subject: 2010 Draft Audit Financial Statements

Enclosed is the Draft 2010 Audited Financial Statements being discussed at the upcoming June 1 Council Workshop.



**CITY OF RIFLE, COLORADO**  
**BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2010**

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**CITY OF RIFLE, COLORADO**

**ROSTER OF CITY OFFICIALS**  
**DECEMBER 31, 2010**

**CITY COUNCIL**

Keith Lambert – Mayor

Jay Miller – Mayor Pro Tem

Alan Lambert – Councilor

Jonathan Rice – Councilor

Jennifer Sanborn – Councilor

Jeanette Thompson - Councilor

Randy Winkler – Councilor

**ADMINISTRATION**

John Hier – City Manager

Charles Kelty – Finance Director

**FINANCIAL SECTION**

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City Council  
City of Rifle  
Rifle, Colorado

## INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements 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, Colorado, as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Rifle, Colorado's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, 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, Colorado, as of December 31, 2010, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison of the General Fund, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 18, 2010, on our consideration of the City of Rifle, Colorado's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Rifle, Colorado's basic financial statements. The combining and individual fund financial statements and schedules are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Centennial, CO  
May 18, 2011

## ***BASIC FINANCIAL STATEMENTS***

The Basic Financial Statements provide a financial overview of the City's operations. These financial statements present the financial position, operating results, and cash flows, where applicable, of all funds and activities as of December 31, 2010.

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CITY OF RIFLE, COLORADO

**STATEMENT OF NET ASSETS**

December 31, 2010

	2010		Total
	Governmental Activities	Business - Type Activities	
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and Investments	\$ 13,339,615	\$ 5,384,574	\$ 18,724,189
Property Taxes Receivable	891,379	-	891,379
Special Assessments Receivable	164,541	-	164,541
Other Receivable	1,156,519	636,891	1,793,410
Interest Receivable	39,771	-	39,771
Prepaid Expenses	158,262	44,860	203,122
Due from Other Governments	1,238,244	-	1,238,244
Inventory	26,894	93,625	120,519
<b>TOTAL CURRENT ASSETS</b>	<b>17,015,225</b>	<b>6,159,950</b>	<b>23,175,175</b>
<b>NONCURRENT ASSETS</b>			
Capital Assets, net	52,501,379	57,520,566	110,021,945
Restricted Cash	2,727,957	2,686,185	5,414,142
Debt Issuance Costs	85,771	20,725	106,496
<b>TOTAL NONCURRENT ASSETS</b>	<b>55,315,107</b>	<b>60,227,476</b>	<b>115,542,583</b>
<b>TOTAL ASSETS</b>	<b>72,330,332</b>	<b>66,387,426</b>	<b>138,717,758</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts Payable	865,090	391,635	1,256,725
Accrued Wages & Comp. Absences	346,299	66,488	412,787
Accrued Interest Payable	21,640	274,656	296,296
Deposits	207,332	10,000	217,332
Deferred Revenue	1,055,920	94,148	1,150,068
Current Portion - Long Term Debt	710,570	984,598	1,695,168
<b>TOTAL CURRENT LIABILITIES</b>	<b>3,206,851</b>	<b>1,821,525</b>	<b>5,028,376</b>
<b>NONCURRENT LIABILITIES</b>			
Bonds Payable	2,280,000	-	2,280,000
Bond Premiums	14,805	-	14,805
Notes Payable	-	18,020,536	18,020,536
Capital Leases Payable	3,320,214	470,099	3,790,313
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>5,615,019</b>	<b>18,490,635</b>	<b>24,105,654</b>
<b>TOTAL LIABILITIES</b>	<b>8,821,870</b>	<b>20,312,160</b>	<b>29,134,030</b>
<b>NET ASSETS</b>			
Invested in Capital Assets Net of Related Debt	46,621,165	38,045,333	84,666,498
Restricted:			
by Statute	439,000	-	439,000
Unrestricted	16,448,297	8,029,933	24,478,230
<b>TOTAL NET ASSETS</b>	<b>\$ 63,508,462</b>	<b>\$ 46,075,266</b>	<b>\$ 109,583,728</b>

The accompanying notes are an integral part of the financial statements.

CITY OF RIFLE, COLORADO

**STATEMENT OF ACTIVITIES**  
Year Ended December 31, 2010

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS
Governmental Activities				
Current:				
General Government	\$ 2,604,504	\$ 588,251	\$ 203,690	\$ 47,931
Public Safety	2,627,783	31,691	87,729	1,458,432
Public Works	3,325,613	56,129	550,081	121,659
Cemetery	67,600	27,815	-	-
Parks and Recreation	2,269,465	190,949	160,989	1,056,015
Economic Development and Assistance	1,083,415	100,877	200,000	-
Interest Expense	(402,000)	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	<u>11,576,380</u>	<u>995,712</u>	<u>1,202,489</u>	<u>2,684,037</u>
Business - Type Activities				
Current:				
Water Operations	2,661,270	2,473,044	-	575,694
Sewer Operations	2,658,304	2,463,169	-	337,893
Sanitation Operations	534,698	566,119	-	-
TOTAL BUSINESS - TYPE ACTIVITIES	<u>5,854,272</u>	<u>5,502,332</u>	<u>-</u>	<u>913,587</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 17,430,652</u>	<u>\$ 6,498,044</u>	<u>\$ 1,202,489</u>	<u>\$ 3,597,624</u>
GENERAL REVENUES				
Property Taxes				
Sales and Use Taxes				
Other Taxes				
Investment Earnings				
Other Revenues				
TRANSFERS				
TOTAL GENERAL REVENUES AND TRANSFERS				
CHANGE IN NET ASSETS				
NET ASSETS - Beginning of Year				
NET ASSETS - End of Year				

The accompanying notes are an integral part of the financial statements.

**NET (EXPENSE) REVENUE AND  
CHANGES IN NET ASSETS**

<b>PRIMARY GOVERNMENT</b>		
<b>GOVERNMENT ACTIVITIES</b>	<b>BUSINESS - TYPE ACTIVITES</b>	<b>TOTAL</b>
\$ (1,764,632)	\$ -	\$ (1,764,632)
(1,049,931)	-	(1,049,931)
(2,597,744)	-	(2,597,744)
(39,785)	-	(39,785)
(861,512)	-	(861,512)
(782,538)	-	(782,538)
402,000	-	402,000
<u>(6,694,142)</u>	<u>-</u>	<u>(6,694,142)</u>
-	387,468	387,468
-	142,758	142,758
-	31,421	31,421
<u>-</u>	<u>561,647</u>	<u>561,647</u>
<u>(6,694,142)</u>	<u>561,647</u>	<u>(6,132,495)</u>
872,389	-	872,389
7,254,568	-	7,254,568
1,515,229	-	1,515,229
163,625	68,941	232,566
84,295	84,764	169,059
(62,302)	62,302	-
<u>9,827,804</u>	<u>216,007</u>	<u>10,043,811</u>
3,133,662	777,654	3,911,316
<u>60,374,800</u>	<u>45,297,612</u>	<u>105,672,412</u>
<u>\$ 63,508,462</u>	<u>\$ 46,075,266</u>	<u>\$ 109,583,728</u>

CITY OF RIFLE, COLORADO

**BALANCE SHEET - GOVERNMENTAL FUNDS**  
 December 31, 2010  
 With Comparative Totals for December 31, 2009

	<u>GENERAL</u>	<u>CAPITAL</u>	<u>PARKS &amp; RECREATION</u>	<u>OTHER GOVERNMENTAL FUNDS</u>
<b>ASSETS</b>				
Cash and Investments	\$ 5,108,166	\$ 5,126,740	\$ (373,196)	\$ 3,350,080
Property Taxes Receivable	831,729	-	-	59,650
Special Assessments Receivable	-	-	-	164,541
Other Receivable	725,752	-	264,643	166,124
Interest Receivable	39,771	-	-	-
Prepaid Expenses	120,989	-	30,331	220
Advance to Other Funds	130,679	90,000	-	111,200
Due from Other Governments	78,020	170,000	961,702	28,522
Restricted Cash and Investments	659,603	-	315,241	1,342,750
<b>TOTAL ASSETS</b>	<u>\$ 7,694,709</u>	<u>\$ 5,386,740</u>	<u>\$ 1,198,721</u>	<u>\$ 5,223,087</u>
<b>LIABILITIES AND FUND BALANCE</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 240,662	\$ 176,872	\$ 207,322	\$ 184,949
Accrued Wages & Comp. Absences	282,805	-	51,923	641
Deposits	206,557	-	775	-
Advances from Other Funds	-	-	-	331,879
Deferred Revenue	831,729	-	-	224,191
<b>TOTAL LIABILITIES</b>	<u>1,561,753</u>	<u>176,872</u>	<u>260,020</u>	<u>741,660</u>
<b>FUND BALANCE</b>				
Reserved for:				
Interfund Advances	130,679	90,000	-	111,200
Prepays	120,989	-	30,331	220
Emergencies	439,000	-	-	-
Unreserved reported in				
General Fund				
Designated for Subsequent Year's Expenditures	469,496	-	-	-
Undesignated	4,972,792	-	-	-
Special Revenue Funds				
Designated for Subsequent Year's Expenditures	-	1,924,044	-	3,051,075
Undesignated	-	3,195,824	908,370	1,318,932
<b>TOTAL FUND BALANCE</b>	<u>6,132,956</u>	<u>5,209,868</u>	<u>938,701</u>	<u>4,481,427</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 7,694,709</u>	<u>\$ 5,386,740</u>	<u>\$ 1,198,721</u>	<u>\$ 5,223,087</u>
<b>FUND BALANCE - GOVERNMENTAL FUNDS</b>				
Capital assets used in governmental activities are not resources and are not reported in the funds:				
Capital Assets				
Accumulated Depreciation				
Long-term liabilities are not due and payable in the current period				
Revenue Bonds Payable				
Capital Leases Payable				
Bond Premiums				
Bond Issuance Costs				
Accrued Interest Payable				
Internal Service Funds are blended into Governmental Activities:				
Internal Service Net Assets				
<b>TOTAL NET ASSETS - GOVERNMENTAL ACTIVITIES</b>				

The accompanying notes are an integral part of the financial statements.

TOTALS

<u>2010</u>	<u>2009</u>
\$ 13,211,790	\$ 15,838,534
891,379	864,341
164,541	207,181
1,156,519	954,841
39,771	68,084
151,540	400
331,879	396,922
1,238,244	623,521
<u>2,317,594</u>	<u>2,256,297</u>
<u>\$ 19,503,257</u>	<u>\$ 21,210,121</u>

\$ 809,805	\$ 824,848
335,369	357,222
207,332	212,081
331,879	396,922
<u>1,055,920</u>	<u>1,071,522</u>
<u>2,740,305</u>	<u>2,862,595</u>

331,879	396,922
151,540	400
439,000	452,000
469,496	-
4,972,792	4,561,548
4,975,119	-
<u>5,423,126</u>	<u>12,936,656</u>
<u>16,762,952</u>	<u>18,347,526</u>
<u>\$ 19,503,257</u>	<u>\$ 21,210,121</u>

\$ 16,762,952

74,455,319  
(22,253,839)

(2,560,000)  
(3,750,784)  
(14,805)  
85,771  
(21,640)

805,488

\$ 63,508,462

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CITY OF RIFLE, COLORADO

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND EQUITY -  
GOVERNMENTAL FUNDS**

Year Ended December 31, 2010

With Comparative Totals for the Year Ended December 31, 2009

	<u>GENERAL</u>	<u>CAPITAL</u>	<u>PARKS &amp; RECREATION</u>	<u>OTHER GOVERNMENTAL FUNDS</u>
REVENUES				
Taxes	\$ 4,993,381	\$ -	\$ 2,033,420	\$ 1,375,565
Special Assessments	-	-	-	56,122
Licenses and Permits	136,369	-	-	-
Intergovernmental	2,156,110	1,538,772	1,038,350	130,620
Charges for Services	345,681	-	187,849	32,556
Fines and Forfeitures	152,281	-	-	-
Miscellaneous	265,489	46,223	32,959	250,598
<b>TOTAL REVENUES</b>	<b>8,049,311</b>	<b>1,584,995</b>	<b>3,292,578</b>	<b>1,845,461</b>
EXPENDITURES				
General Government	2,590,262	-	11,288	-
Public Safety	2,448,156	-	-	-
Public Works	1,262,387	-	-	101,411
Cemetery	55,799	-	-	-
Parks and Recreation	-	-	1,610,512	-
Economic Development and Assistance	419,735	-	-	264,788
Capital Outlay	56,426	1,963,819	3,091,070	1,449,242
Debt Service	270,146	-	322,328	377,248
<b>TOTAL EXPENDITURES</b>	<b>7,102,911</b>	<b>1,963,819</b>	<b>5,035,198</b>	<b>2,192,689</b>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	946,400	(378,824)	(1,742,620)	(347,228)
OTHER FINANCING SOURCES (USES)				
Transfer In	167,186	-	263,803	9,000
Transfer Out	(140,000)	-	(66,917)	(295,374)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>27,186</b>	<b>-</b>	<b>196,886</b>	<b>(286,374)</b>
CHANGE IN FUND BALANCES	973,586	(378,824)	(1,545,734)	(633,602)
FUND BALANCE, Beginning	5,159,370	5,588,692	2,484,435	5,115,029
FUND BALANCE, Ending	\$ 6,132,956	\$ 5,209,868	\$ 938,701	\$ 4,481,427

The accompanying notes are an integral part of the financial statements.

**TOTALS**

<u>2010</u>	<u>2009</u>
\$ 8,402,366	\$ 8,161,771
56,122	70,515
136,369	122,242
4,863,852	5,537,993
566,086	591,157
152,281	141,084
595,269	709,567
<u>14,772,345</u>	<u>15,334,329</u>
2,601,550	3,225,302
2,448,156	2,586,115
1,363,798	1,677,032
55,799	62,236
1,610,512	1,446,216
684,523	800,502
6,560,557	6,539,987
969,722	973,020
<u>16,294,617</u>	<u>17,310,410</u>
<u>(1,522,272)</u>	<u>(1,976,081)</u>
439,989	1,710,796
(502,291)	(1,908,098)
<u>(62,302)</u>	<u>(197,302)</u>
(1,584,574)	(2,173,383)
<u>18,347,526</u>	<u>20,520,909</u>
<u>\$ 16,762,952</u>	<u>\$ 18,347,526</u>

CITY OF RIFLE, COLORADO

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES**

Year Ended December 31, 2010

Amounts Reported for Governmental Activities in the Statement of Activities  
are Different Because:

Net Change in Fund Balances - Total Governmental Funds	\$ (1,584,574)
Principal payments on debt are reported as expenditures in the funds:	
Principal Payments on Outstanding Debt:	
Revenue Bonds Payable	270,000
Capital Leases Payable	412,568
Interest, issuance costs and bond premiums are reported on the cash basis in the funds:	
Change in Accrued Interest Payable	2,215
Amortization of Premiums	1,879
Amortization of Issuance Costs	(10,891)
Purchases of capital assets are expensed in governmental funds and depreciated on the statement of activities:	
Purchased Capitalized Assets	6,537,732
Depreciation Expense	(2,536,212)
Internal Service Funds are blended into Governmental Activities:	
Fleet Maintenance Fund Change in Net Assets	40,945
Change in Net Assets - Governmental Activities	<u>\$ 3,133,662</u>

The accompanying notes are an integral part of the financial statements.

CITY OF RIFLE, COLORADO

**BUDGETARY COMPARISON SCHEDULE FOR THE  
GENERAL FUND**

Year Ended December 31, 2010

With Comparative Totals for the Year Ended December 31, 2009

	2010			2009 ACTUAL
	ORIGINAL & FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET FAV (UNFAV)	
REVENUES				
Taxes	\$ 5,407,697	\$ 4,993,381	\$ (414,316)	\$ 4,781,774
Licenses and Permits	88,229	136,369	48,140	122,242
Intergovernmental	1,427,466	2,156,110	728,644	3,796,729
Charges for Services	310,694	345,681	34,987	387,260
Fines and Forfeitures	141,478	152,281	10,803	141,084
Miscellaneous	324,281	265,489	(58,792)	388,036
TOTAL REVENUES	7,699,845	8,049,311	349,466	9,617,125
EXPENDITURES				
General Government	2,972,815	2,590,262	382,553	3,218,009
Public Safety	2,745,623	2,448,156	297,467	2,586,115
Public Works	1,328,921	1,262,387	66,534	1,198,808
Cemetery	68,828	55,799	13,029	62,236
Economic Development and Assistance	479,088	419,735	59,353	427,954
Capital Outlay	37,500	56,426	(18,926)	251,204
Debt Service	270,146	270,146	-	270,146
Contingency Reserve	200,000	-	200,000	-
TOTAL EXPENDITURES	8,102,921	7,102,911	1,000,010	8,014,472
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(403,076)	946,400	1,349,476	1,602,653
OTHER FINANCING SOURCES (USES)				
Proceeds from Long Term Debt	14,743	-	(14,743)	-
Transfers In	160,989	167,186	6,197	168,489
Transfers Out	(175,000)	(140,000)	35,000	(1,660,545)
TOTAL OTHER FINANCING SOURCES (USES)	732	27,186	26,454	(1,492,056)
CHANGE IN FUND BALANCE	(402,344)	973,586	1,375,930	110,597
FUND BALANCE, Beginning	5,000,115	5,159,370	159,255	5,048,773
FUND BALANCE, Ending	\$ 4,597,771	\$ 6,132,956	\$ 1,535,185	\$ 5,159,370

The accompanying notes are an integral part of the financial statements

CITY OF RIFLE, COLORADO

**BUDGETARY COMPARISON STATEMENT FOR THE  
CAPITAL FUND**

Year Ended December 31, 2010

With Comparative Totals for the Year Ended December 31, 2009

	2010			2009 ACTUAL
	ORIGINAL & FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET FAV (UNFAV)	
REVENUES				
Intergovernmental	\$ 1,854,000	\$ 1,538,772	\$ (315,228)	\$ 241,568
Miscellaneous	85,156	46,223	(38,933)	65,206
TOTAL REVENUES	<u>1,939,156</u>	<u>1,584,995</u>	<u>(354,161)</u>	<u>306,774</u>
EXPENDITURES				
Capital Outlay	<u>2,014,000</u>	<u>1,963,819</u>	<u>50,181</u>	<u>819,238</u>
TOTAL EXPENDITURES	<u>2,014,000</u>	<u>1,963,819</u>	<u>50,181</u>	<u>819,238</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(74,844)	(378,824)	(303,980)	(512,464)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	1,189,000
Transfers Out	<u>(500,000)</u>	<u>-</u>	<u>500,000</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(500,000)</u>	<u>-</u>	<u>500,000</u>	<u>1,189,000</u>
CHANGE IN FUND BALANCE	(574,844)	(378,824)	196,020	676,536
FUND BALANCE, Beginning	<u>5,535,765</u>	<u>5,588,692</u>	<u>52,927</u>	<u>4,912,156</u>
FUND BALANCE, Ending	<u>\$ 4,960,921</u>	<u>\$ 5,209,868</u>	<u>\$ 248,947</u>	<u>\$ 5,588,692</u>

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The accompanying notes are an integral part of the financial statements.

CITY OF RIFLE, COLORADO

**BUDGETARY COMPARISON STATEMENT FOR THE  
PARKS & RECREATION FUND**

Year Ended December 31, 2010

With Comparative Totals for the Year Ended December 31, 2009

	2010			VARIANCE WITH FINAL BUDGET FAV (UNFAV)	2009 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL		
REVENUES					
Taxes	\$ 2,212,228	\$ 2,212,228	\$ 2,033,420	\$ (178,808)	\$ 1,996,182
Intergovernmental	1,095,000	1,095,000	1,038,350	(56,650)	790,164
Charges for Services	168,900	168,900	187,849	18,949	176,283
Miscellaneous	77,200	77,200	32,959	(44,241)	156,112
TOTAL REVENUES	<u>3,553,328</u>	<u>3,553,328</u>	<u>3,292,578</u>	<u>(260,750)</u>	<u>3,118,741</u>
EXPENDITURES					
General Government	20,000	20,000	11,288	8,712	7,293
Parks and Recreation	1,763,197	1,763,197	1,610,512	152,685	1,446,216
Capital Outlay	2,901,060	3,151,060	3,091,070	59,990	4,917,103
Debt Service	322,328	322,328	322,328	-	322,328
TOTAL EXPENDITURES	<u>5,006,585</u>	<u>5,256,585</u>	<u>5,035,198</u>	<u>221,387</u>	<u>6,692,940</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(1,453,257)	(1,703,257)	(1,742,620)	(39,363)	(3,574,199)
OTHER FINANCING SOURCES (USES)					
Transfers In	266,000	266,000	263,803	(2,197)	220,545
Transfers Out	(66,917)	(66,917)	(66,917)	-	(66,917)
TOTAL OTHER FINANCING SOURCES (USES)	<u>199,083</u>	<u>199,083</u>	<u>196,886</u>	<u>(2,197)</u>	<u>153,628</u>
CHANGE IN FUND BALANCE	(1,254,174)	(1,504,174)	(1,545,734)	(41,560)	(3,420,571)
FUND BALANCE, Beginning	<u>2,096,403</u>	<u>2,096,403</u>	<u>2,484,435</u>	<u>388,032</u>	<u>5,905,006</u>
FUND BALANCE, Ending	<u>\$ 842,229</u>	<u>\$ 592,229</u>	<u>\$ 938,701</u>	<u>\$ 346,472</u>	<u>\$ 2,484,435</u>

The accompanying notes are an integral part of the financial statements.

CITY OF RIFLE, COLORADO

**STATEMENT OF NET ASSETS -  
PROPRIETARY FUNDS**

December 31, 2010

With Comparative Totals for December 31, 2009

	<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</b>			
	<b>NON-MAJOR</b>			<b>TOTAL</b>
	<b>WATER</b>	<b>WASTEWATER</b>	<b>SANITATION</b>	
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and Investments	\$ 3,617,917	\$ 1,377,098	\$ 389,559	\$ 5,384,574
Other Receivable	268,893	307,698	60,300	636,891
Prepaid Expenses	30,252	10,240	4,368	44,860
Due from Other Governments	-	-	-	-
Inventory	90,159	3,466	-	93,625
<b>TOTAL CURRENT ASSETS</b>	<b>4,007,221</b>	<b>1,698,502</b>	<b>454,227</b>	<b>6,159,950</b>
<b>PROPERTY AND EQUIPMENT</b>	<b>31,622,213</b>	<b>42,118,423</b>	<b>447,415</b>	<b>74,188,051</b>
Less Accumulated Depreciation	(9,549,184)	(6,897,737)	(220,564)	(16,667,485)
<b>NET PROPERTY AND EQUIPMENT</b>	<b>22,073,029</b>	<b>35,220,686</b>	<b>226,851</b>	<b>57,520,566</b>
<b>OTHER ASSETS</b>				
Restricted Cash and Investments	2,308,505	377,680	-	2,686,185
Loan Costs	3,979	16,746	-	20,725
<b>TOTAL OTHER ASSETS</b>	<b>2,312,484</b>	<b>394,426</b>	<b>-</b>	<b>2,706,910</b>
<b>TOTAL ASSETS</b>	<b>28,392,734</b>	<b>37,313,614</b>	<b>681,078</b>	<b>66,387,426</b>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Accounts Payable	234,750	120,644	36,241	391,635
Accrued Wages & Comp. Absences	37,235	21,813	7,440	66,488
Accrued Interest Payable	4,836	269,820	-	274,656
Deposits	10,000	-	-	10,000
Deferred Revenue	33,455	60,693	-	94,148
Current Portion - Long Term Debt	246,118	738,480	-	984,598
<b>TOTAL CURRENT LIABILITIES</b>	<b>566,394</b>	<b>1,211,450</b>	<b>43,681</b>	<b>1,821,525</b>
<b>LONG-TERM LIABILITIES</b>				
Notes Payable	1,406,681	16,613,855	-	18,020,536
Capital Leases Payable	470,099	-	-	470,099
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>1,876,780</b>	<b>16,613,855</b>	<b>-</b>	<b>18,490,635</b>
<b>TOTAL LIABILITIES</b>	<b>2,443,174</b>	<b>17,825,305</b>	<b>43,681</b>	<b>20,312,160</b>
<b>NET ASSETS</b>				
Invested in Capital Assets Net of Related Debt	19,950,131	17,868,351	226,851	38,045,333
Unrestricted	5,999,429	1,619,958	410,546	8,029,933
<b>TOTAL NET ASSETS</b>	<b>\$ 25,949,560</b>	<b>\$ 19,488,309</b>	<b>\$ 637,397</b>	<b>\$ 46,075,266</b>

The accompanying notes are an integral part of the financial statements.

**GOVERNMENTAL  
ACTIVITIES**

<b>INTERNAL SERVICE</b>	<b>TOTALS</b>	
	<b>2010</b>	<b>2009</b>
\$ 127,825	\$ 5,512,399	\$ 4,846,640
-	636,891	709,093
6,722	51,582	33,530
-	-	58,368
26,894	120,519	129,463
<u>161,441</u>	<u>6,321,391</u>	<u>5,777,094</u>
841,049	75,029,100	72,897,342
(541,150)	(17,208,635)	(15,137,846)
<u>299,899</u>	<u>57,820,465</u>	<u>57,759,496</u>
410,363	3,096,548	5,304,851
-	20,725	22,715
<u>410,363</u>	<u>3,117,273</u>	<u>5,327,566</u>
<u>871,703</u>	<u>67,259,129</u>	<u>68,864,156</u>
55,285	446,920	1,835,442
10,930	77,418	64,846
-	274,656	285,079
-	10,000	10,000
-	94,148	120,057
-	984,598	975,729
<u>66,215</u>	<u>1,887,740</u>	<u>3,291,153</u>
-	18,020,536	18,958,227
-	470,099	552,621
-	18,490,635	19,510,848
<u>66,215</u>	<u>20,378,375</u>	<u>22,802,001</u>
299,899	38,345,232	33,342,418
505,589	8,535,522	12,719,737
<u>\$ 805,488</u>	<u>\$ 46,880,754</u>	<u>\$ 46,062,155</u>

CITY OF RIFLE, COLORADO

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS -  
PROPRIETARY FUNDS**

Year Ended December 31, 2010

With Comparative Totals for the Year Ended December 31, 2009

	<b>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</b>			
	<b>NON-MAJOR</b>			
	<b>WATER</b>	<b>WASTEWATER</b>	<b>SANITATION</b>	<b>TOTAL</b>
OPERATING REVENUES				
Charges for Services	\$ 2,247,803	\$ 2,411,271	\$ 563,804	\$ 5,222,878
Sale of Materials	3,722	-	-	3,722
Reimbursed Expenditures	68,825	-	-	68,825
Other Revenue	152,694	51,898	2,315	206,907
<b>TOTAL OPERATING REVENUES</b>	<b>2,473,044</b>	<b>2,463,169</b>	<b>566,119</b>	<b>5,502,332</b>
OPERATING EXPENSES				
Personal Services	706,203	444,427	94,308	1,244,938
Supplies	261,408	165,325	13,597	440,330
Purchased Services	581,808	617,436	272,848	1,472,092
Other Expenses	-	-	-	-
Management Fees	104,949	104,949	27,481	237,379
Fleet Maintenance	56,172	20,115	47,736	124,023
Info Tech Maintenance	10,012	15,019	2,503	27,534
Small Equipment Purchases	21,347	-	-	21,347
Depreciation	820,345	1,035,527	76,225	1,932,097
<b>TOTAL OPERATING EXPENSES</b>	<b>2,562,244</b>	<b>2,402,798</b>	<b>534,698</b>	<b>5,499,740</b>
<b>NET INCOME (LOSS) FROM OPERATIONS</b>	<b>(89,200)</b>	<b>60,371</b>	<b>31,421</b>	<b>2,592</b>
OTHER INCOME (EXPENSE)				
System Improvement Fees	200,006	137,893	-	337,899
Dedicated Infrastructure	86,654	-	-	86,654
Investment Earnings	52,483	13,759	2,699	68,941
Gain (Loss) on Disposal of Fixed Assets	2,700	1,500	-	4,200
Cash in Lieu of Fees	450	-	-	450
State Grants	288,584	200,000	-	488,584
Other Revenues	80,704	1,055	795	82,554
Amortization of Bond Premiums and Costs	(1,038)	(952)	-	(1,990)
Interest Expense	(99,026)	(255,506)	-	(354,532)
<b>OTHER INCOME (EXPENSE)</b>	<b>611,517</b>	<b>97,749</b>	<b>3,494</b>	<b>712,760</b>
<b>NET INCOME (LOSS) BEFORE TRANSFERS</b>	<b>522,317</b>	<b>158,120</b>	<b>34,915</b>	<b>715,352</b>
TRANSFERS				
Transfers In	100,000	35,000	-	135,000
Transfers Out	(31,790)	(31,790)	(9,118)	(72,698)
<b>NET TRANSFERS</b>	<b>68,210</b>	<b>3,210</b>	<b>(9,118)</b>	<b>62,302</b>
<b>NET INCOME (LOSS)</b>	<b>590,527</b>	<b>161,330</b>	<b>25,797</b>	<b>777,654</b>
NET ASSETS, Beginning	25,359,033	19,326,979	611,600	45,297,612
NET ASSETS, Ending	\$ 25,949,560	\$ 19,488,309	\$ 637,397	\$ 46,075,266

The accompanying notes are an integral part of the financial statements.

**GOVERNMENTAL  
ACTIVITIES**

<b>INTERNAL SERVICE</b>	<b>TOTALS</b>	
	<b>2010</b>	<b>2009</b>
\$ 699,385	\$ 5,922,263	\$ 5,288,348
-	3,722	5,867
-	68,825	37,187
-	206,907	167,980
<hr/>	<hr/>	<hr/>
699,385	6,201,717	5,499,382
<hr/>	<hr/>	<hr/>
224,220	1,469,158	1,297,896
237,971	678,301	501,004
43,961	1,516,053	1,899,820
14,505	14,505	67
-	237,379	296,023
100	124,123	101,647
2,503	30,037	-
-	21,347	(29,366)
138,692	2,070,789	1,833,690
<hr/>	<hr/>	<hr/>
661,952	6,161,692	5,900,781
<hr/>	<hr/>	<hr/>
37,433	40,025	(401,399)
<hr/>	<hr/>	<hr/>
-	337,899	788,725
-	86,654	1,959,673
3,216	72,157	130,322
-	4,200	-
-	450	1,202
-	488,584	576,680
296	82,850	43,973
-	(1,990)	(1,990)
-	(354,532)	(752,588)
<hr/>	<hr/>	<hr/>
3,512	716,272	2,745,997
<hr/>	<hr/>	<hr/>
40,945	756,297	2,344,598
<hr/>	<hr/>	<hr/>
-	135,000	270,000
-	(72,698)	(72,698)
<hr/>	<hr/>	<hr/>
-	62,302	197,302
<hr/>	<hr/>	<hr/>
40,945	818,599	2,541,900
<hr/>	<hr/>	<hr/>
764,543	46,062,155	43,520,255
<hr/>	<hr/>	<hr/>
\$ 805,488	\$ 46,880,754	\$ 46,062,155
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CITY OF RIFLE, COLORADO

**STATEMENT OF CASH FLOWS -  
PROPRIETARY FUNDS**

Increase (Decrease) in Cash and Cash Equivalents  
Year Ended December 31, 2010  
With Comparative Totals for the Year Ended December 31, 2009

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			
	WATER FUND	SEWER FUND	NON-MAJOR SANITATION FUND	TOTAL
Cash Flows From Operating Activities:				
Cash Received From Customers	\$ 2,461,559	\$ 2,518,064	\$ 569,001	\$ 5,548,624
Cash Payments to Suppliers and Employees	(1,590,356)	(2,931,175)	(458,166)	(4,979,697)
Net Cash Provided by Operating Activities	871,203	(413,111)	110,835	568,927
Cash Flows From Capital and Related Financing Activities:				
Purchases of Property and Equipment	(1,283,984)	(695,936)	-	(1,979,920)
Proceeds From Sale of Capital Assets	2,700	1,500	-	4,200
Proceeds From System Improvement Fees	200,006	137,893	-	337,899
Proceeds From Cash in Lieu of Fees	450	-	-	450
Proceeds From Grants	346,952	200,000	-	546,952
Principal Payments on Debt	(234,776)	(776,568)	-	(1,011,344)
Interest Payments on Debt	(99,654)	(265,301)	-	(364,955)
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,068,306)	(1,398,412)	-	(2,466,718)
Cash Flows from Non-Capital Financing Activities:				
Other Revenues	80,704	1,055	795	82,554
Transfers - Net	68,210	3,210	(9,118)	62,302
Net Cash Provided (Used) by Non-Capital Financing Activities	148,914	4,265	(8,323)	144,856
Cash Flows From Investing Activities:				
Investment Income	52,483	13,759	2,699	68,941
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	4,294	(1,793,499)	105,211	(1,683,994)
CASH AND INVESTMENTS, Beginning	5,922,128	3,548,277	284,348	9,754,753
CASH AND INVESTMENTS, Ending	\$ 5,926,422	\$ 1,754,778	\$ 389,559	\$ 8,070,759
Cash and Investments	\$ 3,617,917	\$ 1,377,098	\$ 389,559	\$ 5,384,574
Restricted Cash and Investments	2,308,505	377,680	-	2,686,185
TOTAL CASH AND INVESTMENTS	\$ 5,926,422	\$ 1,754,778	\$ 389,559	\$ 8,070,759
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating Income	\$ (89,200)	\$ 60,371	\$ 31,421	\$ 2,592
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation	820,345	1,035,527	76,225	1,932,097
(Increase) Decrease in:				
Cash with Fiscal Agent	-	-	-	-
Other Receivable	3,399	65,920	2,882	72,201
Prepaid Expenses	(3,498)	(3,961)	(3,870)	(11,329)
Inventory	7,565	1,877	-	9,442
Increase (Decrease) in:				
Accounts Payable	147,622	(1,566,427)	4,400	(1,414,405)
Accrued Wages & Comp. Absences	(146)	4,607	(223)	4,238
Deferred Revenue	(14,884)	(11,025)	-	(25,909)
Total Adjustments	960,403	(473,482)	79,414	566,335
Net Cash Provided by Operating Activities	\$ 871,203	\$ (413,111)	\$ 110,835	\$ 568,927

The accompanying notes are an integral part of the financial statements.

GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS	TOTAL	
	2010	2009
	\$ 699,385 (496,262) <u>203,123</u>	\$ 6,248,009 (5,475,959) <u>772,050</u>
(65,185)	(2,045,105)	(10,524,039)
-	4,200	-
-	337,899	788,725
-	450	1,202
-	546,952	623,735
-	(1,011,344)	(1,006,677)
-	(364,955)	(718,719)
<u>(65,185)</u>	<u>(2,531,903)</u>	<u>(10,835,773)</u>
296	82,850	43,973
-	62,302	197,302
<u>296</u>	<u>145,152</u>	<u>241,275</u>
3,216	72,157	130,322
141,450	(1,542,544)	802,913
396,738	10,151,491	9,348,578
<u>\$ 538,188</u>	<u>\$ 8,608,947</u>	<u>\$ 10,151,491</u>
\$ 127,825	\$ 5,512,399	\$ 4,846,640
410,363	3,096,548	5,304,851
<u>\$ 538,188</u>	<u>\$ 8,608,947</u>	<u>\$ 10,151,491</u>
\$ 37,433	\$ 40,025	\$ (401,399)
138,692	2,070,789	1,833,690
-	-	11,436,093
-	72,201	269,043
(6,722)	(18,051)	(11,103)
(499)	8,943	24,504
25,884	(1,388,521)	(1,490,631)
8,335	12,573	(20,898)
-	(25,909)	(372,210)
<u>165,690</u>	<u>732,025</u>	<u>11,668,488</u>
<u>\$ 203,123</u>	<u>\$ 772,050</u>	<u>\$ 11,267,089</u>

CITY OF RIFLE, COLORADO

**STATEMENT OF FIDUCIARY NET ASSETS -**  
**FIDUCIARY FUND**  
**December 31, 2010**  
**With Comparative Totals for December 31, 2009**

	<u>PERPETUAL CARE</u>	
	<u>2010</u>	<u>2009</u>
ASSETS		
Cash and Investments	<u>\$ 204,040</u>	<u>\$ 200,415</u>
NET ASSETS		
Held In Trust for Cemetery Maintenance	<u>\$ 204,040</u>	<u>\$ 200,415</u>

DRAFT

The accompanying notes are an integral part of the financial statements.

CITY OF RIFLE, COLORADO

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS -  
FIDUCIARY FUND

Year Ended December 31, 2010

With Comparative Totals for the Year Ended December 31, 2009

	<u>PERPETUAL CARE</u>	
	<u>2010</u>	<u>2009</u>
ADDITIONS:		
Charges for Services	\$ 3,625	\$ 8,052
NET ASSETS - Beginning	<u>200,415</u>	<u>192,363</u>
NET ASSETS - Ending	<u>\$ 204,040</u>	<u>\$ 200,415</u>

DRAFT

The accompanying notes are an integral part of the financial statements.

## CITY OF RIFLE, COLORADO

### NOTES TO THE FINANCIAL STATEMENTS

December 31, 2010

#### **NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Rifle was incorporated in 1905 and became a Home Rule City in 1963. The City operates under a Council-Manager form of government and provides the following services as authorized by its charter: public safety, highways and streets, water, sewer, sanitation, health and social services, culture and recreation, education, public improvements, planning and zoning, and general administrative services. The City's basic financial statements include the accounts of all City operations.

This summary of the City of Rifle's significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. The policies are considered essential and should be read in conjunction with the accompanying financial statements.

The accounting policies of the City of Rifle conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies:

#### **Reporting Entity**

In accordance with Governmental Accounting Standards, the City has considered the possibility of inclusion of additional entities in its basic financial statements. The definition of the reporting entity is based primarily on financial accountability. The City is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if City officials appoint a voting majority of the organization's governing body and either it is able to impose its will on that organization or there is a potential for benefits to, or to impose specific financial burdens on, the City. The City may also be financially accountable for governmental organizations that are fiscally dependent upon it.

Based upon the application of these criteria, the following component unit is included in the City's reporting entity because of the significance of its operational or financial relationship to the City.

#### **Blended Component Units**

The Downtown Development Agency (DDA) and the Urban Renewal Authority (URA) were created as separate legal entities by an act of the state legislature and "activated" by action of the City Council to plan and develop the downtown and other blighted areas of the City and to attract new businesses and residents. The governing boards of the DDA is appointed by the City Council for fixed terms. The DDA has the complete authority to hire management and all other employees. There is no significant continuing relationship between the City and the DDA for carrying out day-to-day functions. The governing board of the URA is the City Council.

CITY OF RIFLE, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS**  
December 31, 2010

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Blended Component Units** (Continued)

The DDA is a separate taxing body and levies taxes against the property owners within the designated development district and may hold referendums of its constituents. The DDA's levy and the levy of the City are independent of each other and are related only by the fact that they are levied against a common tax base within the DDA's geographic boundaries. Property taxes from the DDA's levy are its primary revenue source.

The URA's primary source of revenue is increment tax receipts for based on the increased assessed valuation of taxes in the Urban Renewal Authority boundaries.

Because the DDA's governing board is appointed by the City and the budget and any amendments thereto are approved by the City, the DDA is reported as if it were part of the primary government. Similarly, since URA's governing board is the City Council and the budget and any amendments thereto are approved by the City, the URA is reported as if it were part of the primary government.

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Governmental Activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual funds are reported as separate columns in the fund financial statements.

CITY OF RIFLE, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2010**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and pension trust fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes, specific ownership taxes, sales and use taxes, franchise fees, state shared revenues, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary (enterprise) fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. Operating expenses include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the practice of the City to use restricted resources first, then unrestricted resources as they are needed.

**CITY OF RIFLE, COLORADO**

**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2010**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**  
(Continued)

In the fund financial statements, the City reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the City. It is used to account for all financial resources, except those required to be accounted for in another fund.

Capital Fund – Revenues of this fund consist primarily of transfers from the General Fund to provide for long-term capital asset acquisition.

Parks and Recreation Fund – This fund accounts for the operations of the City's parks and recreation programs. It is partially funded through a 1% sales and use tax assessment.

The City also reports the following major proprietary funds:

Water and Wastewater Funds – These funds account for the activities related to offering the respective services to the City's residents.

Additionally, the City reports the following fiduciary fund:

Perpetual Care Fund – The Perpetual Care Fund is used to account for assets held by the City in a trustee capacity for the future maintenance of the City's cemetery.

**Budgets**

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- (1) In accordance with the City Charter, on or before the second Council meeting in August, the Council adopts a resolution setting the schedule for the adoption of the following year's budget.
- (2) Prior to or by the first Council meeting in December, the budget is legally enacted through passage of an ordinance, after receiving input through public hearings.
- (3) The City Manager reports monthly to the City Council explaining any variance from the approved budget.
- (4) The City Charter requires the adoption of a budget for proprietary funds. Depreciation expense is not a budgeted item.
- (5) The City does not utilize encumbrance accounting and all appropriations lapse at year end.

**CITY OF RIFLE, COLORADO**

**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2010**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Property Taxes**

Property taxes for the City are levied by the City Council and certified for collection to Garfield County by December 15 of each year. These taxes become due January 1 of the succeeding year and are payable in full by April 30 or in two installments by June 15 in the year of collection. Property taxes levied in the current year for collection in the subsequent year by the General Fund are included in Receivables and Deferred Revenue at year end. These taxes are classified as deferred revenues since they are not available to the City until the subsequent year.

**Property, Plant and Equipment**

**Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property and equipment of the City is depreciated using the straight line method over the following estimated useful lives.

Buildings	10 - 50 years
Land Improvements	7 - 75 years
Machinery and Equipment	5 - 10 years
Wastewater System	30 - 50 years
Water System	30 - 50 years

Infrastructure assets, which include streets, bridges, and drainage systems, are depreciated using the straight line method over estimated useful life of 25 years.

**Compensated Absences**

Employees earn one day of sick-leave per month. Upon accrual of 480 hours of sick-leave, employees begin accruing three hours of vacation per month in lieu of additional sick-leave.

Vacation is earned based upon the tenure with the City up to a maximum of twenty five days. Upon termination, the amount paid is the number of days accrued.

CITY OF RIFLE, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2010**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Compensated Absences** (Continued)

The City's policy is to record a liability and a related charge to expenditures for compensated absences for employees in the appropriate funds. The City has elected this conservative method to more closely monitor its financial position. Current accrued compensated absences including accrued payroll was \$412,787 at December 31, 2010, \$282,805 of which was recorded in the General Fund, \$66,488 in the Enterprise Funds, \$52,564 in the Special Revenue Funds and \$10,930 in the Internal Service Funds.

**Net Assets/Fund Equity**

Reserved fund balances/restricted net assets report the portion of fund balance or net assets that are not appropriable for expenditure or are legally segregated for a specific future use. Designated fund balances of governmental funds represent tentative plans for financial resource utilization in a future period. The Urban Renewal Authority Fund has a deficit fund balance of \$101,106 which is expected to be recovered through future property tax revenues.

**Inventory**

Inventories are valued at cost, using the first-in, first-out (FIFO) method.

**Comparative Data**

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

**Cash Flow Statement**

For purposes of the statement of cash flows, cash equivalents are defined as investments with original maturities of less than three months.

**NOTE 2: CASH AND INVESTMENTS**

A summary of cash and investments follows:

Governmental - Unrestricted	\$ 13,339,615
Business-type - Unrestricted	5,384,574
Governmental - Restricted	2,727,957
Business-type - Restricted	2,686,185
Fiduciary	204,040
Total Cash and Investments	<u>\$ 24,342,371</u>

**CITY OF RIFLE, COLORADO**

**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2010**

**NOTE 2: CASH AND INVESTMENTS (Continued)**

The City's cash and investment balances are comprised of the following:

Cash and Deposits	\$ 8,115,900
Investments	<u>16,226,471</u>
Total Cash and Investments	<u>\$ 24,342,371</u>

**Deposits**

**Custodial Credit Risk - Deposits**

In the case of deposits, this is the risk that in the event of bank failure, the government's deposits may not be returned to it. The City's deposit policy is in accordance with CRS 11-10.5-101, The Colorado Public Deposit Protection Act (PDPA), which governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The institution's internal records identify collateral by depositor and as such, these deposits are considered uninsured but collateralized. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. At December 31, 2010, all of the City's bank deposits as shown below were either insured by federal depository insurance or collateralized under PDPA and are therefore not deemed to be exposed to custodial credit risk.

	Bank Balance	Carrying Balance
FDIC Insured	\$ 2,454,532	\$ 2,454,532
PDPA Collateralized	5,826,574	5,660,154
Petty Cash	-	1,214
Total Cash and Deposits	<u>\$ 8,281,106</u>	<u>\$ 8,115,900</u>

**Investments**

**Credit Risk**

The City invests excess funds under the prudent investor rule. The criteria for selection of investments and their order of priority are: 1) Safety, 2) Liquidity, and 3) Yield. The Director of Finance is responsible for all of the investments of the City.

Eligible investments shall conform to state law and may include any of the following:

**CITY OF RIFLE, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2010**

**NOTE 2: CASH AND INVESTMENTS (Continued)**

**Investments (Continued)**

**Credit Risk (Continued)**

- Obligations of the United States and certain U.S. government agencies securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptance of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

As of December 31, 2010, the City's investments consisted of the following:

	Fair Value	Weighted Avg. Maturity In Years	% of Portfolio	Rating
U.S. Instrumentalities:				
Farm Credit Notes	\$ 1,014,313	4.30	6.3%	AAA
FNMA	2,955,667	3.71	18.2%	AAA
FHLB	2,072,011	1.48	12.8%	AAA
United States Treasury Note	1,002,852	0.41	6.2%	AAA
Local Investment Pools	7,761,460	0.00	47.8%	AAAm
Mutual Funds	1,274,837	0.00	7.86%	AAA
Commercial Paper	145,331	1.67	0.90%	AAA
Total Investments held by City	<u>\$ 16,226,471</u>	0.50	<u>100.0%</u>	

During the year ended December 31, 2010, the City invested funds in the Colorado Surplus Asset Fund (CSAFE) and Colotrust. As investment pools, they operate under the Colorado Revised Statutes (24-75-701) and are overseen by the Colorado Securities Commissioner. They invest in securities that are specified by Colorado Revised Statutes (24-75-601). Authorized securities include U.S. Treasuries, U.S. Agencies, commercial paper (rated A1 or better) and bank deposits (collateralized through PDPA). The pools operate similar to a 2a-7-like money market fund with a share value equal to \$1.00 and a maximum weighted average maturity of 60 days. These funds are rated AAAm by the Standard and Poor's Corporation.

**Interest Rate Risk**

The City manages its interest rate risk by setting a maximum maturity date no more than five years from the date of purchase unless otherwise authorized by the City Council.

CITY OF RIFLE, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2010**

**NOTE 2: CASH AND INVESTMENTS** (Continued)

**Investments** (Continued)

Concentration of Credit Risk

The City places no limit on the amount that may be invested in any one issuer. More than 5 percent of the City's investments are in Federal Home Loan Bank and Federal National Mortgage Association securities. These investments are 12.8%, and 18.2%, respectively, of the City's total investments.

Custodial Credit Risk – Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2010, the City's U.S. Instrumentality securities were held by Wells Fargo Brokerage Services, LLC, or AXA Advisors, LLC in the name of the City.

**NOTE 3: RESTRICTED CASH**

The City has recorded the following cash restrictions at December 31, 2010:

General Fund

Restricted for Senior Center Improvements	\$	31,611
Restricted for Senior Center Meals		74,675
Restricted for Road Improvements		246,912
Restricted for Parkland Dedication		285,399
Restricted for Regional Drainage		21,006
Total General Fund		<u>659,603</u>

Street Improvement Fund

Restricted for Street Improvements from Bond Proceeds		950,466
Restricted for Bond Principal and Interest Payments		<u>379,965</u>
Total Street Improvement Fund		<u>1,330,431</u>

Downtown Development Agency

Restricted for Parking Projects		<u>12,319</u>
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Parks & Recreation Fund

Restricted for Rifle Mountain Park		15,241
Restricted from RE-2 School District		<u>300,000</u>
Total Parks & Recreation Fund		<u>315,241</u>

**CITY OF RIFLE, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2010**

**NOTE 3: RESTRICTED CASH (Continued)**

<u>Fleet Maintenance Fund</u>		
Fleet Loan Funding		410,363
<u>Water Fund</u>		
Restricted for Infrastructure Improvements		1,554,247
Restricted for Water Rights		83,858
Restricted for Operations and Maintenance Reserve		670,400
Total Water Fund		2,308,505
<u>Sewer Fund</u>		
Restricted for Operations and Maintenance Reserve		377,680
<b>Total Restricted Cash</b>		<b>\$ 5,414,142</b>

**NOTE 4: CHANGES IN CAPITAL ASSETS**

The following schedule presents changes in governmental activities capital assets during 2010:

	<u>Balance</u> <u>12/31/2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2010</u>
<b>Governmental Activities:</b>				
Non-depreciable Capital Assets:				
Land	\$ 2,866,491	\$ 279,140	\$ -	\$ 3,145,631
Depreciable Capital Assets:				
Buildings	14,107,946	145,674	-	14,253,620
Improvements	47,940,273	5,864,602	-	53,804,875
Equipment	3,002,877	248,316	-	3,251,193
Int Svc Equipment & Vehicles	775,865	65,184	-	841,049
Total Capital Assets	68,693,452	6,602,916	-	75,296,368
Less: Accumulated Depreciation				
Buildings	3,110,284	357,330	-	3,467,614
Improvements	15,001,764	1,896,168	-	16,897,932
Equipment	1,605,579	282,714	-	1,888,293
Int Svc Equipment & Vehicles	402,459	138,691	-	541,150
Total Accumulated Depreciation	20,120,086	2,674,903	-	22,794,989
<b>Net Capital Assets</b>	<b>\$ 48,573,366</b>	<b>\$ 3,928,013</b>	<b>\$ -</b>	<b>\$ 52,501,379</b>

**CITY OF RIFLE, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2010**

**NOTE 4: CHANGES IN CAPITAL ASSETS (Continued)**

Depreciation has been charged to the various functions and programs as follows:

	Governmental Activities
General Government	\$ 105,782
Public Safety	96,882
Public Works	1,875,030
Cemetery	11,801
Parks & Recreation	439,414
Economic Development	7,303
Deprec. Govt. Funds	2,536,212
Fleet Maintenance	138,691
Total Depreciation	\$ 2,674,903

The following schedule presents business-type activities capital assets at December 31, 2010:

	<b>Balance 12/31/2009</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance 12/31/2010</b>
<b>Business-Type Activities:</b>				
Non-depreciable Capital Assets:				
Land	\$ 1,211,378	\$ 402,739	\$ -	\$ 1,614,117
Water Rights	495,000	-	-	495,000
Depreciable Capital Assets:				
Buildings	37,722,862	956,921	-	38,679,783
Improvements	30,364,747	384,309	-	30,749,056
Equipment	2,327,490	322,605	-	2,650,095
Total Capital Assets	72,121,477	2,066,574	-	74,188,051
Less: Accumulated Depreciation				
Buildings	7,534,157	1,189,400	-	8,723,557
Improvements	6,135,407	523,851	-	6,659,258
Equipment	1,065,823	218,847	-	1,284,670
Total Accumulated Depreciation	14,735,387	1,932,098	-	16,667,485
<b>Net Capital Assets</b>	<b>\$ 57,386,090</b>	<b>\$ 134,476</b>	<b>\$ -</b>	<b>\$ 57,520,566</b>

CITY OF RIFLE, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2010**

**NOTE 4: CHANGES IN CAPITAL ASSETS (Continued)**

Depreciation has been charged to the various functions and programs as follows:

	Business-type <u>Activities</u>
Water Operations	\$ 820,345
Sewer Operations	1,035,527
Sanitation Operations	<u>76,225</u>
Total Depreciation	<u>\$ 1,932,097</u>

**NOTE 5: LONG - TERM DEBT – GOVERNMENTAL ACTIVITIES**

**BONDS PAYABLE**

In November, 2003, the City issued \$4,155,000 of Sales and Use Tax Revenue Bonds for street improvements. These bonds are secured by a pledge of the City's sales tax revenue. The bonds mature serially beginning in 2004 through 2018. Bond principal payments are due annually on December 1, and interest is due semi-annually on June 1 and December 1. The bonds bear interest at rates ranging from 2.0% to 4.10%. The bonds require a \$379,965 reserve. The City is also required to fund 1/6 of the next semiannual interest payment and 1/12 of the next annual principal payment monthly. The City has established the required reserves (Note 3). These bonds are repaid through the Street Improvement Fund.

**CAPITAL LEASE PAYABLE**

In June 2007, the City entered into a lease purchase agreement for the construction of a new police and court facility. The lease requires semi-annual base rentals of \$132,724 consisting of both principal and interest at 4.36% on June 1 and December 1 of each year after an initial interest payment of \$41,531 in December 2007. Payments continue through December 2017. The initial lease proceeds were \$2,133,000.

In August 2008, the City entered into a lease purchase agreement for the construction of a new parks facility. The lease requires semi-annual base rentals of \$161,164 consisting of both principal and interest at 4.28% on June 1 and December 1 of each year after an initial interest payment of \$28,747 in December 2008. Payments continue through December 2018. The initial lease proceeds were \$2,600,000.

**CITY OF RIFLE, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2010**

**NOTE 5: LONG - TERM DEBT – GOVERNMENTAL ACTIVITIES** (Continued)

Changes in governmental activity long-term debt are as follows:

	<b>Balance 12/31/09</b>	<b>Advances</b>	<b>Repayments</b>	<b>Balance 12/31/10</b>	<b>Current Portion</b>
2003 Revenue Bonds	\$ 2,830,000	\$ -	\$ 270,000	\$ 2,560,000	\$ 280,000
Police Facility Capital Lease	1,776,658	-	190,035	1,586,623	198,411
Parks Facility Capital Lease	2,386,694	-	222,533	2,164,161	232,159
<b>Total Obligations</b>	<b>\$ 6,993,352</b>	<b>\$ -</b>	<b>\$ 682,568</b>	<b>\$ 6,310,784</b>	<b>\$ 710,570</b>

Scheduled payments on the bonds are due as follows:

<b><u>Year</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2011	\$ 280,000	\$ 97,876	\$ 377,876
2012	290,000	88,076	378,076
2013	300,000	77,201	377,201
2014	315,000	65,951	380,951
2015	325,000	54,296	379,296
2016-2018	1,050,000	85,876	1,135,876
<b>Total</b>	<b>\$ 2,560,000</b>	<b>\$ 469,276</b>	<b>\$ 3,029,276</b>

Scheduled payments on the capital lease are as follows:

<b><u>Year</u></b>	<b><u>Police Facility Payment</u></b>	<b><u>Parks Facility Payment</u></b>	<b><u>Total Payment</u></b>
2011	\$ 265,448	\$ 322,328	\$ 587,776
2012	265,448	322,328	587,776
2013	265,448	322,328	587,776
2014	265,448	322,328	587,776
2015	265,448	322,328	587,776
2016-2018	530,897	966,983	1,497,880
Total Payments	1,858,137	2,578,623	4,436,760
4.36%/4.28% Interest	(271,514)	(414,462)	(685,976)
<b>Present Value of Payments</b>	<b>\$ 1,586,623</b>	<b>\$ 2,164,161</b>	<b>\$ 3,750,784</b>

**CITY OF RIFLE, COLORADO**

**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2010**

**NOTE 6: LONG - TERM DEBT – BUSINESS-TYPE ACTIVITIES**

Changes in business-type activity long-term debt are as follows:

	<u>Balance</u> <u>12/31/09</u>	<u>Advances</u>	<u>Repayments</u>	<u>Balance</u> <u>12/31/10</u>	<u>Current</u> <u>Portion</u>
1982 CWCB Note - Water	\$ 142,244	\$ -	\$ 9,467	\$ 132,777	\$ 9,846
1994 CWRPDA Loan - Water	440,000	-	80,000	360,000	83,750
2003 CWRPDA Loan - Water	1,143,750	-	66,250	1,077,500	70,000
2004 DOLA Note - Sewer	279,165	-	50,521	228,644	53,048
2006 Capital Lease - Water	631,680	-	79,059	552,621	82,522
2007 CWRPDA Loan - Sewer	17,187,916	-	690,432	16,497,484	685,432
2007 CWRPDA Premium - Sewer	661,822	-	35,615	626,207	-
<b>Total Obligations</b>	<b>\$ 20,486,577</b>	<b>\$ -</b>	<b>\$ 1,011,344</b>	<b>\$ 19,475,233</b>	<b>\$ 984,598</b>

**NOTES PAYABLE**

On October 19, 1994, the City entered into a loan agreement with the Colorado Water Resources and Power Development Authority for \$1,295,000. The loan carries an average interest rate of 6.1% and was issued to advance refund \$320,000 of outstanding 1986 General Obligation Water Bonds with an average interest rate of 7.9%, and to fund water plant improvements. The loan was subsequently refinanced in 1998 via a new Colorado Water Resource and Power Development bond issuance. This note will mature in October, 2014. Pursuant to the loan agreement, the City was required to establish a 3 month operations and maintenance reserve based on the subsequent years budgeted expenditures, or \$670,400. The City has funded this reserve through the restriction of its cash balances in the Water Fund (Note 3). The City believes it is in compliance with all required covenants and obligations called for by the loan agreement. Debt service requirements to maturity are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 83,750	\$ 18,535	\$ 102,285
2012	96,250	13,168	109,418
2013	101,250	7,491	108,741
2014	78,750	1,972	80,722
<b>Total</b>	<b>\$ 360,000</b>	<b>\$ 41,166</b>	<b>\$ 401,166</b>

In 2003, the City obtained permanent financing from the Colorado Water Resource and Power Development Authority ("CWRPDA") of \$1,525,000 to fund system improvements. This permanent financing was used to repay the interim borrowing from CWRPDA that occurred in 2002. The new loan bears interest at 3.98% and required monthly principal and interest payments through October 1, 2023. Pursuant to the loan agreement, the City was required to establish a 3 month operations and maintenance reserve based on the subsequent years budgeted expenditures, or \$670,400. The City has funded this reserve through the restriction of its cash balances in the Water Fund (Note 3). The City believes it is in compliance with all required covenants and obligations called for by the loan agreement. Debt service requirements to maturity are as follows:

**CITY OF RIFLE, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2010**

**NOTE 6: LONG - TERM DEBT – BUSINESS-TYPE ACTIVITIES (Continued)**

**NOTES PAYABLE (Continued)**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 64,166	\$ 42,773	\$ 106,939
2012	70,000	40,580	110,580
2013	70,833	38,247	109,080
2014	75,000	35,755	110,755
2015	75,833	33,043	108,876
2016-2020	437,500	117,880	555,380
2021-2023	284,168	24,858	309,026
<b>Total</b>	<b>\$ 1,077,500</b>	<b>\$ 333,136</b>	<b>\$ 1,410,636</b>

In 1981, the City entered into a loan agreement with the Colorado Water Conservation Board for system improvements. The loan was for \$300,000 and bears interest at 4%. Loan payments are due annually in the amount of \$15,156 through November 1, 2021. Payments are made by the Water Fund. Debt service requirements to maturity are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 9,846	\$ 5,310	\$ 15,156
2012	10,239	4,917	15,156
2013	10,649	4,507	15,156
2014	11,075	4,081	15,156
2015-2019	62,383	13,397	75,780
2020-2021	28,585	1,726	30,311
<b>Total</b>	<b>\$ 132,777</b>	<b>\$ 33,938</b>	<b>\$ 166,715</b>

In 2004, the City entered into a loan agreement with the Colorado Department of Local Affairs for sewer system improvements. The loan was for \$500,000 and bears interest at 5%. Loan payments are due annually in the amount of \$64,480 through September 1, 2014. Payments are made by the Wastewater Fund. Debt service requirements to maturity are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 53,048	\$ 11,432	\$ 64,480
2012	55,700	8,780	64,480
2013	58,485	5,995	64,480
2014	61,410	3,071	64,481
<b>Total</b>	<b>\$ 228,643</b>	<b>\$ 29,278</b>	<b>\$ 257,921</b>

**CITY OF RIFLE, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2010**

**NOTE 6: LONG - TERM DEBT – BUSINESS-TYPE ACTIVITIES (Continued)**

**NOTES PAYABLE (Continued)**

In May 2007, the City entered into a loan agreement with the Colorado Water Resource and Power Development Authority in the amount of \$17,852,112. The proceeds are to be used to complete sewer improvements. The City has also recorded \$747,848 of premiums and \$20,000 of issuance costs that are being recognized over the life of the note, with the remaining unamortized portion included in the note payable balance in the financial statements. The loan requires semi-annual principal and interest payments on February 1 and August 1 of each year through 2028. The loan bears interest at 3.5% per annum, not including administrative fees. Pursuant to the loan agreement, the City was required to establish a 3 month operations and maintenance reserve based on the subsequent years budgeted expenditures, or \$377,680. The City has funded this reserve through the restriction of its cash balances in the Wastewater Fund (Note 3). The City believes it is in compliance with all required covenants and obligations called for by the loan agreement. Debt service requirements to maturity are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 685,432	\$ 639,788	\$ 1,325,220
2012	711,668	618,421	1,330,089
2013	732,904	596,233	1,329,137
2014	759,140	573,387	1,332,527
2015	780,376	549,720	1,330,096
2016-2020	4,285,420	2,367,460	6,652,880
2021-2025	4,996,264	1,656,982	6,653,246
2026-2028	3,546,280	450,364	3,996,644
<b>Total</b>	<b>\$ 16,497,484</b>	<b>\$ 7,452,355</b>	<b>\$ 23,949,839</b>

**CITY OF RIFLE, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2010**

**NOTE 6: LONG - TERM DEBT – BUSINESS-TYPE ACTIVITIES (Continued)**

**CAPITAL LEASES PAYABLE**

During 2006, the City entered into a capital lease for the retrofitting of the City's water meters. Assets worth \$836,241 were acquired and capitalized. The lease requires forty quarterly payments of \$26,254 beginning February 2007. The lease bears interest at 4.3% per annum. The lease is being repaid by the Water Fund.

<u>Year</u>	<u>Payment</u>
2011	\$ 105,018
2012	105,018
2013	105,018
2014	105,018
2015	105,018
2016-2017	<u>105,018</u>
Total Payments	630,108
4.3% Interest	<u>(77,487)</u>
<b>Present Value of Payments</b>	<b><u>\$ 552,621</u></b>

**NOTE 7: INTERFUND TRANSACTIONS**

Following is a summary of advances to and from other funds at December 31, 2010:

	<u>Advance To Other Fund</u>	<u>Advance From Other Funds</u>
General Fund	\$ 130,679	\$ -
Economic Development Fund	111,200	-
Capital Fund	90,000	-
Street Improvement Fund	-	201,200
Rifle Information Center Fund	-	10,679
Urban Renewal Authority Fund	-	<u>120,000</u>
<b>Totals</b>	<b><u>\$ 331,879</u></b>	<b><u>\$ 331,879</u></b>

**CITY OF RIFLE, COLORADO**

**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2010**

**NOTE 7: INTERFUND TRANSACTIONS** (Continued)

The City has recorded the following routine transfers:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 167,186	\$ 140,000
Conservation Trust Fund	-	260,000
Street Improvement Fund	-	25,374
Visitor Improvement Fund	-	10,000
Downtown Development Fund	9,000	-
Parks Fund	263,803	66,917
Water Fund	100,000	31,790
Sewer Fund	35,000	31,790
Sanitation Fund	-	9,118
Information Technology Fund	-	-
<b>Totals</b>	<b><u>\$ 574,989</u></b>	<b><u>\$ 574,989</u></b>

The following funds have made payments to the internal service funds representing maintenance and capital recovery costs:

	<u>Internal Service Charges</u>
General Fund	\$ 424,850
Parks Fund	120,375
Water Fund	66,184
Wastewater Fund	35,133
Sanitation Fund	50,239
Fleet Maintenance Fund	2,603
<b>Total</b>	<b><u>\$ 699,384</u></b>

In 2005, the General Fund made a \$400,000 transfer to the Fleet Maintenance Fund to provide resources for fleet acquisitions. The Fleet Maintenance Fund acquires assets on behalf of other operating departments. These assets are capitalized in the fund and then allocated to the activities and functions as required for the government-wide presentation. The Fleet Maintenance Fund will recover the original acquisition costs over a period of three years in the form of increased user charges to the benefiting department. These recoveries will assist in maintaining cash resources for future fleet purchases. At December 31, 2010, the Fleet Maintenance Fund has \$410,363 of funds available under this program.

CITY OF RIFLE, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2010**

**NOTE 7: INTERFUND TRANSACTIONS** (Continued)

The utility funds have paid the General Fund the following management fees:

	<b><u>Mgmt Fees</u></b>
Water Fund	\$ 104,949
Wastewater Fund	104,949
Sanitation Fund	<u>27,481</u>
<b>Total</b>	<b><u>\$ 237,379</u></b>

**NOTE 8: EMPLOYEE BENEFIT PLANS**

The City provides pension benefits for all of its full-time police officers through a defined contribution plan. The police officers contribute 8% of their compensation to the plan, which the City matches with a 12.51% contribution. The City's contributions for each employee (and interest allocated thereon) vest at the rate of 20% per year. The City's contributions were calculated using the base salary amount of \$1,229,468. During the year ended December 31, 2010, the City contributed \$153,806, and the employees contributed \$104,033.

All other full-time employees of the City are eligible to participate in a defined contribution pension plan established under the provisions of Section 401(k) of the Internal Revenue Code. In this defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The plan covers all full-time employees with at least one year of service and who have attained the age of twenty-one. The City contributes 5% of compensation to the plan on behalf of each qualified employee. Employees may not make contributions to this plan. Employees vest at the rate of 20% per year in contributions made by the City so that, by the fifth year of participation, they are 100% vested in all contributions made to the plan. The City's total payroll was \$4,904,401 and covered payroll was \$3,662,985 for this plan. For the year ended December 31, 2010, the City contributed \$183,149 to the plan.

The City offers a deferred compensation plan in accordance with Section 457 of the Internal Revenue Code. The plan permits employees to defer a portion of their salary to future years. This deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All amounts held by the Section 457 plan are held in trust for the benefit of the employees and accordingly are not included in the City's financial statements.

**CITY OF RIFLE, COLORADO**

**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2010**

**NOTE 9: RECONCILIATION OF BUDGETED REVENUE AND EXPENDITURES TO ACTUALS**

The financial statements present the activities of the proprietary fund types in conformity with GAAP, as applicable to these funds. Budgets are prepared using a non-GAAP basis. A reconciliation of the two methods is provided below:

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Sanitation Fund</u>	<u>Maintenance Fund</u>	<u>Systems Fund</u>
Total Revenues -					
GAAP Basis	\$ 3,284,625	\$ 2,852,376	\$ 569,613	\$ 497,819	\$ 205,078
Dedicated Infrastructure	<u>(86,654)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Revenues - Budget Basis</b>	<b><u>\$ 3,195,271</u></b>	<b><u>\$ 2,850,876</u></b>	<b><u>\$ 569,613</u></b>	<b><u>\$ 497,819</u></b>	<b><u>\$ 205,078</u></b>

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Sanitation Fund</u>	<u>Fleet Maintenance Fund</u>	<u>Information Systems Fund</u>
Total Revenues -					
GAAP Basis	\$ 3,284,625	\$ 2,852,376	\$ 569,613	\$ 497,819	\$ 205,078
Dedicated Infrastructure	<u>(86,654)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Revenues - Budget Basis</b>	<b><u>\$ 3,195,271</u></b>	<b><u>\$ 2,850,876</u></b>	<b><u>\$ 569,613</u></b>	<b><u>\$ 497,819</u></b>	<b><u>\$ 205,078</u></b>

**NOTE 10: RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

For risks related to property and liability, the City is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provision of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and Colorado Constitution, Article XIV, section 18(2). The purposes of CIRSA are to provide members defined liability and property coverage and to assist members to prevent and reduce losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees or officers.

**CITY OF RIFLE, COLORADO**

**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2010**

**NOTE 10: RISK MANAGEMENT** (Continued)

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverage at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. CIRSA is a separate legal entity and the City does not approve budgets nor does it have ability to significantly affect the operations of the unit.

The City carries commercial insurance for workers compensation claims.

**NOTE 11: COMMITMENTS AND CONTINGENCIES**

**TABOR Amendment**

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. In November 1995, voters within the City approved the collection, retention and expenditure of the full revenues generated by the City in 1994 and subsequent years, notwithstanding the provisions of the Amendment.

The City has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2010, the emergency reserve of \$439,000 was recorded in the General Fund.

**2011 Budget Designations**

Through the adoption of the 2011 budget, the City has committed the following resources:

General Fund	\$ 469,496
Street Improvement Fund	2,555,018
Conservation Trust Fund	124,721
Visitor Improvement Fund	174,766
Downtown Development Authority Fund	98,701
Capital Fund	1,924,044
Energy Efficiency Fund	97,869
Water Fund	1,944,692
Wastewater Fund	828,265
Sanitation Fund	156,222
Information Technology Fund	19,234

**OTHER SUPPLEMENTARY INFORMATION**

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CITY OF RIFLE, COLORADO

**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS**

December 31, 2010

With Comparative Totals for December 31, 2009

	<u>STREET IMPROVEMENT</u>	<u>CONSERVATION TRUST</u>	<u>ECONOMIC DEVELOPMENT</u>	<u>VISITOR IMPROVEMENT</u>	<u>DOWNTOWN DEVELOPMENT</u>
<b>ASSETS</b>					
Cash and Investments	\$ 2,315,001	\$ 187,610	\$ 151,857	\$ 204,986	\$ 92,305
Cash with Fiscal Agent	-	-	-	-	-
Property Taxes Receivable	-	-	-	-	59,650
Special Assessments Receivable	164,541	-	-	-	-
Other Receivable	138,072	-	-	7,337	-
Prepaid Expenses	220	-	-	-	-
Advance to Other Funds	-	-	111,200	-	-
Due from Other Governments	19,245	-	-	-	145
Restricted Cash and Investments	1,330,431	-	-	-	12,319
<b>TOTAL ASSETS</b>	<b>\$ 3,967,510</b>	<b>\$ 187,610</b>	<b>\$ 263,057</b>	<b>\$ 212,323</b>	<b>\$ 164,419</b>
<b>LIABILITIES AND FUND BALANCE</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ 183,878	\$ -	\$ -	\$ 967	\$ 104
Accrued Wages & Comp. Absences	641	-	-	-	-
Advances from Other Funds	201,200	-	-	-	-
Deferred Revenue	164,541	-	-	-	59,650
<b>TOTAL LIABILITIES</b>	<b>550,260</b>	<b>-</b>	<b>-</b>	<b>967</b>	<b>59,754</b>
<b>FUND BALANCE</b>					
Reserved for:					
Interfund Advances	-	-	111,200	-	-
Prepays	220	-	-	-	-
Unreserved reported in					
Special Revenue Funds	-	-	-	-	-
Designated for Sub. Year's Expenditures	2,555,018	124,721	-	174,766	98,701
Undesignated	862,012	62,889	151,857	36,590	5,964
<b>TOTAL FUND BALANCE</b>	<b>3,417,250</b>	<b>187,610</b>	<b>263,057</b>	<b>211,356</b>	<b>104,665</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 3,967,510</b>	<b>\$ 187,610</b>	<b>\$ 263,057</b>	<b>\$ 212,323</b>	<b>\$ 164,419</b>

See the accompanying Independent Auditors' Report

RIFLE INFORMATION CENTER	ENERGY EFFICIENCY	URBAN RENEWAL AUTHORITY	TOTALS	
			2010	2009
\$ 290,690	\$ 88,737	\$ 18,894	\$ 3,350,080	\$ 3,855,821
-	-	-	-	-
-	-	-	59,650	58,369
-	-	-	164,541	207,181
20,715	-	-	166,124	132,334
-	-	-	220	-
-	-	-	111,200	139,000
-	9,132	-	28,522	132,136
-	-	-	1,342,750	1,343,736
<u>\$ 311,405</u>	<u>\$ 97,869</u>	<u>\$ 18,894</u>	<u>\$ 5,223,087</u>	<u>\$ 5,868,577</u>
\$ -	\$ -	\$ -	\$ 184,949	\$ 90,277
-	-	-	641	799
10,679	-	120,000	331,879	396,922
-	-	-	224,191	265,550
<u>10,679</u>	<u>-</u>	<u>120,000</u>	<u>741,660</u>	<u>753,548</u>
-	-	-	111,200	139,000
-	-	-	220	-
-	97,869	-	3,051,075	-
<u>300,726</u>	<u>-</u>	<u>(101,106)</u>	<u>1,318,932</u>	<u>4,976,029</u>
<u>300,726</u>	<u>97,869</u>	<u>(101,106)</u>	<u>4,481,427</u>	<u>5,115,029</u>
<u>\$ 311,405</u>	<u>\$ 97,869</u>	<u>\$ 18,894</u>	<u>\$ 5,223,087</u>	<u>\$ 5,868,577</u>

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CITY OF RIFLE, COLORADO

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
 Year Ended December 31, 2010  
 With Comparative Totals for the Year Ended December 31, 2009

	<u>STREET IMPROVEMENT</u>	<u>CONSERVATION TRUST</u>	<u>ECONOMIC DEVELOPMENT</u>	<u>VISITOR IMPROVEMENT</u>	<u>DOWNTOWN DEVELOPMENT</u>
REVENUES					
Taxes	\$ 1,015,723	\$ -	\$ -	\$ 132,574	\$ 59,434
Special Assessments	56,122	-	-	-	-
Intergovernmental	-	82,689	-	-	-
Charges for Services	25,056	-	-	-	7,500
Miscellaneous	38,437	3,915	202,649	1,350	1,086
TOTAL REVENUES	<u>1,135,338</u>	<u>86,604</u>	<u>202,649</u>	<u>133,924</u>	<u>68,020</u>
EXPENDITURES					
Public Works	101,411	-	-	-	-
Economic Development and Assistance	-	-	24,965	90,007	44,567
Capital Outlay	1,065,156	-	302,599	-	29,256
Debt Service	376,801	-	-	-	-
TOTAL EXPENDITURES	<u>1,543,368</u>	<u>-</u>	<u>327,564</u>	<u>90,007</u>	<u>73,823</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	<u>(408,030)</u>	<u>86,604</u>	<u>(124,915)</u>	<u>43,917</u>	<u>(5,803)</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	9,000
Transfers Out	(25,374)	(260,000)	-	(10,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(25,374)</u>	<u>(260,000)</u>	<u>-</u>	<u>(10,000)</u>	<u>9,000</u>
CHANGE IN FUND BALANCES	(433,404)	(173,396)	(124,915)	33,917	3,197
FUND BALANCE (DEFICIT), Beginning	3,850,654	361,006	387,972	177,439	101,468
FUND BALANCE (DEFICIT), Ending	<u>\$ 3,417,250</u>	<u>\$ 187,610</u>	<u>\$ 263,057</u>	<u>\$ 211,356</u>	<u>\$ 104,665</u>

See the accompanying Independent Auditors' Report.

RIFLE INFORMATION CENTER	ENERGY EFFICIENCY	URBAN RENEWAL AUTHORITY	TOTALS	
			2010	2009
\$ 167,834	\$ -	\$ -	\$ 1,375,565	\$ 1,383,815
-	-	-	56,122	70,515
-	47,931	-	130,620	709,532
-	-	-	32,556	27,614
<u>2,137</u>	<u>862</u>	<u>162</u>	<u>250,598</u>	<u>100,213</u>
169,971	48,793	162	1,845,461	2,291,689
-	-	-	101,411	478,224
103,163	-	2,086	264,788	372,548
-	52,231	-	1,449,242	552,442
<u>447</u>	<u>-</u>	<u>-</u>	<u>377,248</u>	<u>380,546</u>
103,610	52,231	2,086	2,192,689	1,783,760
<u>66,361</u>	<u>(3,438)</u>	<u>(1,924)</u>	<u>(347,228)</u>	<u>507,929</u>
-	-	-	9,000	132,762
-	-	-	(295,374)	(180,636)
-	-	-	(286,374)	(47,874)
66,361	(3,438)	(1,924)	(633,602)	460,055
<u>234,365</u>	<u>101,307</u>	<u>(99,182)</u>	<u>5,115,029</u>	<u>4,654,974</u>
<u>\$ 300,726</u>	<u>\$ 97,869</u>	<u>\$ (101,106)</u>	<u>\$ 4,481,427</u>	<u>\$ 5,115,029</u>

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## **SPECIAL REVENUE FUNDS**

Special Revenue Funds are established to account for the proceeds of specific revenue sources, other than special assessments, expendable trusts, or major capital projects, that are legally restricted to expenditures for specified purposes.

Conservation Trust Fund -- This fund accounts for lottery proceeds received from the State government. Expenditures are restricted to the development or improvement of City parks.

Economic Development Fund -- This fund receives sewer line recovery fees and other designated income to be used for economic development.

Visitor Improvement Fund -- This fund accounts for expenditures related to visitor improvements and attractions, historic preservation, special events, city beautification projects, and city promotion expenditures funded through a 2.5% lodging tax implemented in 2008.

Downtown Development Agency Fund -- This fund receives an allocation of property taxes to be used for downtown development.

Rifle Information Center Fund -- This fund accounts for the operations of the City information center.

Energy Efficiency Fund -- This fund accounts for the activity of any Energy Efficiency Grants awarded the City.

Urban Renewal Authority Fund -- This fund accounts for the activity of the Urban Renewal Authority with operations beginning in 2008.

CITY OF RIFLE, COLORADO

**BUDGETARY COMPARISON SCHEDULE FOR THE  
STREET IMPROVEMENT FUND**

Year Ended December 31, 2010

With Comparative Totals for the Year Ended December 31, 2009

	2010			2009 ACTUAL
	ORIGINAL & FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET FAV (UNFAV)	
REVENUES				
Taxes	\$ 1,104,733	\$ 1,015,723	\$ (89,010)	\$ 996,681
Special Assessments	69,000	56,122	(12,878)	70,515
Intergovernmental	342,976	-	(342,976)	617,038
Charges for Services	27,000	25,056	(1,944)	27,614
Miscellaneous	69,825	38,437	(31,388)	84,212
TOTAL REVENUES	<u>1,613,534</u>	<u>1,135,338</u>	<u>(478,196)</u>	<u>1,796,060</u>
EXPENDITURES				
Public Works	1,139,873	101,411	1,038,462	478,224
Capital Outlay	2,304,500	1,065,156	1,239,344	534,698
Debt Service	376,651	376,801	(150)	379,751
TOTAL EXPENDITURES	<u>3,821,024</u>	<u>1,543,368</u>	<u>2,277,656</u>	<u>1,392,673</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(2,207,490)	(408,030)	1,799,460	403,387
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	23,762
Transfers Out	(75,674)	(25,374)	50,300	(25,374)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(75,674)</u>	<u>(25,374)</u>	<u>50,300</u>	<u>(1,612)</u>
CHANGE IN FUND BALANCE	(2,283,164)	(433,404)	1,849,760	401,775
FUND BALANCE, Beginning	<u>3,944,690</u>	<u>3,850,654</u>	<u>(94,036)</u>	<u>3,448,879</u>
FUND BALANCE, Ending	<u>\$ 1,661,526</u>	<u>\$ 3,417,250</u>	<u>\$ 1,755,724</u>	<u>\$ 3,850,654</u>

The accompanying notes are an integral part of the financial statements

CITY OF RIFLE, COLORADO

**BUDGETARY COMPARISON SCHEDULE FOR THE  
CONSERVATION TRUST FUND**

Year Ended December 31, 2010

With Comparative Totals for the Year Ended December 31, 2009

	2010		VARIANCE WITH FINAL BUDGET FAV (UNFAV)	2009 ACTUAL
	FINAL BUDGET	ACTUAL		
REVENUES				
Intergovernmental	\$ 85,000	\$ 82,689	\$ (2,311)	\$ 85,583
Miscellaneous	4,176	3,915	(261)	4,023
TOTAL REVENUES	89,176	86,604	(2,572)	89,606
OTHER FINANCING SOURCES (USES)				
Transfers Out	(260,000)	(260,000)	-	-
CHANGE IN FUND BALANCE	(170,824)	(173,396)	(2,572)	89,606
FUND BALANCE, Beginning	359,591	361,006	1,415	271,400
FUND BALANCE, Ending	\$ 188,767	\$ 187,610	\$ (1,157)	\$ 361,006

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See the accompanying Independent Auditors' Report.

CITY OF RIFLE, COLORADO

**BUDGETARY COMPARISON SCHEDULE FOR THE  
ECONOMIC DEVELOPMENT FUND**

Year Ended December 31, 2010

With Comparative Totals for the Year Ended December 31, 2009

	2010		VARIANCE WITH FINAL BUDGET FAV (UNFAV)	2009 ACTUAL
	FINAL BUDGET	ACTUAL		
REVENUES				
Intergovernmental	\$ 2,035,765	\$ -	\$ (2,035,765)	\$ -
Miscellaneous	1,530,911	202,649	(1,328,262)	3,220
TOTAL REVENUES	3,566,676	202,649	(3,364,027)	3,220
EXPENDITURES				
Economic Development and Assistance	449,000	24,965	424,035	44,453
Capital Outlay	3,625,000	302,599	3,322,401	7,144
Contingency Reserve	150,000	-	150,000	-
TOTAL EXPENDITURES	4,224,000	327,564	3,896,436	51,597
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(657,324)	(124,915)	532,409	(48,377)
OTHER FINANCING SOURCES (USES)				
Transfers In	500,000	-	(500,000)	-
CHANGE IN FUND BALANCE	(157,324)	(124,915)	32,409	(48,377)
FUND BALANCE, Beginning	529,121	387,972	(141,149)	436,349
FUND BALANCE, Ending	\$ 371,797	\$ 263,057	\$ (108,740)	\$ 387,972

See the accompanying Independent Auditors' Report.

CITY OF RIFLE, COLORADO

**BUDGETARY COMPARISON SCHEDULE FOR THE  
VISITOR IMPROVEMENT FUND**

Year Ended December 31, 2010

With Comparative Totals for the Year Ended December 31, 2009

	2010		VARIANCE WITH FINAL BUDGET FAV (UNFAV)	2009 ACTUAL
	FINAL BUDGET	ACTUAL		
REVENUES				
Taxes	\$ 170,000	\$ 132,574	\$ (37,426)	\$ 173,303
Miscellaneous	1,151	1,350	199	1,646
TOTAL REVENUES	171,151	133,924	(37,227)	174,949
EXPENDITURES				
Economic Development and Assistance	182,500	90,007	92,493	115,466
Contingency Reserve	155,755	-	155,755	-
TOTAL EXPENDITURES	338,255	90,007	248,248	115,466
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(167,104)	43,917	211,021	59,483
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	(10,000)	(10,000)	(30,756)
CHANGE IN FUND BALANCE	(167,104)	33,917	201,021	28,727
FUND BALANCE, Beginning	172,239	177,439	5,200	148,712
FUND BALANCE, Ending	\$ 5,135	\$ 211,356	\$ 206,221	\$ 177,439

See the accompanying Independent Auditors' Report.

CITY OF RIFLE, COLORADO

**BUDGETARY COMPARISON SCHEDULE FOR THE  
DOWNTOWN DEVELOPMENT FUND**

Year Ended December 31, 2010

With Comparative Totals for the Year Ended December 31, 2009

	2010			2009 ACTUAL
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET FAV (UNFAV)	
REVENUES				
Taxes	\$ 62,145	\$ 59,434	\$ (2,711)	\$ 48,946
Intergovernmental	-	-	-	6,911
Charges for Services	-	7,500	7,500	-
Miscellaneous	3,742	1,086	(2,656)	2,304
TOTAL REVENUES	65,887	68,020	2,133	58,161
EXPENDITURES				
Economic Development and Assistance	46,738	44,567	2,171	51,847
Capital Outlay	88,000	29,256	58,744	10,600
Contingency Reserve	30,000	-	30,000	-
TOTAL EXPENDITURES	164,738	73,823	90,915	62,447
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(98,851)	(5,803)	93,048	(4,286)
OTHER FINANCING SOURCES (USES)				
Transfers In	9,000	9,000	-	9,000
Transfers Out	-	-	-	(124,506)
TOTAL OTHER FINANCING SOURCES (USES)	9,000	9,000	-	(115,506)
CHANGE IN FUND BALANCE	(89,851)	3,197	93,048	(119,792)
FUND BALANCE, Beginning	107,506	101,468	(6,038)	221,260
FUND BALANCE, Ending	\$ 17,655	\$ 104,665	\$ 87,010	\$ 101,468

See the accompanying Independent Auditors' Report.

CITY OF RIFLE, COLORADO

**BUDGETARY COMPARISON SCHEDULE FOR THE  
RIFLE INFORMATION CENTER FUND**

Year Ended December 31, 2010

With Comparative Totals for the Year Ended December 31, 2009

	2010		VARIANCE WITH FINAL BUDGET FAV (UNFAV)	2009 ACTUAL
	FINAL BUDGET	ACTUAL		
REVENUES				
Taxes	\$ 185,827	\$ 167,834	\$ (17,993)	\$ 164,885
Miscellaneous	4,729	2,137	(2,592)	3,265
TOTAL REVENUES	190,556	169,971	(20,585)	168,150
EXPENDITURES				
Economic Development and Assistance	143,429	103,163	40,266	137,493
Debt Service	15,190	447	14,743	795
TOTAL EXPENDITURES	158,619	103,610	55,009	138,288
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	31,937	66,361	34,424	29,862
FUND BALANCE (DEFICIT), Beginning	242,104	234,365	(7,739)	204,503
FUND BALANCE (DEFICIT), Ending	\$ 274,041	\$ 300,726	\$ 26,685	\$ 234,365

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See the accompanying Independent Auditors' Report.

CITY OF RIFLE, COLORADO

**BUDGETARY COMPARISON SCHEDULE FOR THE**  
**ENERGY EFFICIENCY FUND**  
 Year Ended December 31, 2010

	2010			<u>2009</u> <u>ACTUAL</u>
	<u>FINAL</u> <u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH</u> <u>FINAL BUDGET</u> <u>FAV (UNFAV)</u>	
REVENUES				
Intergovernmental	\$ 60,000	\$ 47,931	\$ (12,069)	\$ -
Miscellaneous	-	862	862	1,307
TOTAL REVENUES	60,000	48,793	(11,207)	1,307
EXPENDITURES				
Capital Outlay	60,000	52,231	7,769	-
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	-	(3,438)	(3,438)	1,307
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	100,000
CHANGE IN FUND BALANCE	-	(3,438)	(3,438)	101,307
FUND BALANCE, Beginning	-	101,307	101,307	-
FUND BALANCE, Ending	<u>\$ -</u>	<u>\$ 97,869</u>	<u>\$ 97,869</u>	<u>\$ 101,307</u>

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See the accompanying Independent Auditors' Report.

CITY OF RIFLE, COLORADO

**BUDGETARY COMPARISON SCHEDULE FOR THE  
URBAN RENEWAL AUTHORITY FUND**

Year Ended December 31, 2010

With Comparative Totals for the Year Ended December 31, 2009

	2010			<u>2009 ACTUAL</u>
	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAV (UNFAV)</u>	
REVENUES				
Miscellaneous	\$ 98	\$ 162	\$ 64	\$ 236
EXPENDITURES				
Economic Development and Assistance	15,000	2,086	12,914	23,289
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(14,902)	(1,924)	12,978	(23,053)
FUND BALANCE, Beginning	28,954	(99,182)	(128,136)	(76,129)
FUND BALANCE, Ending	<u>\$ 14,052</u>	<u>\$ (101,106)</u>	<u>\$ (115,158)</u>	<u>\$ (99,182)</u>

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See the accompanying Independent Auditors' Report.

## **ENTERPRISE FUNDS**

Enterprise Funds are used to account for operations that are financed in a manner similar to private business enterprises. The costs of providing goods or services to the general public on a continuing basis are recovered primarily from user charges.

The following are the Enterprise Funds of the City:

Water Fund -- This fund accounts for the provision of water services to City residents.

Wastewater Fund -- This fund accounts for the provision of sewer services to City residents.

Sanitation Fund -- This fund accounts for the provision of waste management services to City residents.

CITY OF RIFLE, COLORADO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL**

**WATER FUND**

Year Ended December 31, 2010

With Comparative Totals for the Year Ended December 31, 2009

	2010		VARIANCE WITH FINAL BUDGET FAV (UNFAV)	2009 ACTUAL
	FINAL BUDGET	ACTUAL		
REVENUES				
Charges for Services	\$ 2,234,596	\$ 2,247,803	\$ 13,207	\$ 2,017,033
Sale of Materials	5,000	3,722	(1,278)	5,657
Reimbursed Expenditures	30,550	68,825	38,275	37,187
Other Revenue	49,565	152,694	103,129	87,863
System Improvement Fees	170,000	200,006	30,006	405,794
Investment Earnings	97,865	52,483	(45,382)	82,611
Cash in Lieu of Fees	4,328	450	(3,878)	1,202
Federal Grants	300,000	-	(300,000)	-
State Grants	400,000	288,584	(111,416)	276,416
Other Revenues	-	80,704	80,704	-
Transfers In	135,000	100,000	(35,000)	135,000
TOTAL REVENUES	<u>3,426,904</u>	<u>3,195,271</u>	<u>(231,633)</u>	<u>3,048,763</u>
EXPENDITURES				
Personal Services	819,835	706,203	113,632	626,021
Supplies	412,000	261,408	150,592	193,457
Purchased Services	763,344	581,808	181,536	1,349,302
Other Operating Expenses	30,000	-	30,000	11
Management Fees	104,949	104,949	-	150,712
Fleet Maintenance	44,919	56,172	(11,253)	43,279
Info Tech Maintenance	10,971	10,012	959	-
Acquisition of Capital Assets	1,153,840	1,305,331	(151,491)	730,431
Debt Principal	234,776	234,776	-	269,164
Amortization of Bond Issuance Costs	1,038	1,038	-	1,038
Interest Expense	99,090	99,026	64	111,381
Transfers Out	31,790	31,790	-	31,790
TOTAL EXPENDITURES	<u>3,706,552</u>	<u>3,392,513</u>	<u>314,039</u>	<u>3,506,586</u>
NET INCOME - Budgetary Basis	<u>\$ (279,648)</u>	<u>(197,242)</u>	<u>\$ 82,406</u>	<u>(457,823)</u>
ADJUSTMENTS TO GAAP BASIS				
Capital Outlay		1,283,984		731,085
Dedicated Infrastructure		86,654		1,196,960
Gain (Loss) on Disposal of Fixed Assets		2,700		-
Debt Principal		234,776		269,164
Depreciation Expense		(820,345)		(778,840)
NET INCOME - GAAP Basis		590,527		960,546
NET ASSETS, Beginning		<u>25,359,033</u>		<u>24,398,487</u>
NET ASSETS, Ending		<u>\$ 25,949,560</u>		<u>\$ 25,359,033</u>

See the accompanying Independent Auditors' Report.

CITY OF RIFLE, COLORADO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL**

**WASTEWATER FUND**

Year Ended December 31, 2010

With Comparative Totals for the Year Ended December 31, 2009

	2010		VARIANCE WITH FINAL BUDGET FAV (UNFAV)	2009 ACTUAL
	FINAL BUDGET	ACTUAL		
REVENUES				
Charges for Services	\$ 2,386,353	\$ 2,411,271	\$ 24,918	\$ 2,410,090
Other Operating Revenues	55,908	51,898	(4,010)	77,785
System Improvement Fees	162,500	137,893	(24,607)	382,931
Investment Earnings	66,895	13,759	(53,136)	40,719
State Grants	-	200,000	200,000	300,264
Proceeds from Long Term Debt	35,614	-	(35,614)	-
Transfers In	35,000	35,000	-	35,000
Other Revenues	-	1,055	1,055	43,973
TOTAL REVENUES	<u>2,742,270</u>	<u>2,850,876</u>	<u>108,606</u>	<u>3,290,762</u>
EXPENDITURES				
Personal Services	472,426	444,427	27,999	445,810
Supplies	116,550	165,325	(48,775)	119,066
Purchased Services	479,732	617,436	(137,704)	312,539
Other Operating Expenses	140,600	-	140,600	28
Management Fees	104,949	104,949	-	105,311
Fleet Maintenance	12,008	20,115	(8,107)	9,835
Info Tech Maintenance	16,457	15,019	1,438	-
Acquisition of Capital Assets	777,400	695,936	81,464	9,983,840
Amortization of Bond Issuance Costs	952	952	-	952
Debt Principal	690,432	776,568	(86,136)	737,513
Interest Expense	652,347	255,506	396,841	641,207
Transfers Out	31,790	31,790	-	31,790
Other Expenses	20,000	-	20,000	-
TOTAL EXPENDITURES	<u>3,515,643</u>	<u>3,128,023</u>	<u>387,620</u>	<u>12,387,891</u>
NET INCOME - Budgetary Basis	<u>\$ (773,373)</u>	<u>(277,147)</u>	<u>\$ 496,226</u>	<u>(9,097,129)</u>
ADJUSTMENTS TO GAAP BASIS				
Capital Outlay		695,936		10,012,552
Dedicated Infrastructure		-		762,713
Debt Principal		776,568		737,513
Gain (Loss) on Disposal of Fixed Assets		1,500		-
Depreciation Expense		(1,035,527)		(837,017)
NET INCOME - GAAP Basis		161,330		1,578,632
NET ASSETS, Beginning		<u>19,326,979</u>		<u>17,748,347</u>
NET ASSETS, Ending		<u>\$ 19,488,309</u>		<u>\$ 19,326,979</u>

See the accompanying Independent Auditors' Report.

CITY OF RIFLE, COLORADO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL**

**SANITATION FUND**

Year Ended December 31, 2010

With Comparative Totals for the Year Ended December 31, 2009

	2010		VARIANCE WITH FINAL BUDGET FAV (UNFAV)	2009 ACTUAL
	FINAL BUDGET	ACTUAL		
REVENUES				
Charges for Services	\$ 578,566	\$ 563,804	\$ (14,762)	\$ 563,976
Sale of Materials	-	-	-	210
Other Revenue	2,190	2,315	125	2,332
Investment Earnings	3,176	2,699	(477)	3,048
Other Revenues	-	795	795	-
TOTAL REVENUES	<u>583,932</u>	<u>569,613</u>	<u>(14,319)</u>	<u>569,566</u>
EXPENDITURES				
Personal Services	114,717	94,308	20,409	140,277
Supplies	16,000	13,597	2,403	4,416
Purchased Services	255,216	272,848	(17,632)	225,342
Other Operating Expenses	500	-	500	28
Management Fees	27,481	27,481	-	40,000
Fleet Maintenance	46,625	47,736	(1,111)	41,164
Info Tech Maintenance	2,743	2,503	240	-
Acquisition of Capital Assets	225,000	-	225,000	-
Transfers Out	9,118	9,118	-	9,118
TOTAL EXPENDITURES	<u>697,400</u>	<u>467,591</u>	<u>229,809</u>	<u>460,345</u>
NET INCOME - Budgetary Basis	<u>\$ (113,468)</u>	102,022	<u>\$ 215,490</u>	109,221
ADJUSTMENTS TO GAAP BASIS				
Depreciation Expense		(76,225)		(76,225)
NET INCOME - GAAP Basis		25,797		32,996
NET ASSETS, Beginning		611,600		578,604
NET ASSETS, Ending		<u>\$ 637,397</u>		<u>\$ 611,600</u>

See the accompanying Independent Auditors' Report.

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## **INTERNAL SERVICE FUNDS**

Internal Service funds are established to account for the financing of goods or services provided by one department to other departments of the City on a cost-reimbursement basis.

Fleet Maintenance Fund -- This fund accounts for fleet equipment charges paid by City departments to offset maintenance and depreciation expenses.

Information Technology Fund -- This fund will account for information technology equipment charges paid by City departments to offset maintenance and depreciation expenses.

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CITY OF RIFLE, COLORADO

**COMBINING STATEMENT OF NET ASSETS -  
INTERNAL SERVICE FUNDS**

December 31, 2010

With Comparative Totals for December 31, 2009

	FLEET MAINTENANCE	INFORMATION TECHNOLOGY	TOTALS	
			2010	2009
ASSETS				
CURRENT ASSETS				
Cash and Investments	\$ 46,918	\$ 80,907	\$ 127,825	\$ 139,802
Prepaid Expenses	3,346	3,376	6,722	-
Inventory	26,894	-	26,894	26,396
TOTAL CURRENT ASSETS	77,158	84,283	161,441	166,198
PROPERTY AND EQUIPMENT	781,182	59,867	841,049	775,865
Less Accumulated Depreciation	(541,052)	(98)	(541,150)	(402,459)
NET PROPERTY AND EQUIPMENT	240,130	59,769	299,899	373,406
OTHER ASSETS				
Restricted Cash and Investments	410,363	-	410,363	256,936
TOTAL ASSETS	727,651	144,052	871,703	796,540
LIABILITIES				
CURRENT LIABILITIES				
Accounts Payable	39,301	15,984	55,285	29,402
Accrued Wages & Comp. Absences	2,933	7,997	10,930	2,595
TOTAL LIABILITIES	42,234	23,981	66,215	31,997
NET ASSETS				
Invested in Capital Assets Net of Related Debt	240,130	59,769	299,899	373,406
Unrestricted	445,287	60,302	505,589	391,137
TOTAL NET ASSETS	\$ 685,417	\$ 120,071	\$ 805,488	\$ 764,543

See the accompanying Independent Auditors' Report.

CITY OF RIFLE, COLORADO

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS -  
INTERNAL SERVICE FUNDS**

Year Ended December 31, 2010

With Comparative Totals for the Year Ended December 31, 2009

	FLEET MAINTENANCE	INFORMATION TECHNOLOGY	TOTALS	
			2010	2009
OPERATING REVENUES				
Charges for Services	\$ 495,302	\$ 204,083	\$ 699,385	\$ 297,249
TOTAL OPERATING REVENUES	495,302	204,083	699,385	297,249
OPERATING EXPENSES				
Personal Services	82,545	141,675	224,220	85,788
Supplies	235,230	2,741	237,971	184,065
Purchased Services	18,079	25,882	43,961	12,637
Other Expenses	-	14,505	14,505	-
Fleet Maintenance	100	-	100	7,369
Info Tech Maintenance	2,503	-	2,503	-
Depreciation	138,594	98	138,692	141,608
TOTAL OPERATING EXPENSES	477,051	184,901	661,952	431,467
NET INCOME (LOSS) FROM OPERATIONS	18,251	19,182	37,433	(134,218)
OTHER INCOME (EXPENSE)				
Investment Earnings	2,255	961	3,216	3,944
Other Revenues	262	34	296	-
OTHER INCOME (EXPENSE)	2,517	995	3,512	3,944
NET INCOME (LOSS) BEFORE TRANSFERS	20,768	20,177	40,945	(130,274)
TRANSFERS				
Transfers In	-	-	-	100,000
NET INCOME (LOSS)	20,768	20,177	40,945	(30,274)
NET ASSETS, Beginning	664,649	99,894	764,543	794,817
NET ASSETS, Ending	\$ 685,417	\$ 120,071	\$ 805,488	\$ 764,543

See the accompanying Independent Auditors' Report.

CITY OF RIFLE, COLORADO

**COMBINING STATEMENT OF CASH FLOWS -  
INTERNAL SERVICE FUNDS**  
Increase (Decrease) in Cash and Cash Equivalents  
Year Ended December 31, 2010  
With Comparative Totals for the Year Ended December 31, 2009

	FLEET MAINTENANCE	INFORMATION TECHNOLOGY	TOTAL	
			2010	2009
Cash Flows From Operating Activities:				
Cash Received From Customers	\$ 495,302	\$ 204,083	\$ 699,385	\$ 298,382
Cash Payments to Suppliers and Employees	(332,064)	(164,198)	(496,262)	(320,968)
Net Cash Provided by Operating Activities	<u>163,238</u>	<u>39,885</u>	<u>203,123</u>	<u>(22,586)</u>
Cash Flows From Capital and Related Financing Activities:				
Purchases of Property and Equipment	(5,318)	(59,867)	(65,185)	(33,452)
Cash Flows from Non-Capital Financing Activities:				
Other Revenues	262	34	296	-
Transfers - Net	-	-	-	100,000
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>262</u>	<u>34</u>	<u>296</u>	<u>100,000</u>
Cash Flows From Investing Activities:				
Investment Income	2,255	961	3,216	3,944
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>160,437</u>	<u>(18,987)</u>	<u>141,450</u>	<u>47,906</u>
CASH AND INVESTMENTS, Beginning	<u>296,844</u>	<u>99,894</u>	<u>396,738</u>	<u>348,832</u>
CASH AND INVESTMENTS, Ending	<u>\$ 457,281</u>	<u>\$ 80,907</u>	<u>\$ 538,188</u>	<u>\$ 396,738</u>
Cash and Investments	\$ 46,918	\$ 80,907	\$ 127,825	\$ 139,802
Restricted Cash and Investments	410,363	-	410,363	256,936
TOTAL CASH AND INVESTMENTS	<u>\$ 457,281</u>	<u>\$ 80,907</u>	<u>\$ 538,188</u>	<u>\$ 396,738</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating Income	\$ 18,251	\$ 19,182	\$ 37,433	\$ (134,218)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation	138,594	98	138,692	141,608
(Increase) Decrease in:				
Other Receivable	-	-	-	1,133
Prepaid Expenses	(3,346)	(3,376)	(6,722)	1,644
Inventory	(499)	-	(499)	382
Increase (Decrease) in:				
Accounts Payable	9,900	15,984	25,884	(31,535)
Accrued Wages & Comp. Absences	338	7,997	8,335	(1,600)
Total Adjustments	<u>144,987</u>	<u>20,703</u>	<u>165,690</u>	<u>111,632</u>
Net Cash Provided by Operating Activities	<u>\$ 163,238</u>	<u>\$ 39,885</u>	<u>\$ 203,123</u>	<u>\$ (22,586)</u>

See the accompanying Independent Auditors' Report.

CITY OF RIFLE, COLORADO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL**

**FLEET MAINTENANCE FUND**

Year Ended December 31, 2010

With Comparative Totals for the Year Ended December 31, 2009

	2010		VARIANCE WITH FINAL BUDGET FAV (UNFAV)	2009 ACTUAL
	FINAL BUDGET	ACTUAL		
REVENUES				
Charges for Services	\$ 546,874	\$ 495,302	\$ (51,572)	\$ 297,249
Investment Earnings	18,883	2,255	(16,628)	4,050
Other Revenues	-	262	262	-
TOTAL REVENUES	<u>565,757</u>	<u>497,819</u>	<u>(67,938)</u>	<u>301,299</u>
EXPENDITURES				
Personal Services	78,657	82,545	(3,888)	85,788
Supplies	213,500	235,230	(21,730)	184,065
Purchased Services	19,050	18,079	971	12,637
Fleet Maintenance	8,000	100	7,900	7,369
Info Tech Maintenance	2,743	2,503	240	-
Acquisition of Capital Assets	34,000	65,185	(31,185)	33,452
TOTAL EXPENDITURES	<u>355,950</u>	<u>403,642</u>	<u>(47,692)</u>	<u>323,311</u>
NET INCOME - Budgetary Basis	<u>\$ 209,807</u>	<u>94,177</u>	<u>\$ (115,630)</u>	<u>(22,012)</u>
ADJUSTMENTS TO GAAP BASIS				
Capital Outlay		65,185		33,452
Depreciation Expense		(138,594)		(141,608)
NET INCOME - GAAP Basis		20,768		(130,168)
NET ASSETS, Beginning		<u>664,649</u>		<u>794,817</u>
NET ASSETS, Ending		<u>\$ 685,417</u>		<u>\$ 664,649</u>

See the accompanying Independent Auditors' Report.

CITY OF RIFLE, COLORADO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL**  
**INFORMATION TECHNOLOGY FUND**

Year Ended December 31, 2010

With Comparative Totals for the Year Ended December 31, 2009

	2010		VARIANCE WITH FINAL BUDGET FAV (UNFAV)	2009 ACTUAL
	FINAL BUDGET	ACTUAL		
REVENUES				
Charges for Services	\$ 221,871	\$ 204,083	\$ (17,788)	\$ -
Investment Earnings	1,800	961	(839)	(106)
Other Revenues	-	34	34	-
Transfers In	-	-	-	100,000
TOTAL REVENUES	<u>223,671</u>	<u>205,078</u>	<u>(18,593)</u>	<u>99,894</u>
EXPENDITURES				
Personal Services	155,458	141,675	13,783	-
Supplies	11,000	2,741	8,259	-
Purchased Services	22,100	25,882	(3,782)	-
Other Expenses	13,900	14,505	(605)	-
Acquisition of Capital Assets	60,000	59,769	231	-
TOTAL EXPENDITURES	<u>262,458</u>	<u>244,572</u>	<u>17,886</u>	<u>-</u>
NET INCOME - Budgetary Basis	<u>\$ (38,787)</u>	<u>(39,494)</u>	<u>\$ (707)</u>	<u>99,894</u>
ADJUSTMENTS TO GAAP BASIS				
Capital Outlay		59,769		-
Depreciation Expense		(98)		-
NET INCOME - GAAP Basis		20,177		99,894
NET ASSETS, Beginning		99,894		-
NET ASSETS, Ending		<u>\$ 120,071</u>		<u>\$ 99,894</u>

See the accompanying Independent Auditors' Report.

**COMPLIANCE SECTION**

DRAFT

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DRAFT

**State Compliance**

DRAFT

The public report burden for this information collection is estimated to average 380 hours annually.

**LOCAL HIGHWAY FINANCE REPORT**

City or County:  
**CITY OF RIFLE**  
YEAR ENDING :  
December 2010

This Information From The Records Of: **City of Rifle** Prepared By: **Charles Kelty, Finance Director**  
Phone: **970.665.6449**

**I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE**

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

**II. RECEIPTS FOR ROAD AND STREET PURPOSES**

**III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT	ITEM	AMOUNT
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	1,166,667
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	636,944
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	6,829
2. General fund appropriations	697,476	b. Snow and ice removal	36,124
3. Other local imposts (from page 2)	1,547,479	c. Other	125,558
4. Miscellaneous local receipts (from page 2)	189,881	d. Total (a. through c.)	168,511
5. Transfers from toll facilities	0	4. General administration & miscellaneous	230,765
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	835,930
a. Bonds - Original Issues	0	6. Total (1 through 5)	3,038,817
b. Bonds - Refunding Issues	0	<b>B. Debt service on local obligations:</b>	
c. Notes	0	1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	106,801
7. Total (1 through 6)	2,434,836	b. Redemption	270,000
<b>B. Private Contributions</b>	212,787	c. Total (a. + b.)	376,801
<b>C. Receipts from State government</b> (from page 2)	334,491	2. Notes:	
<b>D. Receipts from Federal Government</b> (from page 2)	0	a. Interest	0
<b>E. Total receipts (A.7 + B + C + D)</b>	2,982,114	b. Redemption	0
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	376,801
		<b>C. Payments to State for highways</b>	0
		<b>D. Payments to toll facilities</b>	0
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	3,415,618

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
<b>A. Bonds (Total)</b>	2,830,000		270,000	2,560,000
1. Bonds (Refunding Portion)				
<b>B. Notes (Total)</b>				0

**V. LOCAL ROAD AND STREET FUND BALANCE**

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	3,850,654	2,982,114	3,415,618	3,417,150	(0)

Notes and Comments:

**II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL**

ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments	55,193	a. Interest on investments	38,406
b. Other local imposts:		b. Traffic Fines & Penalties	151,443
1. Sales Taxes	1,016,652	c. Parking Garage Fees	0
2. Infrastructure & Impact Fees	25,056	d. Parking Meter Fees	0
3. Liens	0	e. Sale of Surplus Property	0
4. Licenses	0	f. Charges for Services	0
5. Specific Ownership &/or Other	450,678	g. Other Misc. Receipts	32
6. Total (1. through 5.)	1,492,386	h. Other	0
c. Total (a. + b.)	1,547,579	i. Total (a. through h.)	189,881
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	297,808	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	0
a. State bond proceeds		b. FEMA	0
b. Project Match		c. HUD	0
c. Motor Vehicle Registrations	36,683	d. Federal Transit Admin	0
d. Other (Specify)	0	e. U.S. Corps of Engineers	0
e. Other (Specify)	0	f. Other Federal	0
f. Total (a. through e.)	36,683	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	334,491	3. Total (1. + 2.g)	
			(Carry forward to page 1)

**III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL**

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs		0	0
b. Engineering Costs		101,511	101,511
c. Construction:			
(1). New Facilities		0	0
(2). Capacity Improvements		0	0
(3). System Preservation		980,079	980,079
(4). System Enhancement & Operation		85,077	85,077
(5). Total Construction (1) + (2) + (3) + (4)	0	1,065,156	1,065,156
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	1,166,667	1,166,667
			(Carry forward to page 1)

Notes and Comments:

**RIFLE CITY COUNCIL MEETING**

Wednesday, May 18, 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 Jonathan Rice, Jen Sanborn, Jeanette Thompson, Randy Winkler, and Mayor Keith Lambert.

Councilor Sanborn moved to excuse Councilors Alan Lambert and Jay Miller from attending tonight's meeting; seconded by Councilor Thompson.

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

**OTHERS PRESENT:** John Hier, City Manager; Lisa Cain, City Clerk; Matt Sturgeon, Assistant City Manager / Director of Planning; Jim Neu, City Attorney; Jim Bell, Cable 10 Manager; Michael Churchill, Cable 10 Assistant Manager; Mike Braaten, Government Affairs Coordinator; Daryl Meisner, Police Chief; Ann Thrasher; Christi Patterson; Chris Johnson; Annie Schmidt; Ashlyn Taylor; Caitlin Diaz; Erica Salazar; Jessica Chavez; Layton Stutsman; Trenton Condie; Cheyanne Miller; Allen Taddy; Stanley Wailes; Michael Langhorne; Gil Frontella; and Scott Becker.

**CONSENT AGENDA - APPROVE THE FOLLOWING ITEMS:**

- A. Minutes from the May 4, 2011 Regular Meeting
- B. Liquor License Renewals – Choice Liquors and Rib City
- C. Appoint Board Members to Rifle Senior Center Advisory Board
- D. March 2011 Financial Statements
- E. Accounts Payable
- F. Approve Visitor Improvement Fund Advisory Board Recommendation for Fireworks Expenditure

Councilor Rice moved to approve Consent Agenda Items A, B, C, D, E, and F; seconded by Councilor Sanborn.

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

**CITIZEN COMMENTS AND LIVE CALL-IN**

Ann Thrasher asked Council to consider adopting regulations to control free-roaming cats.

Chris Johnson, Annie Schmidt and other members of Christi Patterson's 8<sup>th</sup> grade civics class were present to observe tonight's meeting.

There were no other citizen comments or live call-ins.

***CONSIDER ACTING ON REQUEST FROM HYLAND ENTERPRISES***

Allen Taddy, Terminal Manager, and Stanley Wailes, Operations Manager, Hyland Enterprises, Inc. - Rifle Terminal, requested that the City consider amending its Agreement for Bulk Water Use with Hyland. Hyland had entered into an agreement with the City in 2006 to pay "out of City" rates for bulk water sales. In doing so, they

avoided having to pay tap fees which would have been in excess of \$363,000 in 2006. Staff suggested that to receive "in City" rates of the present time, Hyland purchase the tap now (number of taps required is estimated to be 85). At 2011 prices these taps would cost more than \$463,000. Hyland countered this proposal by suggesting that if they purchase the taps now, the City credit them for the extra water charges they have paid in the form of "out of City" rates. Staff felt this was a fair request and calculated that credit to be \$262,790, thereby giving them a cost for purchase of the taps of approximately \$200,858. Per City code, they can pay for the taps over a period of years. Hyland now proposes to purchase the taps at the 2006 rate, and receive the credit for "out of City" water purchases. With this scenario, the cost of the tap purchase would be approximately \$100,507. Council noted that, had the business purchased the taps in 2006, the City would have had use of those funds for the past 5 years. Council suggested Mr. Taddy and Mr. Wailes meet with staff and explore options for payment of the \$200,858.

***CONSIDER APPROVING RIFLE VENTURES, LLC WATER LINE EXTENSION AND LAND ACQUISITION THROUGH RREDC***

Michael Langhorne, President, Rifle Regional Economic Development Corporation (RREDC), explained that a portion of the Rifle Ventures property extends in a panhandle configuration on the southern boundary of the Rifle Creek Plaza property, separating a portion of the Rifle Creek Plaza property from Highway 6. The RREDC has negotiated the donation of this property to the RREDC to benefit the redevelopment of the Rifle Creek Plaza property. The proposed Property Donation and Redevelopment Agreement between the City, RREDC and Rifle Ventures provides that the City will extend an 8-inch waterline to the remainder of the Rifle Ventures property that lies to the west of Rifle Creek Plaza. Rifle Ventures will reserve a 10-foot utility easement on the property donated to RREDC. When the construction of the theater is completed by the end of this year, the City will be recording a lot line adjustment plat to clean up property lines that have been involved with this project (Isham, Country Attic, and now the Rifle Ventures Parcel). Prior to that plat being recorded, the RREDC will convey the Rifle Ventures parcel to the City so it will merge with the overall site.

Councilor Thompson moved to approve the Property Donation and Redevelopment Agreement between the City, RREDC and Rifle Ventures; seconded by Councilor Rice.

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

Councilor Winkler left the Council chambers.

***CONSIDER PROPOSAL FOR ARCHITECTURAL SERVICES FOR NEW UTE THEATRE***

Gil Frontella, President, New Ute Theatre Society, Inc. (NUTS), was present. City Manager John Hier reported that NUTS solicited a proposal from Johnson-Carter Architects for architectural services for the theatre in the amount of \$7,500. NUTS' budget presently includes approximately \$65,000. Mr. Hier noted that NUTS does not have an existing agreement with the City concerning expenditure of budgeted funds. Therefore, the City Council must authorize any expenditure of these funds. The solicitation of the proposal is in compliance with the City's purchasing policy, which permits "Open Market" solicitation of professional services when the cost is less than \$25,000.

Councilor Rice moved to enter into a contract with Johnson-Carter Architects for architectural services for the New Ute Theatre as outlined in their proposal for an amount not to exceed \$7,500; seconded by Councilor Thompson.

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

***CONSIDER PROPOSAL FOR CONSULTING AND DESIGN SERVICES FOR NEW UTE THEATRE***

Mr. Hier said that NUTS solicited proposals for consulting and design of acoustical and audio visual systems for the proposed theater renovation. The 5 proposals range in price from \$21,500 to \$54,070. Mr. Hier pointed out

that it is very difficult to evaluate the proposals because the scope of work varies with each proposal. Council's consensus was that the City ask Johnson-Carter Architects to analyze the proposals and provide a recommendation to Council.

Councilor Winkler returned to the Council chambers.

***KING'S CROWN FAIRWAY AVENUE RIGHT-OF-WAY DEDICATION AGREEMENT***

City Attorney Jim Neu reminded Council that the developers of Queen's Crown are commencing construction of a portion of the Fairway Avenue extension from Highway 13 into their property. Ultimately Fairway Avenue will extend to its terminus in Palomino Park, but the cost of construction and funding shortages dictate that the current project only involves building the intersection with Highway 13. However, it is imperative that the City secure the entire right-of-way since there is a possibility that the developer will be able to continue the construction project towards Palomino Park or perform some rough grading at this time. Staff has been negotiating with the owners of the adjacent King's Crown property to obtain the necessary right-of-way through their property and have come to an agreement. There currently exists right-of-way for Fairway Avenue from the 1970s that is not feasible to build on because of the slope of the land. In exchange for King's Crown conveying the more practical right-of-way, the City would consider an ordinance vacating that unneeded right-of-way in the future after Fairway Avenue is constructed. The City's agreement with Queen's Crown includes a cost recovery provision for Fairway Avenue. The proposed Agreement clarifies how that cost recovery will be applied to King's Crown when it develops its vacant parcel. In addition, the Agreement would clarify the construction of some of the drainage improvements related to Fairway Avenue that were a concern to King's Crown.

Councilor Rice moved to approve the King's Crown Fairway Avenue Right-of-Way Dedication Agreement; seconded by Councilor Thompson.

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

***CONSIDER DIRECTING STAFF AS TO ENNOVATE'S TECHNICAL ENERGY AUDIT***

Government Affairs Coordinator Mike Braaten informed Council that Ennovate, the City's energy performance contractor, has completed the technical energy audit for the City and has identified various energy conservation measures (ECMs) for the City Hall, Justice Center, Public Works O&M building, Parks Maintenance facility and the Senior Center. Total cost of all improvements is \$380,851, which is reduced to a total net cost of \$327,559 after Xcel rebates and the Encana Boiler grant. Estimated annualized savings (utility, operational and cost avoidance averaged over the 10 year span) is \$46,038; Ennovate guarantees that the City will save at least \$20,000 annually.

If Council approves moving forward with the project, the City has the option of paying for the improvements outright or financing the project through a 10-year lease-purchase at a 4.5% APR (actual APR may vary) for an estimated annual payment of \$41,147. The final costs are subject to change until the City is under contract with Ennovate as costs may vary due to market commodity fluctuations or equipment price increases, among other factors. Council directed staff to pursue the project, using the option of paying for the improvements outright. Council asked staff to provide additional information about the role of local contractors in the project.

***CONSIDER AMENDING MUNICIPAL CODE REGARDING MEDICAL MARIJUANA BUSINESS LICENSING – ORDINANCE NO. 3, SERIES OF 2011 (FIRST READING)***

Mr. Neu reminded Council that the Colorado Legislature passed significant legislation in 2010 regarding the regulation of medical marijuana businesses. The Department of Revenue, which oversees the state's regulation of medical marijuana businesses, promulgated extensive regulations. The legislation created a dual licensing system with a state and local licensing authority, similar to liquor licensing, that becomes effective July 1, 2011. Prior to the adoption of that legislation, the City enacted local regulations of medical marijuana businesses by Ordinance

No. 33, Series of 2009, codified in Chapter 6 of Article VIII of the Rifle Municipal Code (RMC). The state's statutory scheme fits very well with what the City enacted, but some of the terminology in the RMC needs to be changed to match state statute and regulations, such as changing "permit" to "license" and "dispensary" to "center," etc. In addition, the state created three separate licensed activities: medical marijuana centers, optional premises cultivation operations, and infused products manufacturers. Proposed Ordinance No. 3, Series of 2011 amends the RMC accordingly and includes new and amended definitions to conform to the state's regulations. In addition, Ordinance No. 3 adopts the state's regulations by reference and any violation of those regulations is also a violation of this Chapter subject to local enforcement.

The State's regulations include a provision prohibiting medical marijuana businesses from being located within 1,000 feet of a school, an alcohol or drug treatment facility, or a residential child care facility. The City may amend this distance, which will be adhered to by the state, and currently Section 6-8-60(6) states a 500-foot separation requirement based upon discussions with staff. Council directed staff to change the 500-foot separation requirement to a 1,000-foot separation requirement, and include a "grandfather" clause for any existing businesses within 1,000 feet of such facilities. The State Legislature recently passed additional clean-up legislation in HB 11-1043 that contains an additional one year moratorium on new medical marijuana businesses.

Councilor Rice moved to approve Ordinance No. 3, Series of 2011, on first reading as amended and to order it to be published by title as required by Charter; seconded by Councilor Thompson.

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

***CONSIDER AMENDING MUNICIPAL CODE REGARDING MAIL BALLOT ELECTIONS – ORDINANCE NO. 4, SERIES OF 2011 (FIRST READING)***

Mr. Neu and City Clerk Lisa Cain explained that general municipal and special municipal elections in the City are conducted pursuant to Chapter 2, Article I of the Rifle Municipal Code and Article II of the Rifle Home Rule Charter. Section 2.1 of the Charter states that City elections shall be governed by the Colorado Municipal Election Law except as otherwise provided in the Charter or by ordinance. The Colorado Municipal Election Code permits any municipality to provide by ordinance or resolution that it will utilize the requirements of the Uniform Election Code of 1992, articles 1 to 13 of title 1, C.R.S. as an alternative procedure for any election. The provisions of the Uniform Election Code include the Colorado Mail Ballot Election Act at C.R.S. §1-7.5-104. In recent years, the popularity of mail ballot elections has both increased voter participation and decreased election costs throughout the state, and many local governments have moved to an exclusively mail ballot format, rather than offering a polling place option. In the past Rifle has authorized the use of mail ballots by resolution, but still retained the Municipal Election Code procedure, including election day polling places. The majority of Rifle voters have chosen the mail ballot option.

The procedures and timelines of the Municipal Election Code and the Uniform Election Code do not coincide, creating some confusing choices for the Clerk when using mail ballots under the Municipal Election Code regime. The City Clerk would also like the option of conducting a mail ballot-only election without polling places, which requires adopting by ordinance the option to use the Mail Ballot Election Act procedures. Ordinance No. 4, Series of 2011 would resolve these issues by amending RMC Section 2-1-10 to add the option of following the procedure outlined in the Mail Ballot Election Act. The City Council will continue to call a mail ballot election at its discretion by resolution, so the option of utilizing the Municipal Election Code procedure, including polling places, remains intact.

Councilor Winkler moved to approve Ordinance No. 4, Series of 2011, on first reading as presented and to order it to be published by title as required by Charter; seconded by Councilor Rice.

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

***CONSIDER CALLING FOR MAIL BALLOT ELECTION FOR SEPTEMBER 13, 2011 REGULAR MUNICIPAL ELECTION – RESOLUTION NO. 5, SERIES OF 2011***

Ms. Cain said that proposed Resolution No. 5, Series of 2011, would call for conducting the September 13, 2011 regular municipal election by mail ballot.

Councilor Rice moved to approve Resolution No. 5, Series of 2011; seconded by Councilor Winkler.

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

**ADMINISTRATIVE REPORTS**

Mr. Hier reported to Council on the following issues: Utility Director position; heavy metals in wastewater plant discharge; wastewater plant warranty issues; employee health insurance open enrollment; Rifle Creek dam repair; and fire suppression sprinkler requirement for Public Works Facility addition.

Police Chief Daryl Meisner said the 35<sup>th</sup> Annual Rifle Police Department Bicycle Rodeo, held on May 14, was a success.

**COMMENTS FROM MAYOR AND COUNCIL**

Councilor Rice congratulated graduating Rifle High School seniors.

Mayor Lambert commended staff, particularly Parks Maintenance Crew Leader Dale Wilson, on the efficiency of Spring Clean-Up.

**EXECUTIVE SESSION**

***EXECUTIVE SESSION FOR CONFERENCE WITH THE CITY ATTORNEY FOR THE PURPOSE OF RECEIVING LEGAL ADVICE ON SPECIFIC LEGAL QUESTIONS UNDER CRS 24-6-402(4)(B); AND FOR THE PURPOSE OF DETERMINING POSITIONS RELATIVE TO MATTERS THAT MAY BE SUBJECT TO NEGOTIATIONS, DEVELOPING STRATEGY FOR NEGOTIATIONS, AND/OR INSTRUCTING NEGOTIATORS, UNDER CRS SECTION 24-6-402(4)(E)***

Councilor Rice moved to adjourn to executive session to receive legal advice and discuss negotiations; seconded by Councilor Winkler (9:06 p.m.).

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

Councilor Sanborn moved to adjourn from Executive Session; seconded by Councilor Thompson (9:46 p.m.).

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

Meeting adjourned at 9:47 p.m.

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Lisa H. Cain  
City Clerk

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Keith Lambert  
Mayor



## Memo

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

**From:** Lisa Cain, City Clerk

**Date:** Thursday, May 26, 2011

**Subject:** Liquor License Renewals - Red River Quick Mart; Sports Corner;  
6&13 Quick Mart; Rocky Mountain Liquors

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### **THESE BUSINESSES HAVE FILED LIQUOR LICENSE RENEWAL APPLICATIONS:**

<u>Business Name/Address</u>	<u>Type of License</u>
Red River Quick Mart 702 Taughenbaugh Blvd	3.2% Beer Retail License (off premises)
Sports Corner 100 W 3 <sup>rd</sup> St	Tavern Liquor License
6&13 Quick Mart 101 Railroad Ave	3.2% Beer Retail License (off premises)
Rocky Mountain Liquors 1735 Railroad Ave	Retail Liquor Store License

The following criteria have been met by these businesses:

- The application is complete.
- The fees have been paid.

Based on the above information, I recommend approval of these renewal applications.



**LIQUOR OR 3.2 BEER LICENSE  
 RENEWAL APPLICATION**



SWALLOW OIL CO  
 RED RIVER QUICK MART  
 PO BOX 868  
 RIFLE CO 81650-0868

License Number 04-13585-0005	License Type 2122
Liability Information 24 035 447110 C 071293	
Business Location 702 TAUGHENBAUGH RIFLE CO	
Current License Expires JUL 11, 2011	
<b>DEPARTMENTAL USE ONLY</b>	
Total Amount Due	
Total Paid \$	Date

- This renewal reflects no changes from the last application. Complete page 2 and file now!
- Yes there are changes from the last application. If applicant is a Corporation or Limited Liability company, use DR 8177 and send in with this renewal. Any other changes of ownership require a transfer of ownership. See your Local Licensing Authority immediately.

Wholesaler, manufacturer, importer, and public transportation system license renewals do not need Local Licensing Authority approval and must be returned directly to the Colorado Department of Revenue at least 30 days prior to the current license expiration date.

This application for renewal must be returned to your CITY OR COUNTY Licensing Authority at least 45 days prior to the expiration date of your current license. Failure to do so may result in your license not being renewed. Include both pages of this renewal and payment.

**OATH OF APPLICANT**

I declare under penalty of perjury in the second degree that this application and all attachments are true, correct, and complete to the best of my knowledge.

Authorized Signatura <i>Kate Small</i>	Date 5/19/11	Business Phone 970 625 1467
Title <i>President</i>	Sales Tax Number 04-13585-0005	

**REPORT AND APPROVAL OF CITY OR COUNTY LICENSING AUTHORITY**

The foregoing application has been examined and the premises, business conducted and character of the applicant are satisfactory, and we do hereby report that such license, if granted, will comply with the provisions of Title 12, Articles 46 and 47, C.R.S.  
**THEREFORE THIS APPLICATION IS APPROVED.**

Local Licensing Authority for	Date
Signature	Title
Attest	

DO NOT DETACH

DO NOT DETACH

DO NOT DETACH

**LIQUOR OR 3.2 BEER LICENSE  
 RENEWAL APPLICATION**

Make check payable to: Colorado Department of Revenue. The State may convert your check to a one time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your banking account electronically.

Business Name RED RIVER QUICK MART	LICENSE NUMBER (Use for all reference) 04-13585-0005		PERIOD 07-12
TYPE OF LICENSE ISSUED 3.2 PERCENT BEER RETAIL LICENSE (OFF PREMISES)	CASH FUND 2330-100(999) \$ 50.00	STATE FEE 2122-750(999) \$ 25.00	CITY 85% OAP 2180-100(999) \$ 21.25

TOTAL AMOUNT DUE \$ 96.25

## ATTACHMENT TO LIQUOR OR 3.2 BEER LICENSE RENEWAL APPLICATION

**This page must be completed and attached to your signed renewal application form.  
 Failure to include this page with the application may result in your license not being renewed.**

Trade Name of Establishment <b>RED RIVER QUICK MART</b>		State License Number <b>04-13585-0005</b>	
1. Operating Manager <b>KIRK SWALLOW</b>		Home Address ---	Date of Birth ---
2. Do you have legal possession of the premises for which this application for license is made? Are the premises owned or rented: <u>RENTED</u> If rented, expiration date of lease: <u>JUNE 30, 2014</u>			Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
3. Has there been any change in financial interest (new notes, loans, owners, etc.) since the last annual application? If yes, explain in detail and attach a listing of all liquor businesses in which these new lenders or owners, (other than licensed financial institutions) are materially interested.			Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
4. Since the date of filing of the last annual application, has the applicant, or any of its agents, owners, managers, principals, or lenders (other than licensed financial institutions), been convicted of a crime? If yes, attach a detailed explanation.			Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
5. Since the date of filing of the last annual application, has the applicant, or any of its agents, owners, managers, principals, or lenders (other than licensed financial institutions), been denied an alcoholic beverage license, had an alcoholic beverage license suspended or revoked, or had interest in any entity that had an alcoholic beverage license denied, suspended or revoked? If yes, attach a detailed explanation.			Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
6. Does the applicant, or any of its agents, owners, managers, principals, or lenders (other than licensed financial institutions), have a direct or indirect interest in any other Colorado liquor license (include loans to or from any licensee, or interest in a loan to any licensee)? If yes, attach a detailed explanation. <b>See Att</b>			Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
7. Corporation or Limited Liability Company (LLC) or Partnership applicants must answer these questions. Since the date of filing of the last annual license application: (e) Are there, or have there been: any officers or directors; or managing members; or general partners added to or deleted from applicant for renewal of a 3.2 beer or liquor license? (b) Are there or have there been: any stockholders with 10% or more of the issued stock of the Corporation; or any members with 10% or more membership interest in the LLC; or any partners with 10% or more interest in the partnership added to or deleted from the applicant for renewal of a 3.2 beer or liquor license? (c) If Yes to (a) or (b), complete and attach Form DR 8177: Corporation, Limited Liability Company or Partnership Report of Changes, and all supporting documentation, and file your Local Licensing Authority immediately.			Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
8. Sole proprietorships, Husband-Wife Partnerships or Partners in General Partnerships:  <div style="text-align: center;"><b>EVIDENCE OF LAWFUL PRESENCE</b></div> <p>Each person identified above must complete and sign the following affidavit. Please make additional copies if necessary. Each person must also provide a copy of their driver's license or state issued identification card.</p> <p>In lieu of form DR 4679, the undersigned swears or affirms under penalty of perjury under the laws of the State of Colorado that (check one):</p> <p><input type="checkbox"/> I am a United States Citizen</p> <p><input type="checkbox"/> I am not a United States Citizen but I am a Permanent Resident of the United States</p> <p><input type="checkbox"/> I am not a United States Citizen but I am lawfully present in the United States pursuant to Federal Law</p> <p><input type="checkbox"/> I am a foreign national not physically present in the United States</p> <p>I understand that this sworn statement is required by law because I have applied for a public benefit. I understand that state law requires me to provide proof that I am lawfully present in the United States prior to receipt of this public benefit. I further acknowledge that making a false, or fraudulent statement or misrepresentation in this sworn affidavit is punishable under the criminal laws of Colorado Revised Statute 18-8-503 and it shall constitute a separate criminal offense each time a public benefit is fraudulently received.</p>			
Signature <b>Kirk Swallow</b>		Printed name <b>KIRK SWALLOW</b>	Date <b>5/19/11</b>



## SWALLOW OIL COMPANY

P.O. Box 868 • 0069 COUNTY ROAD 264

RIFLE, COLORADO 81650

PHONE 970-625-1467 FAX 970-625-9051

### 3.2 Beer License Questions

This is to address question #6 on the renewal application.

Swallow Oil Co. operates the Red River Quick-Mart which has a 3.2 beer lic. #04-13585-0005, Swallow Oil Co. also operates Parachute Grub n Scrub which has a 3.2 beer Lic. #04-13585-0007. Swallow Oil Co. is also a 1/4 owner of the 6 & 13 Quick-Mart which has a 3.2 beer lic. #02-34962-0000.

Sincerely,

*Kirk Swallow 5/19/11*

Kirk Swallow  
Swallow Oil Co.

**LIQUOR OR 3.2 BEER LICENSE  
 RENEWAL APPLICATION**

DAY JEFFREY H  
 SPORTS CORNER  
 100 WEST THIRD STREET  
 RIFLE CO 81650

License Number 42-06203-0000	License Type 2010
Liability Information 24 035 722110 I 072205	
Business Location  100 WEST THIRD STREE RIFLE CO	
Current License Expires JUL 21, 2011	
<b>DEPARTMENTAL USE ONLY</b>	
Total Amount Due	
Total Paid \$	Date

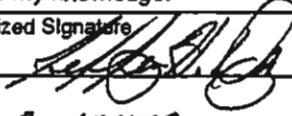
- This renewal reflects no changes from the last application. Complete page 2 and file now!
- Yes there are changes from the last application. If applicant is a Corporation or Limited Liability company, use DR 8177 and send in with this renewal. Any other changes of ownership require a transfer of ownership. See your Local Licensing Authority immediately.

Wholesaler, manufacturer, importer, and public transportation system license renewals do not need Local Licensing Authority approval and must be returned directly to the Colorado Department of Revenue at least 30 days prior to the current license expiration date.

This application for renewal must be returned to your CITY OR COUNTY Licensing Authority at least 45 days prior to the expiration date of your current license. Failure to do so may result in your license not being renewed. Include both pages of this renewal and payment.

**OATH OF APPLICANT**

I declare under penalty of perjury in the second degree that this application and all attachments are true, correct, and complete to the best of my knowledge.

Authorized Signatory 	Date 5-16-2011	Business Phone 970-625-9191
Title OWNER	Sales Tax Number 42-06203-0000	

**REPORT AND APPROVAL OF CITY OR COUNTY LICENSING AUTHORITY**

The foregoing application has been examined and the premises, business conducted and character of the applicant are satisfactory, and we do hereby report that such license, if granted, will comply with the provisions of Title 12, Articles 46 and 47, C.R.S.  
**THEREFORE THIS APPLICATION IS APPROVED.**

Local Licensing Authority for	Date
Signature	Title
Attest	

DO NOT DETACH

DO NOT DETACH

DO NOT DETACH

**LIQUOR OR 3.2 BEER LICENSE  
 RENEWAL APPLICATION**

Make check payable to: Colorado Department of Revenue. The State may convert your check to a one time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your banking account electronically.

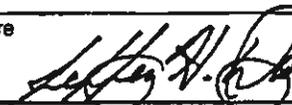
21

Business Name	LICENSE NUMBER (Use for all reference)		PERIOD
SPORTS CORNER	42-06203-0000		07-12
TYPE OF LICENSE ISSUED	CASH FUND	STATE FEE	
TAVERN LIQUOR LICENSE - MALT, VINOUS, AND SPIRITUOUS	2320-100(999)	2010-750(999)	CITY 85% OAP 2180-100(999)
	\$ 50.00	\$ 25.00	\$ 425.00

SUB-TOTAL \$ 500.00  
 ADD \$100.00 TO RENEW RETAIL WAREHOUSE STORAGE PERMIT 2210-100(999) \$ \_\_\_\_\_  
**TOTAL AMOUNT DUE \$ 500.00**

## ATTACHMENT TO LIQUOR OR 3.2 BEER LICENSE RENEWAL APPLICATION

This page must be completed and attached to your signed renewal application form.  
 Failure to include this page with the application may result in your license not being renewed.

Trade Name of Establishment <b>SPORTS CORNER</b>		State License Number <b>42-06203-0000</b>	
1. Operating Manager <b>JEFFERY H. DAY</b>		Home Address	Date of Birth
2. Do you have legal possession of the premises for which this application for license is made? Are the premises owned or rented: <b>YES</b> If rented, expiration date of lease: <b>5-1-2015</b>		Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
3. Has there been any change in financial interest (new notes, loans, owners, etc.) since the last annual application? If yes, explain in detail and attach a listing of all liquor businesses in which these new lenders or owners, (other than licensed financial institutions) are materially interested.		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
4. Since the date of filing of the last annual application, has the applicant, or any of its agents, owners, managers, principals, or lenders (other than licensed financial institutions), been convicted of a crime? If yes, attach a detailed explanation.		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
5. Since the date of filing of the last annual application, has the applicant, or any of its agents, owners, managers, principals, or lenders (other than licensed financial institutions), been denied an alcoholic beverage license, had an alcoholic beverage license suspended or revoked, or had interest in any entity that had an alcoholic beverage license denied, suspended or revoked? If yes, attach a detailed explanation.		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
6. Does the applicant, or any of its agents, owners, managers, principals, or lenders (other than licensed financial institutions), have a direct or indirect interest in any other Colorado liquor license (include loans to or from any licensee, or interest in a loan to any licensee)? If yes, attach a detailed explanation.		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
7. Corporation or Limited Liability Company (LLC) or Partnership applicants must answer these questions. Since the date of filing of the last annual license application:		Yes	No
(a) Are there, or have there been: any officers or directors; or managing members; or general partners added to or deleted from applicant for renewal of a 3.2 beer or liquor license?		<input type="checkbox"/>	<input type="checkbox"/>
(b) Are there or have there been: any stockholders with 10% or more of the issued stock of the Corporation; or any members with 10% or more membership interest in the LLC; or any partners with 10% or more interest in the partnership added to or deleted from the applicant for renewal of a 3.2 beer or liquor license?		Yes <input type="checkbox"/>	No <input type="checkbox"/>
(c) If Yes to (a) or (b), complete and attach Form DR 8177: Corporation, Limited Liability Company or Partnership Report of Changes, and all supporting documentation, and fees your Local Licensing Authority immediately.			
8. Sole proprietorships, Husband-Wife Partnerships or Partners in General Partnerships:			
<b>EVIDENCE OF LAWFUL PRESENCE</b>			
Each person identified above must complete and sign the following affidavit. Please make additional copies if necessary. Each person must also provide a copy of their driver's license or state issued identification card.			
In lieu of form DR 4679, the undersigned swears or affirms under penalty of perjury under the laws of the State of Colorado that (check one):			
<input checked="" type="checkbox"/> I am a United States Citizen <input type="checkbox"/> I am not a United States Citizen but I am a Permanent Resident of the United States <input type="checkbox"/> I am not a United States Citizen but I am lawfully present in the United States pursuant to Federal Law <input type="checkbox"/> I am a foreign national not physically present in the United States			
I understand that this sworn statement is required by law because I have applied for a public benefit. I understand that state law requires me to provide proof that I am lawfully present in the United States prior to receipt of this public benefit. I further acknowledge that making a false, or fraudulent statement or misrepresentation in this sworn affidavit is punishable under the criminal laws of Colorado Revised Statute 18-8-503 and it shall constitute a separate criminal offense each time a public benefit is fraudulently received.			
Signature 		Printed name <b>JEFFERY H. DAY</b>	Date <b>5-10-11</b>

**LIQUOR OR 3.2 BEER LICENSE  
 RENEWAL APPLICATION**



6 & 13 QUICK MART LLC  
 6&13 QUICK MART  
 PO BOX 868  
 RIFLE CO 81650-0868

License Number 02-34962-0000	License Type 2122
Liability Information 24 035 447110 B 081092	
Business Location 101 RAILROAD AV RIFLE CO	
Current License Expires AUG 09, 2011	
<b>DEPARTMENTAL USE ONLY</b>	
Total Amount Due	
Total Paid \$	Date

- This renewal reflects no changes from the last application. Complete page 2 and file now!
- Yes there are changes from the last application. If applicant is a Corporation or Limited Liability company, use DR 8177 and send in with this renewal. Any other changes of ownership require a transfer of ownership. See your Local Licensing Authority immediately.

Wholesaler, manufacturer, importer, and public transportation system license renewals do not need Local Licensing Authority approval and must be returned directly to the Colorado Department of Revenue at least 30 days prior to the current license expiration date.

This application for renewal must be returned to your CITY OR COUNTY Licensing Authority at least 45 days prior to the expiration date of your current license. Failure to do so may result in your license not being renewed. Include both pages of this renewal and payment.

**OATH OF APPLICANT**

I declare under penalty of perjury in the second degree that this application and all attachments are true, correct, and complete to the best of my knowledge.

Authorized Signature <i>Kirk Smalls</i>	Date 5/19/11	Business Phone 9706251467
Title Manager / Member	Sales Tax Number 02-34962-0000	

**REPORT AND APPROVAL OF CITY OR COUNTY LICENSING AUTHORITY**

The foregoing application has been examined and the premises, business conducted and character of the applicant are satisfactory, and we do hereby report that such license, if granted, will comply with the provisions of Title 12, Articles 46 and 47, C.R.S.  
**THEREFORE THIS APPLICATION IS APPROVED.**

Local Licensing Authority for	Date
Signature	Title
Attest	

DO NOT DETACH

DO NOT DETACH

DO NOT DETACH

**LIQUOR OR 3.2 BEER LICENSE  
 RENEWAL APPLICATION**

Make check payable to: Colorado Department of Revenue. The State may convert your check to a one time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your banking account electronically.

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Business Name 6&13 QUICK MART	LICENSE NUMBER (Use for all reference) 02-34962-0000		PERIOD 08-12
TYPE OF LICENSE ISSUED 3.2 PERCENT BEER RETAIL LICENSE (OFF PREMISES)	CASH FUND	STATE FEE	CITY 85% OAP
	2330-100(999) \$ 50.00	2122-750(999) \$ 25.00	2180-100(999) \$ 21.25

**TOTAL AMOUNT DUE \$ 96.25**

## ATTACHMENT TO LIQUOR OR 3.2 BEER LICENSE RENEWAL APPLICATION

This page must be completed and attached to your signed renewal application form.  
 Failure to include this page with the application may result in your license not being renewed.

Trade Name of Establishment <i>6+13 QUICK MART LLC</i>		State License Number <i>02-34962-0000</i>
1. Operating Manager <i>KIRK SWALLOW</i>	Home Address	Date of Birth
2. Do you have legal possession of the premises for which this application for license is made? Are the premises owned or rented: <u><i>OWNED</i></u> If rented, expiration date of lease: _____		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
3. Has there been any change in financial interest (new notes, loans, owners, etc.) since the last annual application? If yes, explain in detail and attach a listing of all liquor businesses in which these new lenders or owners, (other than licensed financial institutions) are materially interested.		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
4. Since the date of filing of the last annual application, has the applicant, or any of its agents, owners, managers, principals, or lenders (other than licensed financial institutions), been convicted of a crime? If yes, attach a detailed explanation.		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
5. Since the date of filing of the last annual application, has the applicant, or any of its agents, owners, managers, principals, or lenders (other than licensed financial institutions), been denied an alcoholic beverage license, had an alcoholic beverage license suspended or revoked, or had interest in any entity that had an alcoholic beverage license denied, suspended or revoked? If yes, attach a detailed explanation.		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
6. Does the applicant, or any of its agents, owners, managers, principals, or lenders (other than licensed financial institutions), have a direct or indirect interest in any other Colorado liquor license (include loans to or from any licensee, or interest in a loan to any licensee)? If yes, attach a detailed explanation. <i>See Att.</i>		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
7. Corporation or Limited Liability Company (LLC) or Partnership applicants must answer these questions. Since the date of filing of the last annual license application: (a) Are there, or have there been: any officers or directors; or managing members; or general partners added to or deleted from applicant for renewal of a 3.2 beer or liquor license? (b) Are there or have there been: any stockholders with 10% or more of the issued stock of the Corporation; or any members with 10% or more membership interest in the LLC; or any partners with 10% or more interest in the partnership added to or deleted from the applicant for renewal of a 3.2 beer or liquor license? (c) If Yes to (a) or (b), complete and attach Form DR 8177: Corporation, Limited Liability Company or Partnership Report of Changes, and all supporting documentation, and fees your Local Licensing Authority immediately.		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
8. Sole proprietorships, Husband-Wife Partnerships or Partners in General Partnerships:  <div style="text-align: center;"><b>EVIDENCE OF LAWFUL PRESENCE</b></div> <p>Each person identified above must complete and sign the following affidavit. Please make additional copies if necessary. Each person must also provide a copy of their driver's license or state issued identification card.</p> <p>In lieu of form DR 4679, the undersigned swears or affirms under penalty of perjury under the laws of the State of Colorado that (check one):</p> <p><input type="checkbox"/> I am a United States Citizen</p> <p><input type="checkbox"/> I am not a United States Citizen but I am a Permanent Resident of the United States</p> <p><input type="checkbox"/> I am not a United States Citizen but I am lawfully present in the United States pursuant to Federal Law</p> <p><input type="checkbox"/> I am a foreign national not physically present in the United States</p> <p>I understand that this sworn statement is required by law because I have applied for a public benefit. I understand that state law requires me to provide proof that I am lawfully present in the United States prior to receipt of this public benefit. I further acknowledge that making a false, or fraudulent statement or misrepresentation in this sworn affidavit is punishable under the criminal laws of Colorado Revised Statute 18-8-503 and it shall constitute a separate criminal offense each time a public benefit is fraudulantly received.</p>		
Signature <i>Kirk Swallow</i>	Printed name <i>KIRK SWALLOW</i>	Date <i>5/19/11</i>



## SWALLOW OIL COMPANY

P.O. Box 868 • 0069 COUNTY ROAD 264  
RIFLE, COLORADO 81650  
PHONE 970-625-1467 FAX 970-625-9051

### 3.2 Beer License Questions

This is to address question #6 on the renewal application.

Swallow Oil Co. operates the Red River Quick-Mart which has a 3.2 beer lic. #04-13585-0005, Swallow Oil Co. also operates Parachute Grub n Scrub which has a 3.2 beer Lic. #04-13585-0007. Swallow oil Co. is also a 1/2 owner of the 6 & 13 Quick-Mart which has a 3.2 beer lic. #02-34962-0000.

Sincerely,

*Kirk Swallow* 5/19/11

Kirk Swallow  
Swallow Oil Co.

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**LIQUOR OR 3.2 BEER LICENSE  
 RENEWAL APPLICATION**



ROCKY MOUNTAIN LIQUORS INC  
 ROCKY MOUNTAIN LIQUORS  
 1735 RAILROAD AVE  
 RIFLE CO 81650-3333

License Number 28-10865-0000	License Type 1940
Liability Information 24 035 445310 C 082598	
Business Location  1735 RAILROAD AVE RIFLE CO	
Current License Expires AUG 24, 2011	
<b>DEPARTMENTAL USE ONLY</b>	
Total Amount Due	
Total Paid \$	Date

- This renewal reflects no changes from the last application. Complete page 2 and file now!
- Yes there are changes from the last application. If applicant is a Corporation or Limited Liability company, use DR 8177 and send in with this renewal. Any other changes of ownership require a transfer of ownership. See your Local Licensing Authority immediately.

Wholesaler, manufacturer, importer, and public transportation system license renewals do not need Local Licensing Authority approval and must be returned directly to the Colorado Department of Revenue at least 30 days prior to the current license expiration date.

This application for renewal must be returned to your CITY OR COUNTY Licensing Authority at least 45 days prior to the expiration date of your current license. Failure to do so may result in your license not being renewed. Include both pages of this renewal and payment.

**OATH OF APPLICANT**

I declare under penalty of perjury in the second degree that this application and all attachments are true, correct, and complete to the best of my knowledge.

Authorized Signature <i>[Signature]</i>	Date May 20, 11	Business Phone 970-625-0113
Title <i>[Signature]</i>	Sales/Tax Number 28-10865000	

**REPORT AND APPROVAL OF CITY OR COUNTY LICENSING AUTHORITY**

The foregoing application has been examined and the premises, business conducted and character of the applicant are satisfactory, and we do hereby report that such license, if granted, will comply with the provisions of Title 12, Articles 46 and 47, C.F.S.  
**THEREFORE THIS APPLICATION IS APPROVED.**

Local Licensing Authority for	Date
Signature	Title
Attest	

DO NOT DETACH

DO NOT DETACH

DO NOT DETACH

**LIQUOR OR 3.2 BEER LICENSE  
 RENEWAL APPLICATION**

Make check payable to: Colorado Department of Revenue. The State may convert your check to a one time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your banking account electronically.

21

Business Name	LICENSE NUMBER (Use for all reference)		PERIOD
ROCKY MOUNTAIN	28-10865-0000		08-12
TYPE OF LICENSE ISSUED	CASH FUND	STATE FEE	
RETAIL LIQUOR STORE LICENSE - MALT, VINOUS, AND SPIRITUOUS	2320-100(999)	1940-750(999)	CITY 85% OAP 2180-100(999)
	\$ 50.00	\$ 50.00	\$ 127.50

SUB-TOTAL \$ 227.50

ADD \$100.00 TO RENEW RETAIL WAREHOUSE STORAGE PERMIT 2210-100(999) \$ \_\_\_\_\_  
 TOTAL AMOUNT DUE \$ \_\_\_\_\_

## ATTACHMENT TO LIQUOR OR 3.2 BEER LICENSE RENEWAL APPLICATION

**This page must be completed and attached to your signed renewal application form.  
 Failure to include this page with the application may result in your license not being renewed.**

Trade Name of Establishment <i>Rocky Mtn Liquors Inc.</i>		State License Number <i>28-10865</i>	
1. Operating Manager <i>Linda Trujillo</i>		Home Address <i>1111</i>	
Date of Birth <i>4</i>			
2. Do you have legal possession of the premises for which this application for license is made? Are the premises owned or rented: <i>RENTED</i> If rented, expiration date of lease: <i>2012</i>		Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
3. Has there been any change in financial interest (new notes, loans, owners, etc.) since the last annual application? If yes, explain in detail and attach a listing of all liquor businesses in which these new lenders or owners, (other than licensed financial institutions) are materially interested.		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
4. Since the date of filing of the last annual application, has the applicant, or any of its agents, owners, managers, principals, or lenders (other than licensed financial institutions), been convicted of a crime? If yes, attach a detailed explanation.		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
5. Since the date of filing of the last annual application, has the applicant, or any of its agents, owners, managers, principals, or lenders (other than licensed financial institutions), been denied an alcoholic beverage license, had an alcoholic beverage license suspended or revoked, or had interest in any entity that had an alcoholic beverage license denied, suspended or revoked? If yes, attach a detailed explanation.		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
6. Does the applicant, or any of its agents, owners, managers, principals, or lenders (other than licensed financial institutions), have a direct or indirect interest in any other Colorado liquor license (include loans to or from any licensee, or interest in a loan to any licensee)? If yes, attach a detailed explanation.		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
7. Corporation or Limited Liability Company (LLC) or Partnership applicants must answer these questions. Since the date of filing of the last annual license application:		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
(a) Are there, or have there been: any officers or directors; or managing members; or general partners added to or deleted from applicant for renewal of a 3.2 beer or liquor license?		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
(b) Are there or have there been: any stockholders with 10% or more of the issued stock of the Corporation; or any members with 10% or more membership interest in the LLC; or any partners with 10% or more interest in the partnership added to or deleted from the applicant for renewal of a 3.2 beer or liquor license?		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
(c) If Yes to (a) or (b), complete and attach Form DR 8177: Corporation, Limited Liability Company or Partnership Report of Changes, and all supporting documentation, and fees your Local Licensing Authority immediately.			
8. Sole proprietorships, Husband-Wife Partnerships or Partners in General Partnerships:  <div style="text-align: center;"><b>EVIDENCE OF LAWFUL PRESENCE</b></div> <p>Each person identified above must complete and sign the following affidavit. Please make additional copies if necessary. Each person must also provide a copy of their driver's license or state issued identification card.</p> <p>In lieu of form DR 4579, the undersigned swears or affirms under penalty of perjury under the laws of the State of Colorado that (check one):</p> <p><input type="checkbox"/> I am a United States Citizen</p> <p><input type="checkbox"/> I am not a United States Citizen but I am a Permanent Resident of the United States</p> <p><input type="checkbox"/> I am not a United States Citizen but I am lawfully present in the United States pursuant to Federal Law</p> <p><input type="checkbox"/> I am a foreign national not physically present in the United States</p> <p>I understand that this sworn statement is required by law because I have applied for a public benefit. I understand that state law requires me to provide proof that I am lawfully present in the United States prior to receipt of this public benefit. I further acknowledge that making a false, or fraudulent statement or misrepresentation in this sworn affidavit is punishable under the criminal laws of Colorado Revised Statute 18-8-503 and it shall constitute a separate criminal offense each time a public benefit is fraudulently received.</p>			
Signature <i>Linda Trujillo</i>		Printed name <i>LINDA TRUJILLO</i>	
		Date <i>5/20/11</i>	



## Memo

**To:** Honorable Mayor and Rifle City Council; John Hier, City Manager  
**From:** Lisa Cain, City Clerk  
**Date:** Thursday, May 26, 2011  
**Subject:** Liquor License Renewal Application – Wal-Mart

---

Wal-Mart has submitted an application to renew its 3.2% Beer Retail License (off premises) at 1000 Airport Road. The application is complete, and the renewal application fees have been paid.

On October 30, 2010, the Colorado Liquor Enforcement Division (“Division”) conducted compliance checks of liquor-licensed premises in Rifle. A Division representative has informed me and Police Chief Daryl Meisner that Wal-Mart failed the compliance check along with other establishments in the City. The Division is currently taking action against these licensees for alleged violations of the Colorado Liquor Code, based on the failed compliance checks.

City Council also has the authority to take action against Wal-Mart for alleged violations of the Colorado Liquor Code, based on the failed compliance check. However, I recommend that Council wait to take action until after disposition of the Division’s actions has occurred. This will allow the City to gain additional information from the State’s action and benefit from any stipulated facts in those proceedings.

Based on the above information, and because the failed compliance check is only an allegation at this point, I recommend approval of this renewal application. We will update you on all of the failed state compliance checks as they become resolved.



**LIQUOR OR 3.2 BEER LICENSE  
 RENEWAL APPLICATION**



WAL-MART SUPERSTORE #5232  
 DEE DAVIS  
 702 SW 8TH ST DEPT 01-8916  
 BENTONVILLE AR 72716-6209

License Number 09-49518-0072	License Type 2122
Liability Information 24 035 452910 C 091903	
Business Location 1000 AIRPORT RD RIFLE CO	
Current License Expires SEP 18, 2011	
DEPARTMENTAL USE ONLY	
Total Amount Due	
Total Paid \$	Date

- This renewal reflects no changes from the last application. Complete page 2 and file now!
- Yes there are changes from the last application.** If applicant is a Corporation or Limited Liability company, use DR 8177 and send in with this renewal. Any other changes of ownership require a transfer of ownership. See your Local Licensing Authority immediately.

Wholesaler, manufacturer, importer, and public transportation system license renewals do not need Local Licensing Authority approval and must be returned directly to the Colorado Department of Revenue at least 30 days prior to the current license expiration date.

This application for renewal must be returned to your **CITY OR COUNTY** Licensing Authority at least 45 days prior to the expiration date of your current license. Failure to do so may result in your license not being renewed. Include both pages of this renewal and payment.

**OATH OF APPLICANT**

I declare under penalty of perjury in the second degree that this application and all attachments are true, correct, and complete to the best of my knowledge.

Authorized Signature 	Date 17 MAY	Business Phone 479-273-6418
Title Lori Cottrell-Assistant Secretary	Sales Tax Number 09-49518	

**REPORT AND APPROVAL OF CITY OR COUNTY LICENSING AUTHORITY**

The foregoing application has been examined and the premises, business conducted and character of the applicant are satisfactory, and we do hereby report that such license, if granted, will comply with the provisions of Title 12, Articles 46 and 47, C.R.S.  
**THEREFORE THIS APPLICATION IS APPROVED.**

Local Licensing Authority for	Date
Signature	Title
Attest	

DO NOT DETACH

DO NOT DETACH

DO NOT DETACH

**LIQUOR OR 3.2 BEER LICENSE  
 RENEWAL APPLICATION**

Make check payable to: Colorado Department of Revenue. The State may convert your check to a one time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your banking account electronically.

**21**

Business Name WAL-MART SUPERSTORE	LICENSE NUMBER (Use for all reference) 09-49518-0072		PERIOD 09-12
TYPE OF LICENSE ISSUED 3.2 PERCENT BEER RETAIL LICENSE (OFF PREMISES)	CASH FUND 2330-100(999) \$ 50.00	STATE FEE 2122-750(999) \$ 25.00	CITY 85% OAP 2180-100(999) \$ 21.25

**TOTAL AMOUNT DUE \$ 96.25**

## ATTACHMENT TO LIQUOR OR 3.2 BEER LICENSE RENEWAL APPLICATION

**This page must be completed and attached to your signed renewal application form.  
 Failure to include this page with the application may result in your license not being renewed.**

Trade Name of Establishment <b>Wal-Mart Stores, Inc. dba Walmart #5232</b>		State License Number <b>09-49518-0072</b>
1. Operating Manager <b>Kevin Steward</b>	Home Address	Date of Birth
2. Do you have legal possession of the premises for which this application for license is made? Are the premises owned or rented: <u>Owned</u> If rented, expiration date of lease: _____		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
3. Has there been any change in financial interest (new notes, loans, owners, etc.) since the last annual application? If yes, explain in detail and attach a listing of all liquor businesses in which these new lenders or owners, (other than licensed financial institutions) are materially interested.		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
4. Since the date of filing of the last annual application, has the applicant, or any of its agents, owners, managers, principals, or lenders (other than licensed financial institutions), been convicted of a crime? If yes, attach a detailed explanation.		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
5. Since the date of filing of the last annual application, has the applicant, or any of its agents, owners, managers, principals, or lenders (other than licensed financial institutions), been denied an alcoholic beverage license, had an alcoholic beverage license suspended or revoked, or had interest in any entity that had an alcoholic beverage license denied, suspended or revoked? If yes, attach a detailed explanation.		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
6. Does the applicant, or any of its agents, owners, managers, principals, or lenders (other than licensed financial institutions), have a direct or indirect interest in any other Colorado liquor license (include loans to or from any licensee, or interest in a loan to any licensee)? If yes, attach a detailed explanation.		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
7. Corporation or Limited Liability Company (LLC) or Partnership applicants must answer these questions. Since the date of filing of the last annual license application: (a) Are there, or have there been: any officers or directors; or managing members; or general partners added to or deleted from applicant for renewal of a 3.2 beer or liquor license? (b) Are there or have there been: any stockholders with 10% or more of the issued stock of the Corporation; or any members with 10% or more membership interest in the LLC; or any partners with 10% or more interest in the partnership added to or deleted from the applicant for renewal of a 3.2 beer or liquor license? (c) If Yes to (a) or (b), complete and attach Form DR 0177: Corporation, Limited Liability Company or Partnership Report of Changes, and all supporting documentation, and fees your Local Licensing Authority immediately.		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
8. Sole proprietorships, Husband-Wife Partnerships or Partners in General Partnerships:  <p style="text-align: center;"><b>EVIDENCE OF LAWFUL PRESENCE</b></p> <p>Each person identified above must complete and sign the following affidavit. Please make additional copies if necessary. Each person must also provide a copy of their driver's license or state issued identification card.</p> <p>In lieu of form DR 4879, the undersigned swears or affirms under penalty of perjury under the laws of the State of Colorado that (check one):</p> <p><input type="checkbox"/> I am a United States Citizen</p> <p><input type="checkbox"/> I am not a United States Citizen but I am a Permanent Resident of the United States</p> <p><input type="checkbox"/> I am not a United States Citizen but I am lawfully present in the United States pursuant to Federal Law</p> <p><input type="checkbox"/> I am a foreign national not physically present in the United States</p> <p>I understand that this sworn statement is required by law because I have applied for a public benefit. I understand that state law requires me to provide proof that I am lawfully present in the United States prior to receipt of this public benefit. I further acknowledge that making a false, or fraudulent statement or misrepresentation in this sworn affidavit is punishable under the criminal laws of Colorado Revised Statute 18-6-503 and it shall constitute a separate criminal offense each time a public benefit is fraudulently received.</p>		
Signature	Printed name	Date

Store #	State	Store Type	Store Name	City	County	City	County	City	County	City	County	City	County	City	County	City	County	City	County
842	CO	Supercenter	3 2 BEER	09-49518-0035	7/12/2009	Pueblo	3 2 BEER	N/A	7/12/2009	4200 DILLION DRIVE	PUEBLO (NORTH)	81008	71-0415188						
869	CO	Supercenter	3 2 BEER	09-49518-0002	3/3/2009	Alamosa	3 2 BEER	N/A	3/3/2009	3333 CLARK STREET	ALAMOSA	81101	71-0415188						
921	CO	Supercenter	3 2 BEER	09-49518-0002	7/18/2009	Chaffee	3 2 BEER	N/A	7/18/2009	7865 WEST HWY 50	SALIDA	81201	71-0415188						
924	CO	Supercenter	3 2 BEER	09-49518-0005	5/28/2009	Logan	3 2 BEER	N/A	5/28/2009	1510 WEST MAIN	STERLING	80751	71-0415188						
953	CO	Supercenter	3 2 BEER	09-49518-0007	2/15/2009	Larimer	3 2 BEER	N/A	2/15/2009	1325 NORTH DENVER AVE	LOVELAND	80537	71-0415188						
962	CO	Supercenter	3 2 BEER	09-49518-0009	3/7/2009	Las Animas	3 2 BEER	228	3/7/2009	2921 TOUPAL DRIVE	TRINIDAD	81082	71-0415188						
966	CO	Supercenter	3 2 BEER	09-49518-0008	11/10/2008	Montezuma	3 2 BEER	5721	11/10/2008	1835 EAST MAIN ST	CORTEZ	81321	71-0415188						
980	CO	Supercenter	3 2 BEER	09-49518-0011	6/28/2009	Weld	3 2 BEER	09-49518-0011	6/28/2009	3103 23RD AVENUE	GREELEY	80731	71-0415188						
984	CO	Supercenter	3 2 BEER	09-49518-0010	11/23/2008	Douglas	3 2 BEER	9495180010	11/23/2008	4400 FRONT STREET	CASTLE ROCK	80104	71-0415188						
1001	CO	Supercenter	3 2 BEER	09-49518-0013	5/4/2009	Pueblo	3 2 BEER	N/A	5/4/2009	4080 WEST NORTHERN AVE	PUEBLO	81005	71-0415188						
1019	CO	Supercenter	3 2 BEER	09-49518-0015	4/3/2009	Fremont	3 2 BEER	09-49518-0015	4/3/2009	3105 HWY 50 EAST	CANON CITY	81212	71-0415188						
1045	CO	Supercenter	3 2 BEER	09-49518-0016	8/23/2009	Boulder	3 2 BEER	09-49518-0016	8/23/2009	745 NORTH HWY 287	LAFAYETTE	80026	71-0415188						
1058	CO	Supercenter	3 2 BEER	09-49518-0017	8/30/2008	Montrose	3 2 BEER	1050	8/30/2008	16750 SOUTH TOWNSEND	MONTRORSE	81401	71-0415188						
1199	CO	Supercenter	3 2 BEER	09-49518-0019	5/2/2009	Benue	3 2 BEER	N/A	5/2/2009	171 YODER AVENUE	AVON	81620	71-0415188						
1200	CO	Supercenter	3 2 BEER	09-49518-0021	4/12/2009	El Paso	3 2 BEER	654	4/12/2009	3201 EAST PLATTB AVE	COLORADO SPRINGS	80909	71-0415188						
1231	CO	Supercenter	3 2 BEER	09-49518-0022	10/4/2008	Adams	3 2 BEER	BE-0039	10/4/2008	9901 GRANT ST.	THORNTON	80229	71-0415188						
1252	CO	Supercenter	3 2 BEER	09-49518-0047	1/17/2009	Douglas	N/A	N/A	N/A	6675 BUSINESS CENTER DR.	HIGHLANDS RANCH	80130	71-0415188						
1273	CO	Supercenter	3 2 BEER	09-49518-0024	4/24/2009	El Paso	3 2 BEER	08-672	4/24/2009	6310 SOUTH US HWY #5-87	FOUNTAIN	80817	71-0415188						
1280	CO	Supercenter	3 2 BEER	09-49518-0025	7/22/2009	Mesa	3 2 BEER	3020123	7/22/2009	2881 NORTH AVENUE	GRAND JUNCTION	81501	71-0415188						
1344	CO	Supercenter	3 2 BEER	09-49518-0029	2/15/2009	Ciara	3 2 BEER	N/A	2/15/2009	6 CONLEY ROAD	LAFAYETTE	81938	71-0415188						
1434	CO	Supercenter	3 2 BEER	09-49518-0049	4/24/2009	El Paso	3 2 BEER	1368	4/24/2009	707 SOUTH 8TH ST	COLORADO SPRINGS (NW)	80905	71-0415188						
1639	CO	Supercenter	3 2 BEER	09-49518-0032	4/20/2009	Adams	3 2 BEER	478	4/20/2009	60 WEST BROMLEY LANE	BRIGHTON	80601	71-0415188						
1689	CO	Supercenter	3 2 BEER	09-49518-0064	11/1/2008	Arapahoe	3 2 BEER	130419	11/1/2008	5650 SOUTH CHAMBERS ROAD	AURORA (S)	80015	71-0415188						
1896	CO	Supercenter	3 2 BEER	09-49518-0037	12/20/2008	El Paso	3 2 BEER	700806	12/20/2008	8250 HAZORBACK RD	COLORADO SPRINGS	80920	71-0415188						
2125	CO	Supercenter	3 2 BEER	09-49518-0038	12/25/2008	Jefferson	3 2 BEER	09-49518-0038	12/25/2008	7435 WEST COLFAX AVENUE	LAKEWOOD	80214	71-0415188						
2223	CO	Supercenter	3 2 BEER	09-49518-0046	8/7/2009	Jefferson	3 2 BEER	-1623301	8/7/2009	9499 SHERIDAN BLVD	WESTMINSTER	80031	71-0415188						
2270	CO	Supercenter	3 2 BEER	09-49518-0051	5/14/2009	La Plata	3 2 BEER	10431	5/14/2009	1155 SOUTH CAMINO DEL RIO	DURANGO	81303	71-0415188						
2293	CO	Supercenter	3 2 BEER	09-49518-0048	8/3/2009	Jefferson	N/A	N/A	N/A	952 SWEDB OULCH ROAD	GOLDEN/BEVERGREEN	80401	71-0415188						
2672	CO	Supercenter	3 2 BEER	09-49518-0054	9/29/2009	Frowers	3 2 BEER	2940	9/29/2009	1432 EAST OLIVE	LAMAR	81052	71-0415188						
2729	CO	Supercenter	3 2 BEER	09-49518-0059	9/1/2008	Larimer	3 2 BEER	09-49518-0059	9/1/2008	1250 EAST MAONLIA ST	FORT COLLINS (N)	80524	71-0415188						
2732	CO	Supercenter	3 2 BEER	09-49518-0056	8/21/2008	Adams	3 2 BEER	11907	8/21/2008	3790 DAHLIA ST.	COMMERCE CITY	81023	71-0415188						
2892	CO	Supercenter	3 2 BEER	09-49518-0057	9/12/2009	Douglas	3 2 BEER	385	9/12/2009	11101 SO. PARKER ROAD	PARKER	80134	71-0415188						
3227	CO	Supercenter	3 2 BEER	09-49518-0084	6/23/2009	El Paso	3 2 BEER	N/A	6/23/2009	16218 JACKSON CREEK PARKWAY	MONUMENT	80132	71-0415188						
3313	CO	Supercenter	3 2 BEER	09-49518-0080	11/25/2008	Arapahoe	3 2 BEER	N/A	11/25/2008	10900 EAST BRIARWOOD AVENUE	CENTENNIAL	80111	71-0415188						
3382	CO	Supercenter	3 2 BEER	09-49518-0082	11/25/2008	Pueblo	N/A	N/A	N/A	78 NORTH MCCULLOCH BLVD	PUEBLO WEST	81007	71-0415188						
3533	CO	Supercenter	3 2 BEER	09-49518-0062	11/30/2008	Denver	N/A	N/A	N/A	7800 EAST SMITH ROAD	DENVER (N)	80201	71-0415188						
3566	CO	Supercenter	3 2 BEER	09-49518-0061	7/6/2009	Denver	3 2 BEER	129991	7/6/2009	9400 EAST HAMPDEN AVENUE	AURORA (SE)	80231	71-0415188						
3805	CO	Supercenter	3 2 BEER	09-49518-0088	7/8/2009	Teller	3 2 BEER	09-49518-0088	7/8/2009	19600 EAST HIGHWAY 24	WOODLAND PARK	80866	71-0415188						
3824	CO	Supercenter	3 2 BEER	09-49518-0091	2/18/2009	Jefferson	N/A	N/A	N/A	7155 SHERIDAN BLVD.	WESTMINSTER (72ND)	80003	71-0415188						
3867	CO	Supercenter	3 2 BEER	09-49518-0086	10/22/2008	Adams	3 2 BEER	2687301	10/22/2008	200 WEST 136TH AVE	WESTMINSTER	80234	71-0415188						
4284	CO	Supercenter	3 2 BEER	09-49518-0085	11/30/2008	Jefferson	3 2 BEER	09-49518-0085	11/30/2008	440 WADSWORTH BLVD	LAKEWOOD	80226	71-0415188						
4333	CO	Supercenter	3 2 BEER	09-49518-0047	4/23/2009	El Paso	N/A	N/A	N/A	11350 MERIDIAN MARKET VIEW	FALCON (PEYTON)	80631	71-0415188						
4377	CO	Supercenter	3 2 BEER	09-49518-0090	9/8/2008	Moilan	3 2 BEER	148	9/8/2008	2000 WEST VICTORY WAY	CRAIG	81623	71-0415188						
5033	CO	Supercenter	3 2 BEER	09-49518-0067	10/10/2009	Morgan	3 2 BEER	N/A	10/10/2009	1300 NORTH BARLOW ROAD	FORT MORGAN	80701	71-0415188						
5099	CO	Supercenter	3 2 BEER	09-49518-0073	6/17/2009	Mesa	3 2 BEER	5020235	6/17/2009	2545 RIMROCK AVE	GRAND JUNCTION (W)	81505	71-0415188						
5123	CO	Supercenter	3 2 BEER	09-49518-0075	11/9/2008	El Paso	3 2 BEER	708427	11/9/2008	5550 EAST WOODMEN ROAD	COLORADO SPRINGS (NE)	80920	71-0415188						
5137	CO	Supercenter	3 2 BEER	9495180079	10/25/2008	Arapahoe	3 2 BEER	141243	10/25/2008	6101 SOUTH AURORA PARKWAY	AURORA (SE)	80016	71-0415188						
5232	CO	Supercenter	3 2 BEER	09-49518-0072	8/4/2009	Garrick	3 2 BEER	19-17	8/4/2009	1000 AIRPORT ROAD	RIFLE	81630	71-0415188						
5334	CO	Supercenter	3 2 BEER	09-49518-0081	8/14/2009	Adams	3 2 BEER	146049	8/14/2009	3301 NORTH TOWER ROAD	AURORA (DIA)	80011	71-0415188						
5341	CO	Supercenter	3 2 BEER	09-49518-0077	6/20/2009	Boulder	3 2 BEER	62-2007	6/20/2009	500 SUMMIT BLDV	BROOMFIELD	80021	71-0415188						
5370	CO	Supercenter	3 2 BEER	09-49518-0083	1/15/2009	Boulder	3 2 BEER	09-49518-0083	1/15/2009	2514 MAIN STREET	LONGMONT (N)	80504	71-0415188						
5458	CO	Supercenter	3 2 BEER	09-49518-0078	7/10/2009	Delta	3 2 BEER	N/A	7/10/2009	37 STAFFORD LANE	DELTA	81416	71-0415188						
6219	CO	Sam's	3 2 BEER	12-33986-0011	9/2/2008	El Paso	3 2 BEER	700406	9/2/2008	1850 E. Woodman Rd.	Colorado Springs	80920	71-0794414						
6346	CO	Sam's	3 2 BEER	12-33986-0010	3/1/2009	Mesa	3 2 BEER	5020250	3/1/2009	1040 Independent Ave.	Grand Junction	81505	71-0794414						
6630	CO	Sam's	BEER WINE LIQUOR	12-33986-0008	3/10/2009	Jefferson	BEER WINE LIQUOR	14500	3/10/2009	7370 W. 52nd Ave.	Arvada	80002	71-0794414						

Site ID	Category	Sub-Category	Date of Contact	Contact Source	Name	Fine	StrState
4599	Alcohol	Sale to Minor	4/5/2011 0:00	Letter	ATF	0	CO
3313	Alcohol	Sale to Minor	2/18/2011 0:00	Summons to Appear	Police Department	0	CO
984	Alcohol	General Contact	1/26/2011 0:00	Second Warning	Police Department	0	CO
5232	Alcohol	Sale to Minor	10/30/2010 0:00	Written Notice	Department of Revenue	0	CO
966	Alcohol	Documentation	9/28/2010 0:00	Phone Call	Department of Revenue	0	CO
924	Alcohol	General Contact	5/18/2010 0:00	Phone Call	Department of Revenue	0	CO
1231	Alcohol	Sale to Minor	5/3/2010 0:00	Fax	Police Department	450	CO
924	Alcohol	Sale to Minor	5/6/2010 0:00	Letter	Department of Revenue	0	CO
3313	Alcohol	Sale to Minor- No S	4/9/2010 0:00	Letter	Police Department	0	CO
869	Alcohol	Documentation	6/9/2009 0:00	Fine	ATF	0	CO
924	Alcohol	Sale to Minor	5/9/2009 0:00	Letter	Department of Revenue	200	CO
924	Alcohol	Sale to Minor	4/24/2009 0:00	Letter	Department of Revenue	0	CO
1058	Alcohol	Sale to Minor- No S	2/23/2009 0:00	Letter	Police Department	0	CO
3824	Alcohol	Sale to Minor- No S	1/12/2009 0:00	Letter	Police Department	0	CO
2223	Alcohol	General Contact	1/14/2009 0:00	Letter	Other	0	CO
4377	Alcohol	Sale to Minor- No S	5/3/2008 0:00	Letter	Police Department	0	CO
4377	Alcohol	Documentation	3/4/2008 0:00	Written Warning	Other	0	CO
1384	Alcohol	Documentation	2/22/2008 0:00	Letter	Other	0	CO
5033	Alcohol	Documentation	2/11/2008 0:00	Letter	Other	0	CO
5123	Alcohol	Other	12/18/2007 0:00	Letter	Other	0	CO
5051	Alcohol	Documentation	1/16/2008 0:00	Phone Call	Other	24.09	CO
5033	Alcohol	Sale to Minor	1/5/2008 0:00	Citation	Department of Revenue	0	CO
869	Alcohol	General Contact	7/10/2006 0:00	Summons to Appear	Other	0	CO
2125	Alcohol	Documentation	2/17/2006 0:00	Letter	ATF	389.79	CO
2752	Alcohol	General Contact	5/21/2005 0:00	Letter	Police Department	0	CO
953	Alcohol	Documentation	3/17/2011	Letter	Other	0	CO



MEMORANDUM

To: John Hier, City Manager  
From: Charles Kelty, Finance Director *ck*  
Date: May 25, 2011  
Subject: Resolution No. 6, Series of 2011

The City of Rifle is applying for financial assistance with the United States Department of Agriculture, Rural Development for a potential water-plant construction project.

Attached is Resolution No. 6, Series of 2011, which requests Mayor Keith Lambert and Lisa Cain, City Clerk, be given the authority to sign the loan and/or grant documents.

I respectfully request this resolution be submitted to and approved by City Council.



**CITY OF RIFLE, COLORADO  
RESOLUTION NO. 6  
SERIES OF 2011**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIFLE, COLORADO, AGREEING TO APPLY FOR FINANCIAL ASSISTANCE WITH THE UNITED STATES DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT TO FINANCE ITS WATER SYSTEM.

WHEREAS, the City desires to apply for financial assistance with the United States Department of Agriculture, Rural Development to finance its Water System.

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

The City Council of City of Rifle authorizes the **Mayor, Keith J. Lambert** and the **City Clerk, Lisa H. Cain** to sign all documents relating to the USDA Rural Development loan and/or grant, including but not limited to:

SF-424, Pre-Application and Application for Federal Assistance

Letter of Intent to Meet Conditions

Request for Obligation of Funds.

THIS RESOLUTION WAS READ, PASSED, AND ADOPTED by the City Council of the City of Rifle on this 1<sup>st</sup> day of June 2011.

CITY OF RIFLE, COLORADO

By: \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk



MEMORANDUM

To: John Hier, City Manager  
From: Charles Kelty, Finance Director *ck*  
Date: May 25, 2011  
Subject: Resolution No. 6, Series of 2011

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CITY OF RIFLE, COLORADO

By: \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk



## MEMORANDUM

To: John Hier, City Manager  
From: Charles Kelty, Finance Director  
Date: May 25, 2011  
Subject: April 2011 Financial Reports

Attached are the Financial Reports for the four months ending April 30, 2011. Below are a few comments:

- Page 1      **General Fund Revenues** – Total revenues are \$2,260,907, which compared to the prior year's \$2,351,839 is \$90,932 and 4% lower. Sales Tax revenues were 9% higher than the prior year.
- General Fund Expenditures** – Total expenditures are \$2,177,155, which compared to the prior year's \$2,151,390 is \$25,765 and 1% higher.
- Page 2      **Visitor Improvement Fund** – Total revenues are \$32,903, which compared to the prior year's \$34,303 is \$1,400 and 4% less. Total expenses are \$33,342, which compared to the prior's \$30,407 is \$2,935 and 10% higher.
- Page 3      **Parks & Recreation Fund Revenues** – Total revenues are \$658,327, which compared to the prior year's \$619,211 is \$39,116 and 6% higher. Sales Tax revenues were 9% higher than the prior year.
- Parks & Recreation Fund Expenditures** – Expenditures are \$514,906, which compared to the prior year's \$1,040,837 is \$525,931 and 51% less.
- Page 4      **Water Fund Revenues** – Overall, revenues are \$630,892, which compared to the prior year's \$704,568 is \$73,676 and 10% less. Operating revenues were 11% lower than the prior year. Water rights revenues were \$23,483 higher than prior year. Capital revenues were \$25,167 less than the prior year.
- Water Fund Expenses** – Overall, total expenses are \$842,093, which compared to the prior year of \$629,658 is \$212,435 and 34% higher. Operating and Maintenance expenses are 6% higher than last year. Water rights expenses are 14% lower than last year. Water System Improvements (Capital) expenses is \$190,173 higher than last year.
- Page 5      **Wastewater Fund Revenue** – Total revenues are \$761,019, which compared to the prior year's \$865,405 is \$104,386 and 12% less.
- Wastewater Expenses** – Total expenses were \$904,188, which compared to the prior year's \$967,135 is \$62,947 and 7% less.

**Sanitation Fund Revenues** – Total revenues are \$189,978, which compared to the prior year's \$190,894 is \$916 and 1% less.

**Sanitation Fund Expenses** – Total expenses are \$162,183, which compared to the prior year's \$150,387 is \$11,796 an 8% higher.

CITY OF RIFLE  
 FUND SUMMARY WITH COMPARISON TO PRIOR YEAR  
 FOR THE 4 MONTHS ENDING APRIL 30, 2011

GENERAL FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	BUD REMAINING	PRIOR YTD ACT
<u>REVENUE</u>					
GENERAL REVENUES	7,095,545.00	631,657.84	2,260,907.27	4,834,637.73	2,351,839.09
	<u>7,095,545.00</u>	<u>631,657.84</u>	<u>2,260,907.27</u>	<u>4,834,637.73</u>	<u>2,351,839.09</u>
<u>EXPENDITURES</u>					
MAYOR/COUNCIL	75,239.00	4,455.83	16,662.72	58,576.28	19,214.36
CITY CLERK	165,026.00	17,030.87	49,611.47	115,414.53	38,110.86
MUNICIPAL COURT	181,381.00	15,055.93	51,809.91	129,571.09	53,491.68
CITY MANAGER	169,532.00	18,506.17	53,507.35	116,024.65	62,794.13
GOVERNMENT AFFAIRS	155,967.00	13,882.91	42,379.08	113,587.92	42,638.69
FINANCE	375,048.00	45,398.53	131,834.19	243,213.81	149,831.41
ATTORNEY	270,500.00	16,890.64	76,075.91	194,424.09	72,231.89
PLANNING/ZONNING	432,865.00	41,976.24	126,136.50	306,728.50	142,488.52
CITY HALL	149,406.00	12,105.47	44,900.10	104,505.90	34,877.07
GROUNDS AND FACILITY MAINT.	37,565.00	6,121.91	18,129.30	19,435.70	16,299.44
COMMUNITY ACCESS TV	121,605.00	11,935.55	36,007.83	85,597.17	30,848.24
POLICE	2,322,945.00	241,698.37	705,981.65	1,616,963.35	644,349.32
JUSTICE CENTER BLDG. OPERATION	398,798.00	11,809.16	37,569.36	361,228.64	31,143.37
BUILDING INSPECTIONS	150,563.00	13,966.87	44,083.14	106,479.86	65,445.25
STREETS	913,299.00	98,432.41	295,698.95	617,600.05	249,762.70
CONSTRUCTION CREW - INHOUSE	180,938.00	21,013.55	55,006.08	125,931.92	55,311.87
PUBLIC WORKS	257,495.00	14,176.79	43,769.14	213,725.86	84,779.15
ANIMAL SHELTER	92,363.00	8,709.13	27,383.54	64,979.46	26,034.31
CEMETERY O & H	61,750.00	6,069.16	18,946.29	42,803.71	17,476.27
SENIOR CENTER	439,468.00	36,982.48	115,417.45	324,050.55	143,286.41
NON DEPARTMENTAL	523,288.00	19,102.09	186,244.83	337,043.17	166,560.97
HOUSING AUTHORITY	.00	.00	.00	.00	4,413.66
OPERATING TRANSFERS OUT	90,000.00	.00	.00	90,000.00	.00
	<u>7,565,041.00</u>	<u>675,320.06</u>	<u>2,177,154.79</u>	<u>5,387,886.21</u>	<u>2,151,389.57</u>
	<u>( 469,496.00)</u>	<u>( 43,662.22)</u>	<u>83,752.48</u>	<u>( 553,248.48)</u>	<u>200,449.52</u>

CITY OF RIFLE  
 FUND SUMMARY WITH COMPARISON TO PRIOR YEAR  
 FOR THE 4 MONTHS ENDING APRIL 30, 2011

VISITOR IMPROVEMENT FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	BUD REMAINING	PRIOR YTD ACT
<u>REVENUE</u>					
VISITOR IMPROVEMENT	118,686.00	9,242.22	32,903.25	85,782.75	34,302.83
	118,686.00	9,242.22	32,903.25	85,782.75	34,302.83
<u>EXPENDITURES</u>					
VISITOR IMPROVEMENT	293,452.00	.78	33,342.03	260,109.97	30,407.06
	293,452.00	.78	33,342.03	260,109.97	30,407.06
	( 174,766.00)	9,241.44	( 438.78)	( 174,327.22)	3,895.77

CITY OF RIFLE  
 FUND SUMMARY WITH COMPARISON TO PRIOR YEAR  
 FOR THE 4 MONTHS ENDING APRIL 30, 2011

PARKS & RECREATION

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	BUD REMAINING	PRIOR YTD ACT
<u>REVENUE</u>					
PARKS AND REC REVENUE	2,744,340.00	173,476.07	658,326.82	2,086,013.18	619,210.72
	2,744,340.00	173,476.07	658,326.82	2,086,013.18	619,210.72
<u>EXPENDITURES</u>					
RECREATION	549,128.00	49,119.53	164,355.14	384,772.86	145,975.31
POOL	206,464.00	10,362.56	19,399.43	187,064.57	6,885.88
RIFLE FITNESS CENTER	.00	1,867.98	1,867.98	( 1,867.98)	.00
PARK MAINTENANCE	986,428.00	83,150.18	233,942.65	752,485.35	184,912.16
PARKS CAPITAL	530,327.00	10,251.48	27,521.09	502,805.91	645,585.97
NON-DEPARTMENTAL	83,474.00	3,680.92	45,514.35	37,959.65	35,171.72
OPERATING TRANSFER OUT	66,917.00	5,576.42	22,305.68	44,611.32	22,305.68
	2,422,738.00	164,009.07	514,906.32	1,907,831.68	1,040,836.72
	321,602.00	9,467.00	143,420.50	178,181.50	( 421,626.00)

CITY OF RIFLE  
 FUND SUMMARY WITH COMPARISON TO PRIOR YEAR  
 FOR THE 4 MONTHS ENDING APRIL 30, 2011

WATER FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	BUD REMAINING	PRIOR YTD ACT
<u>REVENUE</u>					
WATER REVENUE	2,575,147.00	143,791.14	556,302.47	2,018,844.53	628,294.44
WATER RIGHTS REVENUE	40,389.00	5,273.12	41,075.72	( 686.72)	17,593.04
CAPITAL REVENUE	782,569.00	1,781.61	33,513.48	749,055.52	58,680.23
	<u>3,398,105.00</u>	<u>150,845.87</u>	<u>630,891.67</u>	<u>2,767,213.33</u>	<u>704,567.71</u>
<u>EXPENDITURES</u>					
WATER O&H	2,904,062.00	189,494.59	561,632.18	2,342,429.82	531,492.72
WATER RIGHTS	138,750.00	10,106.25	46,814.09	91,935.91	54,691.19
WATER SYSTEM IMPROVEMENTS	2,299,985.00	25,325.84	233,646.43	2,066,338.57	43,473.74
	<u>5,342,797.00</u>	<u>224,926.68</u>	<u>842,092.70</u>	<u>4,500,704.30</u>	<u>629,657.65</u>
	<u>( 1,944,692.00)</u>	<u>( 74,080.81)</u>	<u>( 211,201.03)</u>	<u>( 1,733,490.97)</u>	<u>74,910.06</u>

CITY OF RIFLE  
 FUND SUMMARY WITH COMPARISON TO PRIOR YEAR  
 FOR THE 4 MONTHS ENDING APRIL 30, 2011

WASTEWATER FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	BUD REMAINING	PRIOR YTD ACT
<u>REVENUE</u>					
WASTE WATER REVENUE	2,302,935.00	175,114.95	739,011.53	1,563,923.47	841,476.59
WASTE WATER REVENUE	44,324.00	( 107.79)	22,007.89	22,316.11	23,928.60
	<u>2,347,259.00</u>	<u>175,007.16</u>	<u>761,019.42</u>	<u>1,586,239.58</u>	<u>865,405.19</u>
<u>EXPENDITURES</u>					
SEWER O&H	2,835,939.00	148,947.98	892,471.87	1,943,467.13	760,557.41
SEWER SYSTEM IMPROVEMENTS	339,584.00	.00	11,716.30	327,867.70	206,577.91
	<u>3,175,523.00</u>	<u>148,947.98</u>	<u>904,188.17</u>	<u>2,271,334.83</u>	<u>967,135.32</u>
	<u>( 828,264.00)</u>	<u>26,059.18</u>	<u>( 143,168.75)</u>	<u>( 685,095.25)</u>	<u>( 101,730.13)</u>

CITY OF RIFLE  
 FUND SUMMARY WITH COMPARISON TO PRIOR YEAR  
 FOR THE 4 MONTHS ENDING APRIL 30, 2011

SANITATION FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	BUD REMAINING	PRIOR YTD ACT
<u>REVENUE</u>					
SANITATION FUND	575,714.00	48,140.11	189,977.84	385,736.16	190,894.31
	575,714.00	48,140.11	189,977.84	385,736.16	190,894.31
<u>EXPENDITURES</u>					
SANITATION	731,936.00	24,119.98	162,182.84	569,753.16	150,387.05
	731,936.00	24,119.98	162,182.84	569,753.16	150,387.05
	( 156,222.00)	24,020.13	27,795.00	( 184,017.00)	40,507.26



**MEMORANDUM**

To: John Hier, City Manager  
 From: Charles Kelty, Finance Director  
 Date: May 25, 2011  
 Subject: April 2011 Sales, Lodging, and Use Tax Report

Total Sales, Lodging, and Use Tax revenues, for the four months ended April 30, 2011, is \$2,150,762, which is an increase of 7% from the previous year-to-date amount \$2,003,649.

Sales tax revenues, year-to-date, are \$1,992,747 which is a 9% increase from the previous year-to-date figure \$1,836,006.

Lodging Taxes revenues, year-to-date, are \$32,133 which is a 4% decrease from the previous year-to-date figure \$33,450. Building and Motor Vehicle Use Tax revenues are \$125,882, which is a 6% decrease from the previous year-to-date figure \$134,193.

**Sales Tax Report  
 Prior Year Comparison**

Business Category	For Sales in April			Year-to-Date		
	2010	2011	% Change	2010	2011	% Change
Bars and Restaurants	\$ 49,823	\$ 46,773	-6%	\$ 188,131	\$ 185,747	-1%
Car Parts and Sales	36,878	33,852	-8%	117,300	139,601	19%
Food	70,452	69,420	-1%	275,591	274,378	0%
General Retail	179,097	191,407	7%	700,953	739,407	5%
Hardware	21,329	26,248	23%	79,010	105,951	34%
Liquor Stores	15,254	14,557	-5%	56,230	53,322	-5%
Motels	13,189	12,317	-7%	47,533	45,779	-4%
Oil & Gas	17,157	43,242	152%	149,901	227,909	52%
Leasing/Misc	2,931	4,150	42%	37,433	35,002	-6%
Utilities	38,509	32,511	-16%	183,923	185,652	1%
<b>Total</b>	<b>\$ 444,620</b>	<b>\$ 474,478</b>	<b>7%</b>	<b>\$ 1,836,006</b>	<b>\$ 1,992,747</b>	<b>9%</b>
<b>Allocation to Funds:</b>						
General Fund	\$243,575	\$259,933	7%	\$1,005,816	\$1,091,684	9%
Street Improvement	63,517	67,783	7%	262,287	284,678	9%
Rifle Information Center	10,493	11,198	7%	43,330	47,029	9%
Parks & Recreation	127,034	135,565	7%	524,573	569,356	9%
	<b>\$444,620</b>	<b>\$474,478</b>	<b>7%</b>	<b>\$1,836,006</b>	<b>\$1,992,747</b>	<b>9%</b>

## 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
<b>1003</b>						
<b>Action Shop Services, Inc</b>						
	S159189	TRIMMER LINE ORANGE	05/11/2011	59.99	.00	
	S159311	SPOOL INSERT	05/16/2011	56.89	.00	
Total 1003:				116.88	.00	
<b>1009</b>						
<b>B &amp; B Plumbing, Inc</b>						
	34075	CAPPED WATER LINES	05/17/2011	587.19	.00	
Total 1009:				587.19	.00	
<b>1010</b>						
<b>B &amp; H Sports</b>						
	AAX004460AN	BATTING TEE	05/23/2011	135.00	.00	
Total 1010:				135.00	.00	
<b>1018</b>						
<b>Valley Lumber</b>						
	53791	VINYL CUTTER	04/25/2011	.50	.00	
	53834	PHILLIPS HEAD BIT	04/26/2011	22.91	.00	
	53947	GL RS SATIN LATEX EXT	04/29/2011	145.07	.00	
	54125	TAPE JOINT	05/04/2011	43.03	.00	
	54278	FILM POLY CLR 3 MIL	05/09/2011	19.98	.00	
	54294	MARK IT SPRAY PAINT	05/10/2011	23.96	.00	
	54309	SAWZALL BLADE MILW	05/10/2011	18.99	.00	
	54373	DOW STYROFOAM	05/12/2011	117.49	.00	
	54442	FAST SETTING POST MIX	05/14/2011	31.90	.00	
	54573	PVC 40 ML APT	05/18/2011	21.44	.00	
	54581	BC40 POST CAP/BASE 50	05/18/2011	3.49	.00	
	54629	BLADE MASONARY ABRASIVE	05/19/2011	12.47	.00	
	54669	1/4 X 2 3/4 FLAT HEADER SCRE	05/20/2011	10.40	.00	
	54670	SCRWDRVR BIT TIP PHILLIPS	05/20/2011	1.99	.00	
	54701	DOG EAR CEDAR FENCE	05/20/2011	54.79	.00	
Total 1018:				528.41	.00	
<b>1022</b>						
<b>Central Distributing Co</b>						
	869732	Supplies	04/27/2011	170.36	.00	
	871069	Supplies	05/11/2011	311.58	.00	
	871072	Supplies	05/11/2011	47.00	.00	
	871074	Supplies	05/11/2011	41.95	.00	
	871381	Supplies	05/12/2011	101.47	.00	
Total 1022:				672.36	.00	
<b>1023</b>						
<b>Chelewski Pipe &amp; Supply</b>						
	130456	BOX	04/12/2011	7.15	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 1023:				7.15	.00	
<b>1062</b>						
<b>Dana Kepner Company</b>						
	1346854-00	TOUCHCOUPLER	05/03/2011	4,768.75	.00	
	1346855-000	SINGLE PORT WIRED	05/03/2011	3,783.51	.00	
	1346856-00	TOUCHCOUPLER	05/03/2011	4,211.19	.00	
	1346959-00	WATER METERS AND MXU'S	05/16/2011	533.48	.00	
Total 1062:				13,296.93	.00	
<b>1076</b>						
<b>Garfield County Treasurer</b>						
	050911	CONTRIBUTION-GARFIELD CLE	05/09/2011	4,500.00	.00	
Total 1076:				4,500.00	.00	
<b>1083</b>						
<b>Youth Zone</b>						
	043011	ASSES & RECOMM/EDMOND/C	04/30/2011	500.00	.00	
Total 1083:				500.00	.00	
<b>1094</b>						
<b>Hy-way Feed &amp; Ranch Supply</b>						
	500167	HYDRATED LINE	04/18/2011	11.50	.00	
Total 1094:				11.50	.00	
<b>1097</b>						
<b>Johnson Construction Inc</b>						
	208751.	OLD VALLEY LUMBER SITE	04/13/2011	11,420.00	.00	
	208782	Emergency Repair City Trail and	05/23/2011	14,965.00	.00	
	208782.	PO 609	05/23/2011	5,885.19	.00	
Total 1097:				32,270.19	.00	
<b>1105</b>						
<b>Meadow Gold Dairies</b>						
	50206301	DAIRY PRODUCTS/SENIOR CT	05/12/2011	85.29	.00	
	50206363	SUPPLIES	05/17/2011	329.76	.00	
	50206373	DAIRY PRODUCTS/SENIOR CT	05/19/2011	95.66	.00	
Total 1105:				510.71	.00	
<b>1108</b>						
<b>Mountain Clear Bottled Water</b>						
	6884 043011	BOTTLED WATER	04/30/2011	180.35	.00	
	6886 043011	BOTTLED WATER/WW	04/30/2011	17.75	17.75	05/20/2011
Total 1108:				198.10	17.75	
<b>1110</b>						
<b>Napa Auto Parts</b>						
	164193	FUNNEL	04/28/2011	49.44	.00	
	167698	GREASE	05/18/2011	96.86	.00	
	167969	HITCHPIN	05/19/2011	5.33	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 1110:				151.63	.00	
<b>1111</b>						
<b>Neve's Uniforms, Inc</b>						
	NE6826	UNIFORM /PD	04/11/2011	108.89	.00	
	NE6878	UNIFORM /PD	04/14/2011	56.94	.00	
	NE6910	UNIFORM /PD	04/18/2011	56.94	.00	
	NE6911	UNIFORM /PD	04/18/2011	122.89	.00	
	NE6925	UNIFORM /PD	04/20/2011	70.94	.00	
	NE6950	UNIFORM /PD	04/21/2011	99.90	.00	
	NE6952	UNIFORM /PD	04/21/2011	159.90	.00	
	NE6991	UNIFORM /PD	04/27/2011	16.97	.00	
	NE7050	UNIFORM /PD	05/03/2011	59.95	.00	
	NE7064	UNIFORM /PD	05/04/2011	76.88	.00	
	NE7078	UNIFORM /PD	05/05/2011	233.84	.00	
Total 1111:				1,064.04	.00	
<b>1114</b>						
<b>Wells Fargo Bank West</b>						
	052511	OBI CWRPDA-SWRP/CO WATE	05/25/2011	1,656.15	1,656.15	05/26/2011
	052511	OBI CWRPDA-SWRP/CO WATE	05/25/2011	6,666.67	6,666.67	05/26/2011
Total 1114:				8,322.82	8,322.82	
<b>1118</b>						
<b>Parts House</b>						
	5613-9956	XMW	05/18/2011	9.52	.00	
Total 1118:				9.52	.00	
<b>1120</b>						
<b>Xcel Energy Inc</b>						
	0187353277	2515 W CENTENNIAL PKWY WR	05/02/2011	86.19	86.19	05/13/2011
	0187354319	2515 W CENTENNIAL PKWY AD	05/02/2011	57.00	57.00	05/13/2011
	0370691020	200 RAILROAD AVE	05/05/2011	367.62	367.62	05/13/2011
	0370700413	300 W 5TH ST UNIT PUMP	05/05/2011	76.81	76.81	05/13/2011
	0371070536	236 W 4TH ST	05/09/2011	33.82	33.82	05/20/2011
	037108196	300 W 5TH ST UNIT STAGE	05/09/2011	85.50	85.50	05/20/2011
	0371085776	124 W 2ND ST APT B	05/09/2011	169.10	169.10	05/20/2011
	281582706	595 W 24TH ST	05/11/2011	10.96	10.96	05/20/2011
	281582706	750 W CENTENNIAL PKWY	05/11/2011	12.54	12.54	05/20/2011
	281582706	1425 1/4 W 2ND ST	05/11/2011	13.52	13.52	05/20/2011
	281582706	STREET LIGHTS	05/11/2011	11,962.94	11,962.94	05/20/2011
	281582706	ST LIGT MAIN CAP	05/11/2011	2,461.77	2,461.77	05/20/2011
	369940338	TRAFFIC LIGHT	05/02/2011	62.47	62.47	05/13/2011
	369940341	CLOCK	05/02/2011	5.19	5.19	05/13/2011
	369940813	SPRINKLER/FLASHER	05/02/2011	18.02	18.02	05/13/2011
Total 1120:				15,423.45	15,423.45	
<b>1125</b>						
<b>Rifle Chamber Of Commerce</b>						
	15-11-RCC	REIMBURSEMENT PAINTING	03/22/2011	590.85	.00	
Total 1125:				590.85	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
1126						
<b>Rifle City Of</b>						
	1357101-0501	2416-22 RAIL AVE	05/01/2011	6.06	6.06	05/25/2011
	1453101 04011	50 UTE	04/01/2011	329.32	329.32	04/25/2011
	1453101-0501	50 UTE AVE	05/01/2011	341.79	341.79	05/25/2011
	2003101 04011	201 E. 18th st	04/01/2011	89.29	89.29	04/25/2011
	2003101-0501	201 E. 18th st	05/01/2011	92.66	92.66	05/25/2011
	2004101 04011	612 RAILROAD AVE	04/01/2011	41.95	41.95	04/25/2011
	2004101-0501	612 RAILROAD	05/01/2011	44.98	44.98	05/25/2011
	2005101 04011	1612 RAILROAD AVE	04/01/2011	100.88	100.88	04/25/2011
	2005101-0501	1612 RAILROAD AVE	05/01/2011	100.88	100.88	05/25/2011
	2006101-0501	101 S EAST AVE	05/01/2011	3.03	3.03	05/25/2011
	2007101 04011	301 E 30TH ST	04/01/2011	127.51	127.51	04/25/2011
	2007101-0501	301 E 30TH ST	05/01/2011	127.51	127.51	05/25/2011
	2033001 04011	750 UTE AVE	04/01/2011	118.30	118.30	04/25/2011
	2033001-0501	750 UTE AVE	05/01/2011	118.30	118.30	05/25/2011
	2038001 04011	0409 CR 265/POUND	04/01/2011	76.79	76.79	04/25/2011
	2038001-0501	0409 CR 265/POUND	05/01/2011	83.53	83.53	05/25/2011
	2046001 04011	143 E 4TH ST/DDA	04/01/2011	41.95	41.95	04/25/2011
	2046001-0501	143 E 4TH ST/DDA	05/01/2011	41.95	41.95	05/25/2011
	216102 040111	124 W 2nd st	04/01/2011	49.72	49.72	04/25/2011
	216102-05011	124 W 2nd st	05/01/2011	49.72	49.72	05/25/2011
	2211101-0501	1201 RAILROAD AVE	05/01/2011	6.06	6.06	05/25/2011
	2214101 04011	1500 DOGWOOD DR	04/01/2011	701.79	701.79	04/25/2011
	2214101-0501	1500 DOGWOOD DR	05/01/2011	531.15	531.15	05/25/2011
	2215101 04011	225 EAST AVE	04/01/2011	17.42	17.42	04/25/2011
	2215101-0501	225 EAST AVE	05/01/2011	17.42	17.42	05/25/2011
	2575101 04011	E 4TH ST	04/01/2011	37.72	37.72	04/25/2011
	2575101-0501	E 4TH ST	05/01/2011	59.37	59.37	05/25/2011
	2975101 04011	1775 W CENTENNIAL PKWY	04/01/2011	17.42	17.42	04/25/2011
	2975101-0501	1775 CENTENNIAL PKWY	05/01/2011	17.42	17.42	05/25/2011
	3079101 04011	595 W 24TH ST	04/01/2011	17.42	17.42	04/25/2011
	3079101-0501	595 W 24TH ST	05/01/2011	17.42	17.42	05/25/2011
	3221101 04011	000 BROWNING DR	04/01/2011	17.42	17.42	04/25/2011
	3221101-0501	000 BROWNING DR	05/01/2011	17.42	17.42	05/25/2011
	3351101 04011	1221 E CENTENNIAL PKWY	04/01/2011	17.42	17.42	04/25/2011
	3351101-0501	1221 E CENTENNIAL PKWY	05/01/2011	17.42	17.42	05/25/2011
	3641101 04011	360 S 7TH ST B	04/01/2011	17.42	17.42	04/25/2011
	3641101-0501	360S 7TH ST B	05/01/2011	17.42	17.42	05/25/2011
	3673101 04011	3100 DOKES LN	04/01/2011	49.72	49.72	04/25/2011
	3673101-0501	3100 DOKES LN	05/01/2011	49.72	49.72	05/25/2011
	3677101 04011	2515 WEST CENTENNIAL PARK	04/01/2011	2,481.42	2,481.42	04/25/2011
	3677101-0501	2515 WEST CENTENNIAL PARK	05/01/2011	5,012.47	5,012.47	05/25/2011
	3679101	300 W 5TH ST	04/01/2011	17.42	17.42	04/25/2011
	3679101-0501	300 W 5TH ST	05/01/2011	17.42	17.42	05/25/2011
	779102 040111	132 E 4TH ST	04/01/2011	49.72	49.72	04/25/2011
	779102-05011	132 E 4TH ST	05/01/2011	49.72	49.72	05/25/2011
	823101 040111	202 railroad ave	04/01/2011	105.54	105.54	04/25/2011
	823101-05011	202 railroad ave	05/01/2011	115.43	115.43	05/25/2011
	873106 040111	236 w 4th st-Utilites Rental Proper	04/01/2011	66.96	66.96	04/25/2011
	873106-05011	236 w 4th st-Utilites Rental Proper	05/01/2011	66.96	66.96	05/25/2011
	944103 040111	221 W 2ND ST	04/01/2011	112.90	112.90	04/25/2011
	944103-05011	221 W 2ND ST	05/01/2011	110.20	110.20	05/25/2011
Total 1126:				11,836.85	11,836.85	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
<b>Rifle Lock &amp; Safe</b>						
	30736	OPEN LOCK	04/20/2011	50.00	.00	
	30813	KEYS	05/16/2011	25.25	.00	
Total 1132:				75.25	.00	
<b>1138</b>						
<b>Schmueser/Gordon/Meyer, Inc</b>						
	99055A-158	PHASE 001	04/30/2011	672.50	.00	
	99055A-158	PHASE 319	04/30/2011	387.50	.00	
	99055A-158	PHASE 415	04/30/2011	775.00	.00	
	99055A-158	PHASE 437	04/30/2011	155.00	.00	
	99055A-158	PHASE 460	04/30/2011	2,450.00	.00	
	99055A-158	PHASE 466	04/30/2011	4,785.00	.00	
	99055A-158	PHASE 467	04/30/2011	6,470.00	.00	
	99055A-158	PHASE 468	04/30/2011	310.00	.00	
	99055A-158	PHASE 469	04/30/2011	3,876.35	.00	
	99055A-158	PHASE 470	04/30/2011	426.25	.00	
	99055A-158	PHASE 471	04/30/2011	1,463.75	.00	
	99055G-1-7	WWTF METALS EVALUATION	04/28/2011	29,733.57	.00	
	99055N-5	RIFLE WATER CONSERVATION	04/30/2011	3,312.50	.00	
Total 1138:				54,817.42	.00	
<b>1143</b>						
<b>Swallow Oil Company</b>						
	043011	UNLEADED /FLEET	04/30/2011	3,875.76	.00	
	043011	DIESEL /FLEET	04/30/2011	2,138.89	.00	
	043011	cw	04/30/2011	7.50	.00	
	043011	INV 11040043	04/30/2011	174.50	.00	
	043011	INV 11040082	04/30/2011	25.00	.00	
	043011	INV 11040045	04/30/2011	153.40	.00	
	051511	UNLEADED /FLEET	05/15/2011	3,248.31	.00	
	051511	DIESEL /FLEET	05/15/2011	1,712.84	.00	
	051511	cw	05/15/2011	14.00	.00	
Total 1143:				11,300.20	.00	
<b>1181</b>						
<b>Garfield Steel &amp; Machine, Inc</b>						
	00076570	3/16 PLATE FLOOR	05/19/2011	40.88	.00	
	76422	3X3 X 1/4 ANGLE	05/10/2011	74.34	.00	
Total 1181:				115.22	.00	
<b>1188</b>						
<b>Jean's Printing</b>						
	111122	printing	04/14/2011	185.98	.00	
	111431	printing	05/11/2011	153.21	.00	
	111437	printing	05/11/2011	210.61	.00	
Total 1188:				549.80	.00	
<b>1256</b>						
<b>Resource Engineering, Inc</b>						
	9539	341-1.7 CUMULATIVE IMPACT	04/30/2011	1,534.50	.00	
	9540	341-10.15 ANTERO RESOURCE	04/30/2011	347.50	.00	
	9541	341-10.21 LARAMIE ENERGY	04/30/2011	320.00	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
	9542	341-10.24 ETC PIPELINE	04/30/2011	563.25	.00	
	9543	341-10.27 BBC WATERSHED PE	04/30/2011	347.50	.00	
	9544	341-10.4 WILLIAMS PRODUCTI	04/30/2011	389.50	.00	
	9545	341-10.7 ENCANA WATERSHED	04/30/2011	493.75	.00	
	9546	341-14.1 OPPOSITION TO 07CW	04/30/2011	34.75	.00	
	9547	341-9.5 RUEIDI ROUND II SALE	04/30/2011	347.50	.00	
Total 1256:				4,378.25	.00	
<b>1339</b>						
<b>Grand Junction Pipe &amp; Supply</b>						
	C2338849	CANAL GATE WEDGE LEFT	05/03/2011	524.42	.00	
	C2339043	CHLORINE PIT TABLETS	05/05/2011	228.00	.00	
	C2339534	GATE VLV MJXMJ	05/11/2011	1,100.31	.00	
	C2340126	MEGALUG PVC	05/17/2011	691.16	.00	
Total 1339:				2,543.89	.00	
<b>1365</b>						
<b>Rifle High School</b>						
	051111	HIGH SCHOOL SOFTBALL PRO	05/11/2011	800.00	800.00	05/13/2011
Total 1365:				800.00	800.00	
<b>1437</b>						
<b>TAYLOR FENCE COMPANY OF GRAND</b>						
	G29858	CONST. PANEL RENTAL	04/30/2011	28.80	.00	
	G29859	CONST. PANEL RENTAL	04/30/2011	15.00	.00	
Total 1437:				43.80	.00	
<b>1563</b>						
<b>Quill Corporation</b>						
	4106862	QB 8-1/2X11 CPY	05/05/2011	57.80	.00	
Total 1563:				57.80	.00	
<b>1682</b>						
<b>Safety Kleen</b>						
	54122079	model 16 RECYCLED	05/23/2011	171.97	.00	
Total 1682:				171.97	.00	
<b>1734</b>						
<b>United Companies</b>						
	800475	SANDING MATERIALS	05/07/2011	1,913.89	.00	
Total 1734:				1,913.89	.00	
<b>1750</b>						
<b>Commonwealth Title Company</b>						
	050211	GERLOFF AND TRAPP/CITY OF	05/02/2011	331.50	331.50	05/13/2011
Total 1750:				331.50	331.50	
<b>1768</b>						
<b>Faris Machinery Company</b>						
	G21429	HYD LINE SUPPORT	05/19/2011	53.48	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
	T12817	SMOOTH DRUM ROLLER	05/17/2011	3,730.00	.00	
Total 1768:				3,783.48	.00	
<b>1796</b>						
<b>Sears</b>						
	031419010784	LAWNMOWER	04/22/2011	397.37	397.37	05/20/2011
	031419010844	POWERWASHER	04/25/2011	269.87	269.87	05/20/2011
	031419011330	WEED EATER	05/12/2011	109.48	109.48	05/20/2011
	031419011499	APPLIANCES -CITY HALL	05/18/2011	2,910.95	2,910.95	05/20/2011
Total 1796:				3,687.67	3,687.67	
<b>1830</b>						
<b>Grand Valley Foods</b>						
	113878	FOOD PRODUCT/SR CENTER	05/13/2011	1,088.57	.00	
	114050	FOOD PRODUCT/SR CENTER	05/20/2011	571.48	.00	
Total 1830:				1,660.05	.00	
<b>1833</b>						
<b>P &amp; K's Auto Body</b>						
	7408	Repair PD Vehicle	05/03/2011	4,088.07	4,088.07	05/25/2011
Total 1833:				4,088.07	4,088.07	
<b>1992</b>						
<b>Renner Ironworks</b>						
	1283	MODIFY BRACKETS	05/13/2011	65.00	.00	
Total 1992:				65.00	.00	
<b>2208</b>						
<b>Amerigas</b>						
	0613-289328A	TANK RENT MTN PARK	05/10/2011	67.00	.00	
	0613-289329A	PROPANE/CE	05/10/2011	37.00	.00	
	0613-289330A	TANK RENT CEMETERY	05/10/2011	37.00	.00	
Total 2208:				141.00	.00	
<b>2250</b>						
<b>World Class Athleticsurfaces</b>						
	31935	AEROSOL WHITE	05/12/2011	191.00	.00	
Total 2250:				191.00	.00	
<b>2309</b>						
<b>Sport Supply Group, Inc.</b>						
	94000112	MACGREGOR KNEE SAVER BL	05/05/2011	14.75	.00	
	94004170	EASTON BLACK MAGIC CATCH	05/09/2011	136.89	.00	
	94015406	EASTON SK26 YOUTH FP BAT	05/16/2011	97.08	.00	
Total 2309:				248.72	.00	
<b>2310</b>						
<b>Tomark Sports, Inc.</b>						
	94004571	HELMET CADDY LARGE	05/09/2011	40.99	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 2310:				40.99	.00	
<b>2340</b>						
<b>Nfhs-natl Fed St Hi Sch Assns</b>						
	137249	rule books	05/02/2011	209.45	.00	
Total 2340:				209.45	.00	
<b>2343</b>						
<b>Mountain Pest Control</b>						
	0259596	PEST CONTROL	04/06/2011	50.00	.00	
Total 2343:				50.00	.00	
<b>2423</b>						
<b>Rifle City Petty Cash Rmp</b>						
	050911	PETTY CASH FOR/RMP	05/09/2011	100.00	100.00	05/13/2011
Total 2423:				100.00	100.00	
<b>2457</b>						
<b>Independence Environmental Svs</b>						
	8062	WATER TAP NEW MOVIE THEA	05/08/2011	3,400.00	.00	
Total 2457:				3,400.00	.00	
<b>2516</b>						
<b>Total Healthcare, Inc.</b>						
	18440-81	COS Drug Screen	05/02/2011	35.00	35.00	05/13/2011
Total 2516:				35.00	35.00	
<b>2573</b>						
<b>Mountain West Office Products</b>						
	2598201	supplies	05/18/2011	175.53	.00	
	2598491	supplies	05/24/2011	13.82	.00	
	2601011	supplies	05/25/2011	120.99	.00	
Total 2573:				310.34	.00	
<b>2690</b>						
<b>Down Valley Septic &amp; Drain LLC</b>						
	151946	ROLL OFF - TIP /CEMETARY	05/03/2011	485.00	.00	
	APR110026	ROLL OFF - TIP /CEMETARY	04/30/2011	200.00	.00	
Total 2690:				685.00	.00	
<b>2694</b>						
<b>Gould Construction</b>						
	052411	Rifle Bond Bypass Pipeline	05/24/2011	12,965.63	.00	
Total 2694:				12,965.63	.00	
<b>2824</b>						
<b>Aflac</b>						
	665556ER	SERVICE FEE	04/15/2011	150.00	150.00	05/13/2011

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 2824:				150.00	150.00	
<b>2830</b>						
<b>Qwest</b>						
	K-9706250004	City Clerk	05/01/2011	10.20	10.20	05/13/2011
	K-9706250004	Municipal Court	05/01/2011	13.75	13.75	05/13/2011
	K-9706250004	City Manager	05/01/2011	16.85	16.85	05/13/2011
	K-9706250004	Finance	05/01/2011	34.16	34.16	05/13/2011
	K-9706250004	Planning	05/01/2011	34.16	34.16	05/13/2011
	K-9706250004	CH13	05/01/2011	13.75	13.75	05/13/2011
	K-9706250004	Building Inspection	05/01/2011	20.40	20.40	05/13/2011
	K-9706250004	PW	05/01/2011	25.73	25.73	05/13/2011
	K-9706250004	Recreation	05/01/2011	47.91	47.91	05/13/2011
	K-9706250004	Police	05/01/2011	115.35	115.35	05/13/2011
	K-9706250004	Utilities Water	05/01/2011	5.32	5.32	05/13/2011
	K-9706250004	Utilities WW	05/01/2011	5.32	5.32	05/13/2011
	K-9706250004	Parks	05/01/2011	27.50	27.50	05/13/2011
	K-9706250004	IT	05/01/2011	13.75	13.75	05/13/2011
	K-9706250004	water	05/01/2011	13.75	13.75	05/13/2011
	K-9706250004	ww	05/01/2011	13.75	13.75	05/13/2011
	K-9706250004	O&M	05/01/2011	31.96	31.96	05/13/2011
	K-9706250115	Police	05/01/2011	281.40	281.40	05/13/2011
	K-9706250163	ww	05/01/2011	281.40	281.40	05/13/2011
	K-9706250164	STREETS	05/01/2011	281.40	281.40	05/13/2011
	K-9706250165	water	05/01/2011	281.40	281.40	05/13/2011
	K-9706250166	Parks	05/01/2011	281.40	281.40	05/13/2011
	K-9706250183	Police	05/01/2011	281.40	281.40	05/13/2011
	K-9706250267	Police	05/01/2011	294.84	294.84	05/13/2011
Total 2830:				2,426.85	2,426.85	
<b>2832</b>						
<b>Macklin, Justin</b>						
	052011	REIMBURSEMENT LUNCH	05/20/2011	25.61	25.61	05/20/2011
Total 2832:				25.61	25.61	
<b>2846</b>						
<b>Colo Mtn News Media</b>						
	6394596 04201	ADS	04/20/2011	165.69	165.69	05/20/2011
	6394596 04211	ADS	04/21/2011	165.69	165.69	05/20/2011
Total 2846:				331.38	331.38	
<b>2852</b>						
<b>Sykes, Hilda</b>						
	050911	Reimburse for Sr wellness expens	05/09/2011	7.34	7.34	05/13/2011
Total 2852:				7.34	7.34	
<b>2866</b>						
<b>Bureau Of Land Management</b>						
	051811	PERMIT FOR ROAN CLIFF CHA	05/18/2011	155.00	155.00	05/20/2011
Total 2866:				155.00	155.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
<b>2916</b>						
<b>Transact Technologies, Inc.</b>						
	1121540	CASE 24 ROLLS	05/18/2011	47.95	.00	
Total 2916:				47.95	.00	
<b>2960</b>						
<b>Walmart Community</b>						
	003302	SUPPLIES	05/03/2011	7.94	7.94	05/13/2011
	004676	SUPPLIES	05/04/2011	35.80	35.80	05/13/2011
	004885	SUPPLIES	05/04/2011	42.96	42.96	05/13/2011
	005230	SUPPLIES	05/05/2011	1,065.99	1,065.99	05/13/2011
	010673	SUPPLIES	04/10/2011	35.80	35.80	05/13/2011
	013237	SUPPLIES	05/13/2011	7.34	7.34	05/20/2011
	016599	FOOD SUPPLIES	05/16/2011	240.06	240.06	05/20/2011
	018504	SUPPLIES	05/18/2011	57.01	57.01	05/20/2011
Total 2960:				1,492.90	1,492.90	
<b>3015</b>						
<b>Kroger/King Sooper Cust Charge</b>						
	005550	FOOD /MEETING	05/09/2011	110.02	110.02	05/13/2011
	006659	FOOD /SR CENTER	05/16/2011	11.95	11.95	05/20/2011
	067920	FOOD /SR CENTER	05/17/2011	143.98	143.98	05/20/2011
	093457	FOOD /SR CENTER	05/17/2011	24.93	24.93	05/20/2011
	121109	FOOD /SR CENTER	05/11/2011	558.17	558.17	05/13/2011
	126604	ICE	05/11/2011	1.96	1.96	05/13/2011
	133631	FOOD /SR CENTER	05/11/2011	68.08	68.08	05/20/2011
	156882	FOOD /MEETING	05/11/2011	31.55	31.55	05/13/2011
	164508	SNACKS	05/11/2011	14.95	14.95	05/13/2011
	178458	FOOD /SR CENTER	05/12/2011	24.73	24.73	05/20/2011
Total 3015:				990.32	990.32	
<b>3083</b>						
<b>ALSCO</b>						
	1006495	work shirts and pants	05/10/2011	27.24	.00	
	1009292	work shirts and pants	05/17/2011	27.24	.00	
	LGRA1009291	LAUNDRY/senior center	05/17/2011	56.72	.00	
Total 3083:				111.20	.00	
<b>3107</b>						
<b>Northern Safety Co Inc</b>						
	P30006325010	BX SOFT FIT	05/11/2011	270.38	.00	
Total 3107:				270.38	.00	
<b>3156</b>						
<b>Superwash Of Rifle</b>						
	2008 051211	CAR WASH	05/12/2011	22.32	.00	
	2025 051211	CAR WASH	05/12/2011	89.07	.00	
	2036 051211	CAR WASH	05/12/2011	7.19	.00	
Total 3156:				118.58	.00	
<b>3251</b>						

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Mountain Communications And El	205845	GRASS MESA RENTAL	05/01/2011	250.00	250.00	05/13/2011
Total 3251:				250.00	250.00	
<b>3755</b>						
<b>Wagner Equipment Co</b>	P2092302	EQUIPMENT RENTAL-	05/11/2011	4,205.00	.00	
Total 3755:				4,205.00	.00	
<b>3771</b>						
<b>Waste Management Inc</b>	0637299-1185-	CONTAINER SERVICE FEE	05/01/2011	575.93	575.93	05/13/2011
Total 3771:				575.93	575.93	
<b>3780</b>						
<b>Concrete Equipment</b>	117294	LIGHTWEIGHT CONCRETE SPR	05/10/2011	35.22	.00	
	117316	GOATSKIN MECHANICS GLOVE	05/10/2011	245.06	.00	
Total 3780:				280.28	.00	
<b>3858</b>						
<b>Wells Fargo Bank Mn Na</b>	052511	OBI:CWRPDA-SWRP/RIFLE-148	05/25/2011	3,594.59	3,594.59	05/26/2011
	052511	OBI:CWRPDA-SWRP/RIFLE-148	05/25/2011	5,833.33	5,833.33	05/26/2011
Total 3858:				9,427.92	9,427.92	
<b>3909</b>						
<b>Mancinelli's</b>	050411	PIZZA FOR MEETINGS	05/04/2011	34.31	34.31	05/13/2011
Total 3909:				34.31	34.31	
<b>3955</b>						
<b>Holy Cross Energy</b>	500747602 040	Baron Lane St Lights	04/01/2011	18.56	18.56	05/13/2011
	503137300 040	BEAVER CREEK HEADGATE	04/01/2011	43.80	43.80	05/13/2011
Total 3955:				62.36	62.36	
<b>3960</b>						
<b>Lowe's Home Improvement Wareho</b>	02288	REMODEL MATERIALS	04/19/2011	125.85	125.85	05/20/2011
Total 3960:				125.85	125.85	
<b>4021</b>						
<b>Rifle Equipment Inc</b>	C1004374	BLADE	05/13/2011	61.65	.00	
	R1002740	SCISSORLIFT GENIE 26	04/29/2011	210.00	.00	
Total 4021:				271.65	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
<b>4055</b>						
<b>UPS/United Parcel Service</b>						
	Y2097W201	SHIPPING	05/14/2011	17.33	.00	
	Y2097W201	SHIPPING	05/14/2011	7.92	.00	
Total 4055:				25.25	.00	
<b>4141</b>						
<b>True Brew Coffee Service</b>						
	134785	COFFEE	05/19/2011	110.49	.00	
Total 4141:				110.49	.00	
<b>4181</b>						
<b>Crown Awards</b>						
	31275807	SHIELD SOCCER MEDAL GOLD	05/05/2011	330.40	.00	
Total 4181:				330.40	.00	
<b>4207</b>						
<b>Radio Shack</b>						
	10136723	IPHONE BLK DOUBLE COVER	05/10/2011	24.99	.00	
Total 4207:				24.99	.00	
<b>4236</b>						
<b>Denver Industrial Sales &amp; Serv</b>						
	140563	CRA 50270DUCK BILL TIP RUBB	05/05/2011	123.05	.00	
Total 4236:				123.05	.00	
<b>4240</b>						
<b>Platinum Plus For Business</b>						
	BRAATEN 051	EXPENSES	05/11/2011	59.29	59.29	05/20/2011
	BRIEDIS 0511	LUNCH MEETING-BASEBALL/S	05/11/2011	64.98	64.98	05/20/2011
	BRIEDIS 0511	ADVERTISING-JOB OPENING	05/11/2011	149.00	149.00	05/20/2011
	CAIN 051111	DINNER WORKSHOP-MEETING	05/11/2011	147.30	147.30	05/20/2011
	CAIN 051111	HAMPTON INN	05/11/2011	86.00	86.00	05/20/2011
	CAIN 051111	COUNCIL DINNER	05/11/2011	225.00	225.00	05/20/2011
	CHRISTENSE	DENVER WEST TOWING	05/11/2011	352.20	352.20	05/20/2011
	CHRISTENSE	COL INSTITUTE-CU CONFEREN	05/11/2011	1,170.00	1,170.00	05/20/2011
	CHRISTENSE	LUNCH-LANDSCAPE ARCH	05/11/2011	38.20	38.20	05/20/2011
	CHRISTENSE	VIF ADVISORY BOARD-LUNCH	05/11/2011	127.37	127.37	05/20/2011
	CHRISTENSE	MEALS-MEETING-	05/11/2011	57.26	57.26	05/20/2011
	CHRISTENSE	EXPENSES-CONFERENCE	05/11/2011	263.47	263.47	05/20/2011
	CHRISTENSE	EXPENSES-CONFERENCE	05/11/2011	194.24	194.24	05/20/2011
	CHRISTENSE	UT DIRECTORS-HOTEL	05/11/2011	172.00	172.00	05/20/2011
	CHRISTENSE	UT DIRECTORS-HOTEL	05/11/2011	172.00	172.00	05/20/2011
	CHRISTENSE	MEALS-MEETING-	05/11/2011	199.42	199.42	05/20/2011
	EDGETON 051	ROLLIN RENDEZVOUS PRIZES	05/11/2011	103.11	103.11	05/20/2011
	FITZSIMMONS	YOUSENDIT PRO ACCOUNTS	05/11/2011	9.99	9.99	05/20/2011
	GALLEGOS 05	TRAINING CLASSES EXPENSE	05/11/2011	465.00	465.00	05/20/2011
	KELTY 051111	STAFF LUNCH	05/11/2011	89.50	89.50	05/20/2011
	KELTY 051111	WESTERN SLOPE WORKSHOP-	05/11/2011	114.61	114.61	05/20/2011
	KOLEY 051111	TRAINING EXPENSES	05/11/2011	484.27	484.27	05/20/2011
	LAMBERT 051	LUNCH -GWS	05/11/2011	42.73	42.73	05/20/2011
	MACKLIN 0511	870 ARMORER COURSE-EXPE	05/11/2011	351.85	351.85	05/20/2011
	MILLER 05111	CBI TRAINING-LUNCH	05/11/2011	43.00	43.00	05/20/2011

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
	PINA 051111	CNT TRAINING EXPENSES	05/11/2011	46.40	46.40	05/20/2011
	STURGEON-0	LUNCH MEETING-BASEBALL/S	05/11/2011	49.72	49.72	05/20/2011
	STURGEON-0	CONFERENCEING	05/11/2011	15.45	15.45	05/20/2011
	STURGEON-0	ENSIGNAL	05/11/2011	29.99	29.99	05/20/2011
	VALDEZ	SNACKS-TRAINING	05/20/2011	45.40	45.40	05/20/2011
Total 4240:				5,368.75	5,368.75	
<b>4373</b>						
<b>Rifle Electric Inc</b>						
	1946	REMOVE CONDUIT WIRE WALL	05/13/2011	500.00	.00	
Total 4373:				500.00	.00	
<b>4406</b>						
<b>Rifle Creek Stone Inc</b>						
	26410	ROAD BASE	05/04/2011	672.65	.00	
Total 4406:				672.65	.00	
<b>4459</b>						
<b>Ground Engineering Consultants</b>						
	106564.0-4	Material Testing Rifle ENERGY IN	04/29/2011	663.00	.00	
	116004.0-1	SUBSURFACE EXPLORATION P	04/29/2011	800.00	.00	
	116519.P-1	MateriALS TESTING RIFLE SEW	04/29/2011	1,311.00	.00	
Total 4459:				2,774.00	.00	
<b>4522</b>						
<b>Lifeguard Store Inc The</b>						
	039344	LIFE GAURD SWIM SUITES	03/24/2011	1,614.65	.00	
Total 4522:				1,614.65	.00	
<b>4590</b>						
<b>Colorado Poolscares Inc</b>						
	31388-1	REAGENT TAYLOR	05/17/2011	46.24	.00	
Total 4590:				46.24	.00	
<b>4612</b>						
<b>Automated Batting Cages Corp.</b>						
	96054	SUPPLIES	05/19/2011	423.00	.00	
Total 4612:				423.00	.00	
<b>4630</b>						
<b>Kirkman, Ula</b>						
	58	PERFORMANCE/SR CENTER	05/10/2011	75.00	75.00	05/13/2011
Total 4630:				75.00	75.00	
<b>4701</b>						
<b>Tri County Fire Protection</b>						
	74551	ANNUAL MAIN INSPECTION	05/19/2011	86.00	.00	
Total 4701:				86.00	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
<b>4753</b>						
<b>Rifle Truck &amp; Trailer</b>						
	3673	USED TOOL BOX DOUBLE LID	05/13/2011	100.00	.00	
Total 4753:				100.00	.00	
<b>4771</b>						
<b>Walker Jan</b>						
	27	PERFORMANCE/SR CENTER	05/06/2011	40.00	40.00	05/13/2011
Total 4771:				40.00	40.00	
<b>4775</b>						
<b>HD Supply Waterworks</b>						
	2942774	Sewer pipe and pipe fittings	05/11/2011	4,874.52	.00	
	2954894	P572 POLLARD VALVE TONG	05/13/2011	102.45	.00	
Total 4775:				4,976.97	.00	
<b>4811</b>						
<b>United Site Services Inc</b>						
	10360955	PORTABLE RESTROOM JOYCE	04/28/2011	65.00	.00	
	10361381	STANDARD RESTROOM-BATTI	05/02/2011	65.00	.00	
	10361432	PORTABLE RESTROOM -DEER	05/03/2011	540.00	.00	
	10362011	PORTABLE RESTROOM -metro	05/09/2011	130.00	.00	
	10362132	PORTABLE RESTROOM/ Mount	05/10/2011	1,182.50	.00	
Total 4811:				1,982.50	.00	
<b>4879</b>						
<b>Cardiff Cleaning Services</b>						
	4121	CLEANING JUSTICE CENTER	04/15/2011	4,175.00	.00	
Total 4879:				4,175.00	.00	
<b>4926</b>						
<b>Ge Capital</b>						
	55661706	KIP PRINTER	05/08/2011	391.49	.00	
Total 4926:				391.49	.00	
<b>4937</b>						
<b>Stilson, Linda</b>						
	052011	PIZZA/DONUTS KIDS	05/20/2011	57.15	57.15	05/20/2011
Total 4937:				57.15	57.15	
<b>4963</b>						
<b>Intellipay Inc</b>						
	8000	transaction fee	04/30/2011	117.18	117.18	05/13/2011
Total 4963:				117.18	117.18	
<b>4967</b>						
<b>Touch Tone Communications</b>						
	043011	CITY CLERK	04/30/2011	5.82	5.82	05/13/2011
	043011	COURT	04/30/2011	7.59	7.59	05/13/2011
	043011	CITY MANAGER	04/30/2011	9.13	9.13	05/13/2011

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
	043011	FINANCE	04/30/2011	17.74	17.74	05/13/2011
	043011	PLANNING	04/30/2011	17.74	17.74	05/13/2011
	043011	CH13	04/30/2011	7.59	7.59	05/13/2011
	043011	BUILDING INSPECTION	04/30/2011	10.89	10.89	05/13/2011
	043011	PW	04/30/2011	13.54	13.54	05/13/2011
	043011	REC	04/30/2011	24.58	24.58	05/13/2011
	043011	POLICE	04/30/2011	58.35	58.35	05/13/2011
	043011	UW	04/30/2011	3.39	3.39	05/13/2011
	043011	UWW	04/30/2011	3.39	3.39	05/13/2011
	043011	PARKS	04/30/2011	14.43	14.43	05/13/2011
	043011	IT	04/30/2011	7.59	7.59	05/13/2011
	043011	WATER	04/30/2011	7.59	7.59	05/13/2011
	043011	WW	04/30/2011	7.59	7.59	05/13/2011
	043011	OM	04/30/2011	25.66	25.66	05/13/2011
Total 4967:				242.61	242.61	
<b>4999</b>						
<b>Master Automotive Inc</b>						
	13186	REPAIR 2008 TOYOTA PRIUS	03/15/2011	65.00	.00	
Total 4999:				65.00	.00	
<b>5028</b>						
<b>CRABTEE'S RED CANYON AUTO BODY</b>						
	052411	REPAIR FORD 07	05/24/2011	6,676.96	.00	
Total 5028:				6,676.96	.00	
<b>5181</b>						
<b>FRED'S HARDWARE</b>						
	20300 043011	SUPPLIES	04/30/2011	720.22	.00	
	20300 043011	SUPPLIES	04/30/2011	139.10	.00	
	20300 043011	SUPPLIES	04/30/2011	17.54	.00	
	20300 043011	SUPPLIES	04/30/2011	15.04	.00	
	20300 043011	SUPPLIES	04/30/2011	1.19-	.00	
Total 5181:				890.71	.00	
<b>5195</b>						
<b>ALL POINTS CAPITAL CORPORATION</b>						
	052511	LEASE PAYMENT/JUSTICE CEN	05/25/2011	38,731.14	38,731.14	05/26/2011
	052511	LEASE PAYMENT/JUSTICE CEN	05/25/2011	93,993.03	93,993.03	05/26/2011
Total 5195:				132,724.17	132,724.17	
<b>5253</b>						
<b>FASTENAL</b>						
	CORIF40407	BATTERY	04/25/2011	23.62	.00	
	CORIF40584	S/S HCS	05/02/2011	31.32	.00	
	CORIF40650	FORGRASSBALLVALV	05/04/2011	15.09	.00	
Total 5253:				70.03	.00	
<b>5356</b>						
<b>Rifle City Petty Cash - Pool</b>						
	050911	petty cash for the pool	05/09/2011	300.00	300.00	05/13/2011

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 5356:				300.00	300.00	
<b>5384</b>						
<b>MOUNTAIN HIGH PAINT</b>						
	051911	PAINT AND PAINT SUPPLIES	05/19/2011	324.40	.00	
Total 5384:				324.40	.00	
<b>5426</b>						
<b>Sonny Conley</b>						
	043011	employee assistance program	04/30/2011	150.00	150.00	05/13/2011
Total 5426:				150.00	150.00	
<b>5503</b>						
<b>JAY-MAX SALES</b>						
	206094-000	MJIC 3/8	05/11/2011	3.08	.00	
	206696-00	FORD TERMINAL	05/18/2011	113.50	.00	
	207077-00	CABLE TIE REG BLACK	05/11/2011	5.00	.00	
	207411-00	COTTON RAGS	05/18/2011	58.46	.00	
Total 5503:				180.04	.00	
<b>5548</b>						
<b>Power Equipment Company</b>						
	G105048739	HYDR MOTOR	05/18/2011	636.01	.00	
Total 5548:				636.01	.00	
<b>5564</b>						
<b>MAURER, AMANDA</b>						
	5	SERVING AS ASSOCIATE MUNI	05/04/2011	675.00	675.00	05/13/2011
Total 5564:				675.00	675.00	
<b>5602</b>						
<b>Colorado State Bank and Trust</b>						
	052511	Parks Maint. Bldg Lease	05/25/2011	50,268.34	50,268.34	05/26/2011
	052511	Parks Maint. Bldg Lease	05/25/2011	110,895.46	110,895.46	05/26/2011
Total 5602:				161,163.80	161,163.80	
<b>5611</b>						
<b>G.H. Daniels III &amp; Associates</b>						
	RGC4223	RED CEDAR SHREDDED	04/30/2011	80.00	.00	
Total 5611:				80.00	.00	
<b>5613</b>						
<b>SunEdison, LLC/pump station</b>						
	007711040077	PUMP STATION #1	03/31/2011	3,956.61	3,956.61	05/16/2011
	007711050081	PUMP STATION #1	04/30/2011	4,332.04	4,332.04	05/16/2011
Total 5613:				8,288.65	8,288.65	
<b>5634</b>						

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Dept. of Labor and Employment						
	051311	ANNUAL FEE AMUSEMENT RID	05/13/2011	635.00	635.00	05/13/2011
Total 5634:				635.00	635.00	
<b>5648</b>						
<b>REDI SERVICES, LLC</b>						
	0134564	PORTABLE RESTROOMS	04/30/2011	60.00	.00	
Total 5648:				60.00	.00	
<b>5673</b>						
<b>CAMCA</b>						
	051311	Wisdom - Court Basics Class Reg	05/13/2011	80.00	80.00	05/13/2011
Total 5673:				80.00	80.00	
<b>5680</b>						
<b>Malcolm Pirnie, Inc.</b>						
	0383204	RRWPF Design Completion	05/24/2011	58,922.96	.00	
Total 5680:				58,922.96	.00	
<b>5752</b>						
<b>Accutest Mountain States</b>						
	D4-16895	alkalinity, organic carbon/water te	05/06/2011	11,647.00	.00	
	D4-16896	alkalinity, organic carbon/water te	05/06/2011	906.00	.00	
Total 5752:				12,553.00	.00	
<b>5781</b>						
<b>Goodwin, Laura</b>						
	050911	FLOWERS	05/09/2011	21.48	21.48	05/13/2011
Total 5781:				21.48	21.48	
<b>5795</b>						
<b>Sprinklers Professionals, Inc.</b>						
	1286	MISC SCHRUBS	04/21/2011	1,220.00	.00	
Total 5795:				1,220.00	.00	
<b>5796</b>						
<b>Norit Americas Inc.</b>						
	514243	Po 444	05/16/2011	2,370.00	.00	
Total 5796:				2,370.00	.00	
<b>5833</b>						
<b>SunEdison, LLC/SunE U6 holding</b>						
	007811040077	energy innovation center	03/31/2011	10,046.55	10,046.55	05/16/2011
	007811050081	energy innovation center	04/30/2011	11,839.81	11,839.81	05/16/2011
Total 5833:				21,886.36	21,886.36	
<b>5842</b>						
<b>Interstate All Battery Center</b>						
	20882539	batteries	05/06/2011	292.52	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 5842:				292.52	.00	
<b>5846</b>						
<b>Mesa County Health Department</b>						
	1666-11	Water Testing	05/10/2011	20.00	20.00	05/20/2011
	1667-11	Water Testing	05/10/2011	20.00	20.00	05/20/2011
	1668-11	Water Testing	05/10/2011	20.00	20.00	05/20/2011
	1669-11	Water Testing	05/10/2011	20.00	20.00	05/20/2011
	1670-11	Water Testing	05/10/2011	20.00	20.00	05/20/2011
Total 5846:				100.00	100.00	
<b>5884</b>						
<b>G.E. Analytical Instruments</b>						
	CD970137594	UV LAMP MULTIPLE	05/10/2011	233.45	.00	
Total 5884:				233.45	.00	
<b>5945</b>						
<b>Loyal E Leavenworth pc</b>						
	729	LEGAL FEES	04/30/2011	235.75	235.75	05/13/2011
Total 5945:				235.75	235.75	
<b>5998</b>						
<b>UMB BANK NA</b>						
	052511	RIFLE SALES USE TAX 03	05/25/2011	48,938.13	48,938.13	05/26/2011
Total 5998:				48,938.13	48,938.13	
<b>6001</b>						
<b>Christie Ward &amp; Associates, Inc</b>						
	1053	FOLLOW UP TRAINING	05/16/2011	2,346.69	.00	
Total 6001:				2,346.69	.00	
<b>6006</b>						
<b>Rifle City Petty Cash /DDA</b>						
	051311	STATE OF COMMUNITY LUNCH	05/13/2011	25.00	25.00	05/13/2011
	051311	SUPPLIES BANNER POLE MAP	05/13/2011	2.02	2.02	05/13/2011
	051311	REPAIR IRRIGATION PARTS	05/13/2011	31.00	31.00	05/13/2011
	051311	POSTAGE	05/13/2011	1.22	1.22	05/13/2011
	051311	SUPPLIES TRASH BAGS	05/13/2011	11.43	11.43	05/13/2011
	051311	SUPPLIKES CLEAN SWEEP BA	05/13/2011	5.76	5.76	05/13/2011
	051311	ADVERTISING JEANS PRINTIN	05/13/2011	50.92	50.92	05/13/2011
	051311	SUPPLIES CLEAN SWEEP	05/13/2011	32.74	32.74	05/13/2011
	051311	REPAIR GRAFFITI SUPPLIES	05/13/2011	48.29	48.29	05/13/2011
	051311	SUPPLIES DONUTS CLEAN SW	05/13/2011	15.80	15.80	05/13/2011
	051311	SUPPLIES GRANOLA BARS CL	05/13/2011	18.20	18.20	05/13/2011
Total 6006:				242.38	242.38	
<b>6133</b>						
<b>GILCO, INC</b>						
	721667	DYED DIESEL	04/22/2011	1,392.07	.00	
	721669	DYED DIESEL	04/29/2011	1,568.81	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 6133:				2,960.88	.00	
<b>6135</b>						
<b>QWEST-BUSINESS SERVICES</b>						
	1162135876	CITY CLERK	04/30/2011	12.74	12.74	05/13/2011
	1162135876	MUNICIPAL CLERK	04/30/2011	16.98	16.98	05/13/2011
	1162135876	CITY MANAGER	04/30/2011	21.23	21.23	05/13/2011
	1162135876	FINANCE	04/30/2011	42.46	42.46	05/13/2011
	1162135876	PLANNING	04/30/2011	42.46	42.46	05/13/2011
	1162135876	CH13	04/30/2011	16.98	16.98	05/13/2011
	1162135876	BUILDING	04/30/2011	25.48	25.48	05/13/2011
	1162135876	PUBLIC WORKS	04/30/2011	29.72	29.72	05/13/2011
	1162135876	REC	04/30/2011	59.45	59.45	05/13/2011
	1162135876	POLICE	04/30/2011	144.37	144.37	05/13/2011
	1162135876	UW	04/30/2011	6.37	6.37	05/13/2011
	1162135876	UWW	04/30/2011	6.37	6.37	05/13/2011
	1162135876	PARKS	04/30/2011	33.97	33.97	05/13/2011
	1162135876	IT	04/30/2011	16.98	16.98	05/13/2011
	1162135876	WATER	04/30/2011	16.98	16.98	05/13/2011
	1162135876	WW	04/30/2011	16.98	16.98	05/13/2011
	1162135876	OM	04/30/2011	42.47	42.47	05/13/2011
Total 6135:				551.99	551.99	
<b>6161</b>						
<b>Ewing Irrigation Products</b>						
	3193329	RADIO MODULE	05/05/2011	1,025.00	.00	
	3193330	ANTENNA	05/05/2011	1,365.71	.00	
Total 6161:				2,390.71	.00	
<b>6167</b>						
<b>High Country Carpet Care</b>						
	10677	REPAIR WATER DAMAGED INS	01/20/2011	3,278.15	3,278.15	05/13/2011
Total 6167:				3,278.15	3,278.15	
<b>6221</b>						
<b>Wells Fargo Financial Leasing</b>						
	6745144704	LEASE PMT	05/02/2011	336.44	336.44	05/13/2011
Total 6221:				336.44	336.44	
<b>6233</b>						
<b>Wireless Advanced Communications</b>						
	210205	PC's for PD Squad Room	03/25/2011	9,444.92	9,444.92	05/20/2011
Total 6233:				9,444.92	9,444.92	
<b>6248</b>						
<b>Colorado River Engineering, Inc.</b>						
	3546	VALLEY LUMBER REDEVELOP	05/16/2011	9,187.38	.00	
Total 6248:				9,187.38	.00	
<b>6265</b>						

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Active Energies, Inc.	10280-2	Energy Process Audit	05/16/2011	935.00	.00	
Total 6265:				935.00	.00	
<b>6267</b>						
<b>Tad S. Foster Attorney at Law</b>						
	10719	PROFESSIONAL SERVICES	05/10/2011	3,766.67	.00	
Total 6267:				3,766.67	.00	
<b>6268</b>						
<b>Colorado Hardscapes</b>						
	14026	Centennial Park/Re-surface areas	05/09/2011	2,888.60	.00	
Total 6268:				2,888.60	.00	
<b>6291</b>						
<b>Custom Accents, LLC</b>						
	715	Remove/Replace center cabins/s	04/27/2011	4,597.00	4,597.00	05/13/2011
Total 6291:				4,597.00	4,597.00	
<b>6292</b>						
<b>Comspeq Consulting Inc.</b>						
	05062011RRC	ANNUAL PERMIT	05/06/2011	300.00	300.00	05/13/2011
Total 6292:				300.00	300.00	
<b>6293</b>						
<b>Pioneer Steel &amp; Tube Corporation</b>						
	051211	REFUND SALES TAX PRODUCT	04/30/2011	3,462.48	3,462.48	05/13/2011
Total 6293:				3,462.48	3,462.48	
<b>6294</b>						
<b>Layman Marion</b>						
	651552	ELECTRICAL WORK	04/29/2011	85.00	85.00	05/13/2011
Total 6294:				85.00	85.00	
<b>6295</b>						
<b>Labyrinth Healthcare Group</b>						
	10417	PATIENT CARE SET UP FEE/M	05/12/2011	935.00	935.00	05/20/2011
Total 6295:				935.00	935.00	
<b>6296</b>						
<b>Nevonen John &amp; Linda</b>						
	051811	REPAIR 2002 FORD EXPLORER	05/18/2011	782.64	782.64	05/20/2011
Total 6296:				782.64	782.64	
<b>6297</b>						
<b>Valley Towing Inc.</b>						
	0442	TOWING	05/04/2011	50.00	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 6297:				50.00	.00	
<b>6298</b>						
<b>TIFCO INDUSTRIES</b>						
	70683305	GOODYEAR WIPER BLADE	05/03/2011	112.28	.00	
Total 6298:				112.28	.00	
<b>6299</b>						
<b>Lantis Fireworks and Lasers</b>						
	11145	Rifle Fireworks Display	05/25/2011	6,000.00	.00	
Total 6299:				6,000.00	.00	
<b>6300</b>						
<b>SIEMENS INDUSTRY INC</b>						
	5565094450	TRANDUCER	05/13/2011	1,650.60	.00	
Total 6300:				1,650.60	.00	
<b>6301</b>						
<b>PRIME STRIPE INC</b>						
	40942	SOCCER NET	05/09/2011	155.00	.00	
Total 6301:				155.00	.00	
<b>6302</b>						
<b>PACIFIC CASCADE CORP</b>						
	PZIC0012871	42 INCH T TOP DELINEATOR	05/24/2011	531.25	.00	
Total 6302:				531.25	.00	
Grand Totals:				761,876.63	465,813.91	

Dated: \_\_\_\_\_

City Treasurer: \_\_\_\_\_

## Report Criteria:

Detail report.

Invoices with totals above \$0 included.

Paid and unpaid invoices included.



## Memo

**To:** Honorable Mayor and Rifle City Council; John Hier, City Manager  
**From:** Lisa Cain, City Clerk  
**Date:** Thursday, May 26, 2011  
**Subject:** WingNutz Bar & Grill  
Liquor License Renewal Application; Report of Changes

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### *Liquor License Renewal Application*

WingNutz Bar & Grill has submitted an application to renew its Hotel and Restaurant Liquor License at 2178 Railroad Avenue. This application is complete, and the renewal application fees have been paid.

On October 30, 2010, the Colorado Liquor Enforcement Division ("Division") conducted compliance checks of liquor-licensed premises in Rifle. WingNutz has agreed with the Division that on that date, it sold an alcohol beverage to a 19-year-old purchaser, in violation of the State Liquor Code. As a result, the Division imposed a 15-day suspension of WingNutz' license served as follows: (1) 10 days held in abeyance for 1 year, pending no further violations; and (2) 5 days stayed upon payment of a fine of \$835.84 (20% of WingNutz' gross revenues for 5 days). Please see the attached Stipulation, Agreement, and Order.

City Council also has the authority to take action against WingNutz for this Liquor Code violation. If Council wishes to do so, its next step would be to issue an order to show cause and set a hearing. Council's other option is to approve the renewal application.

The City Clerk's Office has no record of previous Liquor Code violations by WingNutz. Based upon this, the City Clerk's Office recommends that Council approve the renewal application. The City Clerk's Office encourages Council, however, to seek input from the Police Chief with respect to this matter.

For Council's information, a chart showing the status of actions with respect to the October 2010 compliance checks is attached.



*Report of Changes*

WingNutz has submitted a Report of Changes for the purpose of adding Suzanne Hazelton as Vice President. This application is complete, the application fees have been paid, and the Police Department's attached memorandum indicates that no Colorado or FBI criminal histories were located on Ms. Hazelton. Based upon this, the City Clerk's Office recommends that Council approve the Report of Changes.



**CITY OF RIFLE**

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

WWW.RIFLECO.ORG

(970) 665-6405 • (970) 665-6402 FAX



## ATTACHMENT TO LIQUOR OR 3.2 BEER LICENSE RENEWAL APPLICATION

**This page must be completed and attached to your signed renewal application form.  
 Failure to include this page with the application may result in your license not being renewed.**

Trade Name of Establishment <b>Western Slope Investments</b>		State License Number <b>15-41524-0000</b>
1. Operating Manager <b>Grady F. Hazelton</b>	Home Address	Date of Birth
2. Do you have legal possession of the premises for which this application for license is made? Are the premises owned or rented: <b>rented</b> If rented, expiration date of lease: <b>2015</b>		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
3. Has there been any change in financial interest (new notes, loans, owners, etc.) since the last annual application? If yes, explain in detail and attach a listing of all liquor businesses in which these new lenders or owners, (other than licensed financial institutions) are materially interested.		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
4. Since the date of filing of the last annual application, has the applicant, or any of its agents, owners, managers, principals, or lenders (other than licensed financial institutions), been convicted of a crime? If yes, attach a detailed explanation.		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
5. Since the date of filing of the last annual application, has the applicant, or any of its agents, owners, managers, principals, or lenders (other than licensed financial institutions), been denied an alcoholic beverage license, had an alcoholic beverage license suspended or revoked, or had interest in any entity that had an alcoholic beverage license denied, suspended or revoked? If yes, attach a detailed explanation.		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
6. Does the applicant, or any of its agents, owners, managers, principals, or lenders (other than licensed financial institutions), have a direct or indirect interest in any other Colorado liquor license (include loans to or from any licensee, or interest in a loan to any licensee)? If yes, attach a detailed explanation.		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
7. Corporation or Limited Liability Company (LLC) or Partnership applicants must answer these questions. Since the date of filing of the last annual license application:		Yes No
(a) Are there, or have there been: any officers or directors; or managing members; or general partners added to or deleted from applicant for renewal of a 3.2 beer or liquor license?		<input checked="" type="checkbox"/> <input type="checkbox"/>
(b) Are there or have there been: any stockholders with 10% or more of the issued stock of the Corporation; or any members with 10% or more membership interest in the LLC; or any partners with 10% or more interest in the partnership added to or deleted from the applicant for renewal of a 3.2 beer or liquor license?		Yes No <input checked="" type="checkbox"/> <input type="checkbox"/>
(c) If Yes to (a) or (b), complete and attach Form DR 8177: Corporation, Limited Liability Company or Partnership Report of Changes, and all supporting documentation, and fees your Local Licensing Authority immediately.		
8. Sole proprietorships, Husband-Wife Partnerships or Partners in General Partnerships:		
<b>EVIDENCE OF LAWFUL PRESENCE</b>		
Each person identified above must complete and sign the following affidavit. Please make additional copies if necessary. Each person must also provide a copy of their driver's license or state issued identification card.		
In lieu of form DR 4879, the undersigned swears or affirms under penalty of perjury under the laws of the State of Colorado that (check one):		
<input checked="" type="checkbox"/> I am a United States Citizen		
<input type="checkbox"/> I am not a United States Citizen but I am a Permanent Resident of the United States		
<input type="checkbox"/> I am not a United States Citizen but I am lawfully present in the United States pursuant to Federal Law		
<input type="checkbox"/> I am a foreign national not physically present in the United States		
I understand that this sworn statement is required by law because I have applied for a public benefit. I understand that state law requires me to provide proof that I am lawfully present in the United States prior to receipt of this public benefit. I further acknowledge that making a false, or fraudulent statement or misrepresentation in this sworn affidavit is punishable under the criminal laws of Colorado Revised Statute 18-8-503 and it shall constitute a separate criminal offense each time a public benefit is fraudulently received.		
Signature	Printed name	Date

**CORPORATION, LIMITED LIABILITY COMPANY AND PARTNERSHIP  
 Liquor and 3.2 Beer Licenses**

(2355)  LLC/PARTNERSHIP  
 (2350)  CORPORATION

SEE INSTRUCTIONS AND  
 FEE SCHEDULE ON PAGE 2

1. Corporate/LLC/Partnership Name Western Slope Investments		2. State Tax Account Number 01541524-0000		3. State Liquor License Number 15-41524-0000	
4. Trade Name WingNutz Bar and Grill				5. Telephone Number 970-625-9300	
6. Address of Licensed Premises 2178 Railroad Avenue		City Rifle	State CO	ZIP Code 81650	
7. Mailing Address if different than above PO Box 586		City New Castle	State CO	ZIP Code 81647	

**8. LIST ALL officers, directors (corporation) or Managing Members (L.L.C.) or General Partner(s). Each Officer, Director, Managing Member or Partner MUST FILL OUT a DR 8404-I (Individual History Record).**

Position Held	Names	Home Address	DOB	Replaces
President	Grady F. Hazelton			N/A - current Pres.
Vice Pres	Suzanne Hazelton			new officer

**9. LIST ALL 10% (or more) Stockholders or 10% (or more) Members or 10% (or more) Limited Partners. Each person listed must fill out a DR 8404-I (Individual History Record)**

Stockholders/Members/Partners owning 10% (or more) of business	% Owned	Home Address	DOB	Replaces
Grady F. Hazelton	50			N/A - current Pres.
Suzanne Hazelton	50			new officer

**10. Registered Agent**

Registered Agent Grady F. Hazelton	Address For Service PO Box 586, New Castle, CO 81647
---------------------------------------	---------------------------------------------------------

**OATH OF APPLICANT**  
 I declare under penalty of perjury in the second degree that this application and all attachments are true, correct, and complete to the best of my knowledge.

**11. Authorized Signature**

	Title President/owner	Date 3/25/11
--	--------------------------	-----------------

**REPORT OF LOCAL LICENSING AUTHORITY**  
 The foregoing changes have been received and examined by the Local Licensing Authority.

**12. Local Licensing Authority For**

County  Town/City

Signature	Title	Date
Attest		Date

**DO NOT WRITE IN THIS SPACE - FOR DEPARTMENT OF REVENUE USE ONLY**

**LIABILITY INFORMATION**

License Account Number	Period	Cash Fund	TOTAL
		-100 (999)	



New Castle CO 81647  
(City) (State) (Postal/Zip Code)

8. Registered agent mailing address:  
(LEAVE BLANK if same as above)

(Street name and number or Post Office Box information)  
(City) (State) (Postal/Zip Code)  
(Province - if applicable) (Country - if not US)

9. If the corporation's period of duration is less than perpetual, state the date on which the period of duration expires:

(mm/dd/yyyy)

10. (OPTIONAL) Delayed effective date:

(mm/dd/yyyy)

11. Name(s) and address(es) of incorporator(s): (if an individual):

HAZELTON GRADY F.  
(Last) (First) (Middle) (Suffix)

OR (if a business organization):

P. O. Box 586  
(Street name and number or Post Office Box information)

New Castle CO 81647  
(City) (State) (Postal/Zip Code)  
United States  
(Province - if applicable) (Country - if not US)

(if an individual)

(Last) (First) (Middle) (Suffix)

OR (if a business organization)

(Street name and number or Post Office Box information)  
(City) (State) (Postal/Zip Code)  
United States  
(Province - if applicable) (Country - if not US)

(if an individual)

(Last) (First) (Middle) (Suffix)

OR (if a business organization)

(Street name and number or Post Office Box information)

\_\_\_\_\_  
\_\_\_\_\_  
(City) (State) (Postal/Zip Code)  
United States  
(Province - if applicable) (Country - if not US)

(If there are more than three incorporators, mark this box  and include an attachment stating the true names and mailing addresses of all additional incorporators.)

12. The corporation is authorized to issue 10,000 shares of common stock.  
(number)

(Additional classes of capital stock may be authorized and additional information regarding the corporation's stock may be stated, mark this box  and include an attachment stating pertinent information.)

13. Additional information may be included pursuant to §7-102-102, C.R.S. and other organic statutes such as title 12, C.R.S. If applicable, mark this box  and include an attachment stating the additional information.

**Notice:**

Causing this document to be delivered to the secretary of state for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the secretary of state, whether or not such individual is named in the document as one who has caused it to be delivered.

14. Name(s) and address(es) of the individual(s) causing the document to be delivered for filing:

Burwell Barbara C.  
(Last) (First) (Middle) (Suffix)  
120 West Third Street  
(Street name and number or Post Office Box information)  
Rifle CO 81650  
(City) (State) (Postal/Zip Code)  
United States  
(Province - if applicable) (Country - if not US)

(The document need not state the true name and address of more than one individual. However, if you wish to state the name and address of any additional individuals causing the document to be delivered for filing, mark this box  and include an attachment stating the name and address of such individuals.)

**Disclaimer:**

This form, and any related instructions, are not intended to provide legal, business or tax advice, and are offered as a public service without representation or warranty. While this form is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form. Questions should be addressed to the user's attorney.

**ARTICLES OF INCORPORATION  
OF  
WESTERN SLOPE INVESTMENTS CORP.**

KNOW ALL MEN BY THESE PRESENTS that the incorporator named below, a natural person and citizen of the United States of America, more than 18 years of age, acting as sole incorporator of the Corporation under the provisions of the "Colorado Business Corporation Act," adopts the following Articles of Incorporation:

**ARTICLE I  
NAME**

Section 1. The name of this Corporation is **WESTERN SLOPE INVESTMENTS CORP.**

**ARTICLE II  
DURATION**

Section 1. The period of duration of this Corporation is perpetual.

**ARTICLE III  
PURPOSES AND POWERS**

Section 1. **PURPOSES.** The purpose for which this Corporation is organized is to transact all lawful business for which corporations may be incorporated pursuant to the Colorado Business Corporation Act, as presently enacted and as hereafter amended.

The Corporation shall have the power to do anything necessary, proper, advisable or convenient for the accomplishment of the purposes as hereinabove set forth and to do all other things incidental thereto.

Section 2. **POWERS.** Subject to any specific limitations imposed by these Articles of Incorporation, the powers this Corporation shall have are as follows:

a. The powers and privileges conferred upon corporations by the laws of Colorado only in furtherance of and subject to its corporate purposes.

b. The power to indemnify any Director, officer or employee, or former Director, officer or employee of the Corporation against expenses actually and necessarily incurred by him in connection with the defense or settlement of any action, suit or proceeding in which he is made a party by reason of being or having been such Director, officer or employee to the maximum extent permissible or allowable under C.R.S. § 7-109-106 and 7-109-107 and other applicable law.

**ARTICLE IV  
AUTHORIZED SHARES**

Section 1. COMMON STOCK. The aggregate number of shares which the Corporation shall have the authority to issue is 10,000 shares, all of which shares shall be common stock having no par value.

**ARTICLE V  
PRE-EMPTIVE RIGHTS**

Section 1. COMMON STOCK. The holders of the common stock of the Corporation shall have no pre-emptive right to purchase stock.

**ARTICLE VI  
VOTING**

Section 1. COMMON STOCK. Each outstanding share of common stock shall be entitled to one vote on each matter submitted to a vote at a meeting of shareholders.

Section 2. CUMULATIVE VOTING. No cumulative voting shall be allowed in any election of Directors or in any other matter.

**ARTICLE VII  
NON-LIABILITY OF SHAREHOLDERS**

Section 1. LIABILITY. The holders of stock of this Corporation shall not be held individually responsible as such holders for any debts, contracts, liabilities or engagements liable for assessments to restore impairments in the capital of the Corporation, nor shall such stock be liable to assessment for any purpose.

**ARTICLE VIII  
RESTRICTION ON TRANSFER OF SHARES**

Section 1. RESTRICTION ON TRANSFER OF SHARES. No shareholder shall sell his common stock without first giving to the Corporation the first opportunity to buy his stock at the same price as the shareholder could obtain for the stock by sale to a person not having common stock in the Corporation. Upon failure of the Corporation to purchase the stock within 14 days of written notice of the offer of sale by shareholder to the Corporation, the seller shall give all shareholders of the Corporation the second opportunity to buy his stock under the foregoing terms before selling it to a person not having stock in the Corporation; shareholders have an additional 14 days from written notice of the failure or refusal of the Corporation to buy the stock in which to purchase the stock. Said opportunities to buy shall also apply to any stock upon which any shareholder has permitted or suffered a judgment lien or attachment.

**ARTICLE IX  
REGISTERED OFFICE, AGENT AND PRINCIPAL PLACE OF BUSINESS**

Section 1. ADDRESS AND NAME. The address of the initial registered office of the Corporation is P. O. Box 586, New Castle, Colorado 81647. The name of its initial registered agent at such address is GRADY F. HAZELTON. The principal place of business of the Corporation shall be 2178 Railroad Avenue, Rifle, Colorado 81650.

**ARTICLE X  
BOARD OF DIRECTORS**

Section 1. NUMBER. The number of Directors of this Corporation shall be not fewer than three, except that there need be only as many Directors as there are shareholders in the event the shares of this Corporation are held of record by fewer than three shareholders.

The initial shareholder of the Corporation is intended to be GRADY F. HAZELTON, who shall constitute the initial Board of Directors of the Corporation, and who is to serve as the Director until the first annual meeting of shareholders or until his successors are elected.

**ARTICLE XI  
INCORPORATOR**

Section 1. NAME AND ADDRESS. The name and address of the incorporator of this Corporation is GRADY F. HAZELTON, P. O. Box 586, New Castle, Colorado 81647.

**ARTICLE XII  
REGULATION OF INTERNAL AFFAIRS**

Section 1. MANAGEMENT. The general management of the affairs of the Corporation shall be exercised by the Board of Directors and their designated agents.

Section 2. BYLAWS. The Board of Directors shall have the power to make, alter, amend or repeal bylaws, but any bylaws so made, may be altered, amended or repealed by the affirmative vote of two-thirds of the shareholders having voting rights at any annual or special meeting.

Section 3. ISSUANCE OF SHARES. Subject to limitations in these Articles of Incorporation, any shares of the Corporation now or hereafter authorized may be issued and disposed of by the Board of Directors of the Corporation at any time or from time to time for such consideration in the form of money paid, labor done, or property actually received as may be fixed at any time or from time to time by the Board of Directors, provided that as to any of such shares, the par value thereof and the authority so to fix such consideration, is hereby granted by the shareholders to the Board of Directors and any shares so issued and disposed of shall be fully paid and non-assessable.

**Section 4.** **INFORMAL ACTION OF DIRECTORS OR SHAREHOLDERS.** Any action which may be taken at a meeting of the Board of Directors or shareholders may be taken without a meeting, if a consent in writing setting forth the action so taken is signed by all the Directors or shareholders entitled to vote with respect to the subject matter thereof. Such written consent shall have the same force and effect as an unanimous vote of the Directors or shareholders.

**Section 5.** **CONTRACT.** No contract or other transaction between the Corporation and one or more of its Directors, or between the Corporation and any firm of which one or more of its Directors are members or employees, or in which they are interested, or between the Corporation and any corporation or association of which one or more of its Directors are shareholders, members, Directors, officers or employees, or in which they are interested, shall be invalid solely because of the facts of such interest or the presence of such Director or Directors at the meeting of the Board of Directors of the Corporation which acts upon or in reference to such contract or transaction, if the fact of such interest shall be disclosed or known to the Board of Directors and the Board of Directors shall, nevertheless, authorize, approve and ratify such contract or transaction by a vote of the majority of the Directors present. This section shall not be construed to invalidate any contract or other transaction which would otherwise be valid under the common and statutory law applicable thereto.

### **ARTICLE XIII LIQUIDATION AND DISTRIBUTION**

**Section 1.** **LIQUIDATION.** In winding up the affairs of the Corporation in the event of dissolution, if there be any balance of assets and funds of the Corporation after the payment or provision for all debts of the Corporation and the necessary expenses of liquidation, the Board of Directors shall either distribute such remaining assets and funds, in kind, among the shareholders of the Corporation, or first sell all remaining assets of the Corporation and distribute such cash among the shareholders or distribute such remaining assets partly in cash and partly in kind, all in such manner and upon such terms as they may deem appropriate in their discretion, provided that distribution shall be made ratably to shareholders in the same ratio as the number of shares owned by each bears to the whole.

### **ARTICLE XIV DIVIDENDS**

**Section 1.** The Directors shall have the power, unless otherwise provided by law, to determine the amount of any dividend.

### **ARTICLE XV AMENDMENT OF ARTICLES OF INCORPORATION**

**Section 1.** The Corporation reserves the right to amend, alter, change or repeal any provision contained in these Articles of Incorporation in the manner now or hereafter prescribed by law, and all rights and powers conferred herein on shareholders, Directors or officers are subject to this reserved power.

The below has caused this document to be filed. Causing a document to be delivered to the secretary of state for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed or the act and deed of the entity on whose behalf the individual is causing the document to be delivered for filing and that the facts stated in the document are true.

Date: February 8, 2005

STUVER, LeMOINE & BURWELL, P.C.  
Barbara C. Burwell - #34148  
120 West Third Street  
Rifle, Colorado 81650  
Telephone: (970) 625-1887

OFFICE OF THE SECRETARY OF STATE  
OF THE STATE OF COLORADO

**CERTIFICATE**

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

**Western Slope Investments Corp.**

is a Corporation formed or registered on 02/09/2005 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20051060961.

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 03/23/2011 that have been posted, and by documents delivered to this office electronically through 03/25/2011 @ 16:49:54.

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, authenticated, issued, delivered and communicated this official certificate at Denver, Colorado on 03/25/2011 @ 16:49:54 pursuant to and in accordance with applicable law. This certificate is assigned Confirmation Number 7902310.



A handwritten signature in black ink, appearing to read 'Scott Gessler', is written over a horizontal line.

Secretary of State of the State of Colorado

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

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

# STATE OF COLORADO

## DEPARTMENT OF REVENUE

Liquor Enforcement Division

### Business Location

1881 Pierce Street, Suite 108A  
Lakewood, Colorado 80214  
Phone (303) 205-2300  
FAX (303) 205-2341

**E-mail:** LED@spike.dor.state.co.us

**Website:** [www.colorado.gov/revenue/liquor](http://www.colorado.gov/revenue/liquor)



John Hickenlooper  
Governor

Roxanne Huber  
Executive Director

Laura K. Harris  
Division Director

### Certificate of Mailing

I hereby certify that a true and correct copy of the foregoing STIPULATION, AGREEMENT, AND ORDER and duly placed in the United States mail postage prepaid, this 28<sup>th</sup> day of FEBRUARY, 2011 addressed as follows:

WESTERN SLOPE INVESTMENTS  
D/B/A WING NUTZ BAR AND GRILL  
2178 RAILROAD AVE  
RIFLE, CO 81650

WESTERN SLOPE INVESTMENTS  
PO BOX 586  
NEW CASTLE, CO 81647

CITY CLERK OFFICE OF RIFLE  
BOX 1908  
RIFLE CO 81650

LIQUOR ENFORCEMENT DIVISION  
INVESTIGATOR BRIAN TURNER  
222 6<sup>TH</sup> ST STE 425  
GRAND JUNCTION CO 81501

A handwritten signature in black ink, appearing to read "Nit Hamby", with a long, sweeping underline.

Mrs. Nit Hamby

Assistant to Director

Colorado Liquor Enforcement Division

1881 Pierce Street, Suite 108A

Lakewood, Colorado 80214

BEFORE THE EXECUTIVE DIRECTOR, DEPARTMENT OF REVENUE

STATE OF COLORADO

---

STIPULATION, AGREEMENT, AND ORDER

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IN THE MATTER OF:

**WESTERN SLOPE INVESTMENTS  
D/B/A WING NUTZ BAR AND GRILL  
2178 RAILROAD AVENUE  
RIFLE, COLORADO 81650**

**LICENSE NO. 15-41524-0000**

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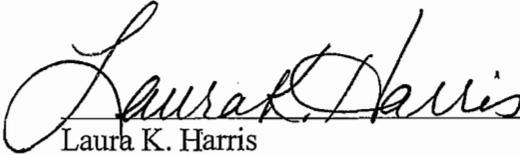
THIS AGREEMENT BETWEEN the State of Colorado, Liquor Enforcement Division ("Division") and Western Slope Investments, d/b/a Wing Nutz Bar and Grill, 2178 Railroad Avenue, Grand Junction, Colorado 81650 ("Licensee"), is offered for the purpose of settlement of the matters detailed in the Order to Show Cause, Notice of Hearing, and Forfeiture Action attached hereto as Exhibit 1 (hereinafter "Notice"). The above-named parties submit and agree as follows:

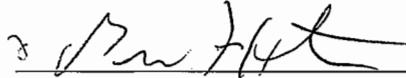
1. The facts and allegations contained in the Notice are true and accurate.
2. The Licensee agrees to a **fifteen (15)** day suspension of its **hotel and restaurant liquor license** as a penalty for its violation of the Colorado Liquor Code as set forth in paragraph 1 of this stipulation and agreement. Said suspension of Licensee's **hotel and restaurant liquor license** to take place as follows:
  - A. License to be actively suspended for **five (5)** days from 12:01 a.m. on **February 24, 2011** until 11:59 p.m. on **February 28, 2011**.
  - B. During any period of active license suspension, Licensee will post its premises in compliance with Regulation 47-600(F), 1 C.C.R. 203-2.
  - C. **Ten (10)** days of the suspension to be held in abeyance for a period of one (1) year, from the date of approval of this agreement by the state licensing authority, pending no further violations of the Colorado Liquor Code during this period.
3. The Licensee has filed a written petition to the Division in accordance with 12-47-601(3), C.R.S. requesting that the Licensee be allowed to pay a fine in lieu of active suspension. The petition supports the following:

- A. That the public welfare and morals would not be impaired by permitting the Licensee to operate during the period set for suspension and that the payment of the fine will achieve the desired disciplinary purposes; and
  - B. That the books and records of the Licensee are kept in such a manner that loss of sales of alcohol beverages which the Licensee would have suffered had the suspension gone into effect, can be determined with reasonable accuracy therefrom; and
  - C. That the Licensee has not had its license suspended or revoked, nor had any suspensions stayed by the payment of a fine, during the two (2) years immediately preceding the date of the complaint which has resulted in this stipulation and agreement.
4. The parties agree that the fine shall be the equivalent of twenty percent (20%) of the Licensee's estimated gross revenues from the sales of alcohol beverages during a period of five days, except that the fine shall not be less than two hundred dollars (\$200.00) nor more than five thousand dollars (\$5,000.00). The parties agree that the average days' sales for the month of **October 2010** shall be the appropriate measure of said estimated gross revenues. Based upon these records, the amount of the fine has been determined to be **\$835.84**.
  5. Payment of the fine pursuant to the provisions of this agreement shall be in the form of a **certified check or a cashier's check** made payable to the Colorado Department of Revenue. Said fine shall be paid to the Department of Revenue on or before **February 16, 2011**.
  6. Upon the payment of the fine as agreed upon in paragraph 5, Licensee's five-day suspension as set forth in paragraph 2 of this stipulation and agreement shall be deemed automatically stayed.
  7. If the Licensee fails to make payment in a timely manner as detailed in paragraph 5 of this stipulation and agreement, the full five-day suspension shall be served as detailed in paragraph 2.
  8. The alcohol beverages that were sold or used in the violation described in the Notice are hereby forfeited.

If at any subsequent hearing or stipulation in lieu of hearing, the state licensing authority should find that the Licensee, during the aforesaid one-year period, violated any provision of the Colorado Beer or Liquor Codes, including all regulations thereunder, then the state licensing authority shall, in addition to any other penalty imposed, order Licensee to serve all or any days of suspension presently held in abeyance, pursuant to this agreement.

This Stipulation, Agreement, and Order shall not be effective unless and until approved by the state licensing authority.

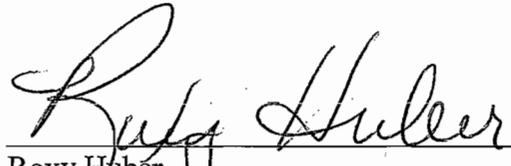
  
\_\_\_\_\_  
Laura K. Harris  
Director  
Liquor Enforcement Division

  
\_\_\_\_\_  
Grady Hazelton  
Western Slope Investments

2/2/11  
\_\_\_\_\_  
Date

2/10/11  
\_\_\_\_\_  
Date

APPROVED and ORDERED this 17<sup>th</sup> day of February 2011.

  
\_\_\_\_\_  
Roxy Huber  
Executive Director  
Department of Revenue  
State Licensing Authority

BEFORE THE EXECUTIVE DIRECTOR, DEPARTMENT OF REVENUE

STATE OF COLORADO

---

ORDER TO SHOW CAUSE, NOTICE OF HEARING, AND FORFEITURE ACTION

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IN THE MATTER OF:

**WESTERN SLOPE INVESTMENTS  
D/B/A WING NUTZ BAR AND GRILL  
2178 RAILROAD AVENUE  
RIFLE, COLORADO 81650**

**LICENSE NO. 15-41524-0000**

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**WHEREAS**, it has been made to appear to the State Licensing Authority, Executive Director, Department of Revenue, State of Colorado, that Western Slope Investments, d/b/a Wing Nutz Bar and Grill, 2178 Railroad Avenue, Rifle, Colorado 81650 ("Licensee"), has violated the statutes or the regulations of the Department of Revenue governing its hotel and restaurant liquor license in the following particulars:

- I) Pursuant to Section 12-47-901(1)(a.5)(I), C.R.S., except as provided in Section 18-13-122, C.R.S., it is unlawful for any person to sell, serve, give away, dispose of, exchange, or deliver or permit the sale, serving, giving, or procuring of any alcohol beverage to or for any person under the age of twenty-one years.
  - A) It is alleged that on October 30, 2010, the Licensee, by and through its employee/agent Shievon Snowden, permitted the selling, serving, giving, or procuring of an alcohol beverage (Bud Light brand malt liquor) to GJ-10-002, a nineteen-year-old Liquor Enforcement Division underage purchaser.
- II) Pursuant to Section 12-47-907, C.R.S., there shall be no property rights of any kind in any alcohol beverages, vessels, appliances, fixtures, bars, furniture, implements, wagons, automobiles, trucks, vehicles, contrivances, or any other things or devices used or kept for the purposes of violating any provisions of this article or article 46 of this title.
  - A) It is alleged that on October 30, 2010, the Licensee used or kept on the licensed premises one (1) 12 oz. bottle of Bud Light brand malt liquor for the purpose of violating the provisions of article 47, as alleged in paragraph I of this notice.

**NOW THEREFORE**, you are hereby ordered to appear before me to show cause why your said license should not be suspended or revoked as provided by law.

**Order to Show Cause, Notice of Hearing, and Forfeiture Action**  
**Wing Nutz Bar and Grill**  
Page 2

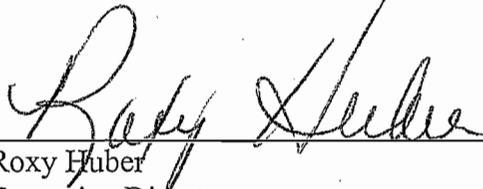
A pre-hearing meeting with the Liquor Enforcement Division to discuss matters relating to this notice, including the setting of a mutually convenient hearing date, may be arranged upon your request. You should contact Investigations Supervisor, Brian Turner at 970-248-7133 within ten (10) days of the date of this notice to arrange such a conference. If you fail to contact the Division within ten (10) days, a hearing date will be set without further notice to you, and you will then be notified by letter of that hearing date.

You are entitled to have an attorney represent you at the hearing. If you should retain an attorney, you should do so well in advance of the hearing. Once a hearing date has been set, a postponement will not be granted except for good cause shown. If you should fail to appear at the scheduled time and place for the hearing, testimony will be taken in reference to the allegations, upon which evidence your license to operate under the terms of the Colorado Liquor or Beer code may be suspended or revoked.

Please be further advised that if the State Licensing Authority does find you in violation of any of the above-cited section(s) of the Colorado Liquor or Beer Code, the State Licensing Authority may consider, in selecting the sanction to be imposed against you, any mitigating or aggravating factors, any prior violations of the Colorado Liquor or Beer Code, as well as any sanctions previously imposed.

**IT IS FURTHER ORDERED** that a copy of this Order to Show Cause, Notice of Hearing, and Forfeiture Action shall be mailed or delivered to the above-named Licensee.

**IN WITNESS WHEREOF**, I have here unto set my hand and seal of my office this 3<sup>rd</sup> day of January 2011.

  
\_\_\_\_\_  
Roxy Huber  
Executive Director  
Department of Revenue  
State Licensing Authority

Name	Address	License Type	License Expiration	Status	Violation(s)	State Penalty
Wing Nutz	2178 Railroad Ave	Hotel & Restaurant	04/11/11	Stipulation for fine in lieu of suspension received from state 02/28/11; applied for renewal 03/25/11 AND filed Corporate Report of Changes; fingerprint search on new officer revealed no criminal history	Sale to underage purchaser	15-day suspension: (1) 10 days held in abeyance for 1 year, pending no further violations; (2) 5 days stayed upon payment of \$835.84 fine (20% of gross revenues for 5 days)
El Pollo Dorado	moved from 119 W 3rd St to 131 E 26th St – no longer serving alcohol beverages	Hotel & Restaurant	04/15/11	Stipulation for suspension received from state 03/09/11	Sale to underage purchaser	15-day suspension: (1) 10 days held in abeyance for 1 year, pending no further violations; (2) 5 days' active suspension
La Hacienda	232 W 3 <sup>rd</sup> St	Hotel & Restaurant	06/16/11	Applied for renewal 04/27/11		
Mi Ranchito Mexican Seafood	1530 Railroad Ave, Bldg C (no longer in operation)	Hotel & Restaurant	06/18/11	Order of revocation received from state 04/29/11	Sale to underage purchaser	Licensee failed to appear at 04/14/11 hearing; license revoked
El Kora Mexican Restaurant	160 E 26 <sup>th</sup> St	Hotel & Restaurant	06/20/11			
Wal-Mart Superstore #5232	1000 Airport Rd	3.2% Beer Off-Premises	08/02/11	Applied for renewal 05/18/11		
Moose Lodge #1345	133 E 3 <sup>rd</sup> St	Club	09/24/11			
Shale Country Liquors	1250 Railroad Ave	Liquor Store	12/26/11			
Kum and Go #922	120 E 26 <sup>th</sup> St	3.2% Beer Off-Premises	02/07/12			

## INDIVIDUAL HISTORY RECORD

To be completed by each individual applicant, all general partners of a partnership, and limited partners owning 10% (or more) of a partnership; all officers and directors of a corporation, and stockholders of a corporation owning 10% (or more) of the stock of such corporation; all limited liability company **MANAGING** members, and officers or other limited liability company members with a 10% (or more) ownership interest in such company and all managers of a Hotel and Restaurant or a Tavern License.

**NOTICE:** This individual history record provides basic information which is necessary for the licensing authority investigation. All questions must be answered in their entirety or your application may be delayed or not processed. **EVERY** answer you give will be checked for its truthfulness. A deliberate falsehood or omission will jeopardize the application as such falsehood within itself constitutes evidence regarding the character of the applicant.

1. Name of Business  
 Western Slope Investments

2. Your Full Name (last, first, middle) 3. List any other names you have used.  
 Hazelton Suzanne S. Suzanne Shaffer, Suzanne Click

4. Mailing address (if different from residence) Home Telephone  
 PO Box 586 Newcastle, CO 81647 (970) 625-2222

5. List all residence addresses below. Include current and previous addresses for the past five years.

STREET AND NUMBER	CITY, STATE, ZIP	FROM	TO
Current			
Previous			

6. List all current and former employers or businesses engaged in within the last five years (Attach separate sheet if necessary)

NAME OF EMPLOYER	ADDRESS (STREET, NUMBER, CITY, STATE, ZIP)	POSITION HELD	FROM	TO
Self				

7. List the name(s) of relatives working in or holding a financial interest in the Colorado alcohol beverage industry.

NAME OF RELATIVE	RELATIONSHIP TO YOU	POSITION HELD	NAME OF LICENSEE
Grady Hazelton	spouse	president	Western Slope Investments Co.

8. Have you ever applied for, held, or had an interest in a State of Colorado Liquor or Beer License, or loaned money, furniture or fixtures, equipment or inventory, to any liquor or beer licensee? If yes, answer in detail.  Yes  No

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9. Have you ever received a violation notice suspension or revocation, for a liquor law violation, or have you applied for or been denied a liquor or beer license anywhere in the U.S.? If yes, explain in detail.  Yes  No

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10. Have you ever been convicted of a crime or received a suspended sentence, deferred sentence, or forfeited bail for any offense in criminal or military court or do you have any charges pending? Include arrests for DUI and DWAI. (If yes, explain in detail.)  
 Yes  No

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11. Are you currently under probation (supervised or unsupervised), parole, or completing the requirements of a deferred sentence? (If yes, explain in detail.)  
 Yes  No

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12. Have you ever had any STATE issued licenses suspended, revoked, or denied including a drivers license? (If yes, explain in detail.)  
 Yes  No

**PERSONAL AND FINANCIAL INFORMATION**

Unless otherwise provided by law in 24-72-204 C.R.S., information provided below will be treated as CONFIDENTIAL.  
 Colorado liquor licensing authorities require the following personal information in order to determine your suitability for licensure pursuant to 12-47-307 C.R.S.

13a. Date of Birth	b. Social Security Number SSN	c. Place of Birth	d. U.S. Citizen? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
e. If Naturalized, State where	f. When	g. Name of District Court	
h. Naturalization Certificate Number	i. Date of Certification	j. If an Alien, Give Alien's Registration Card Number	k. Permanent Residence Card Number
l. Height	m. Weight	n. Hair Color	o. Eye Color
p. Sex	q. Race	r. Do you have a current Driver's License? If so, give number and state	

14. Financial Information.

a. Total purchase price \$ \_\_\_\_\_ (if buying an existing business) or investment being made by the applying entity, corporation, partnership, limited liability company, other \$ \_\_\_\_\_

b. List the total amount of your investment in this business including any notes, loans, cash, services or equipment, operating capital, stock purchases and fees paid \$ \_\_\_\_\_

c. Provide details of investment. You must account for the sources of ALL cash (how acquired). Attach a separate sheet if needed.

Type: Cash, Services or Equipment	Source: Name of Bank; Account Type and Number	Amount

d. Loan Information (attach copies of all notes or loans)

Name of Lender and Account Number	Address	Term	Security	Amount
See attached		5 years		

15. Give name of bank where business account will be maintained; Account Name and Account Number and the name or names of persons authorized to draw thereon.

Alpine Bank      Wing Nutz Bar and Grill  
 Suzanne Hazelton and Grady Hazelton

**Oath of Applicant**

I declare under penalty of perjury in the second degree that this application and all attachments are true, correct, and complete to the best of my knowledge.

Authorized Signature <i>Suzanne Hazelton</i>	Title Vice Pres/Treasurer	Date 3/21/11
-------------------------------------------------	------------------------------	-----------------

Brett and Jeanne Jolley  
1288 County Road 245  
New Castle, CO 81647

February 24, 2010

Grady F. Hazelton  
Suzanne Hazelton fka Suzanne Shaffer  
Western Slope Investments Corp.  
dba WINGNUTZ BAR AND GRILL  
P.O. Box 586  
New Castle, CO 81647

**RE: Letter Agreement Regarding Loan Terms**

Dear Grady and Suzanne:

We are in receipt of your private loan proposal dated February 10, 2010. We have reviewed the WINGNUTZ BAR AND GRILL profit and loss statements provided by you and the Garfield County, Colorado land records pertaining to your ownership of Lots 1 through 6, Block 2 of the Coryell Addition to the Town of New Castle. We agree to provide you with a personal loan in the amount of \$265,000 based upon the following terms and conditions:

Loan Principal: \$265,000

Loan Term: 5 years

Interest Rate: 7 percent

Amortization and Payments: Based upon a 15 year amortization schedule, principal and interest payments in the amount of \$2,381.89 will be due each month, with a balloon payment of \$206,322.61 due upon expiration of the loan term.

Late Fee/Default Interest: A late fee of \$100.00 will be charged for any past due payment amount. If the loan is in default, interest will accrue at the default rate of 18 percent per annum.

Security: The loan shall be secured by a deed of trust recorded against your real property known as Lots 1 through 6, Block 2 of the Coryell Addition to the Town of New Castle and by a security agreement and UCC financing statement recorded against the furniture, fixtures, inventory and equipment of Western Slope Investments Corp. dba WINGNUTZ BAR AND GRILL.

**Disbursement of Loan Funds:** Prior to closing, you will be required to obtain payoff statements from Alpine Bank for (i) the mortgage loan on Lots 1 through 6, Block 2 of the Coryell Addition to the Town of New Castle ("mortgage") and for (ii) the WINGNUTZ BAR AND GRILL line of credit ("line of credit"). We will disburse loan funds directly to Alpine Bank to pay the mortgage loan and line of credit in full. You will work diligently with Alpine Bank to obtain and record as soon as reasonably possible a Release of Deed of Trust releasing the Deed of Trust dated June 12, 2006 recorded in the Office of the Clerk and Recorder of Garfield County, Colorado on June 16, 2006 as Reception No. 700150, as modified in the Modification of Deed of Trust dated January 12, 2010 recorded in the Office of the Clerk and Recorder of Garfield County, Colorado on January 19, 2010 as Reception No. 780804. The remaining amount of the loan funds after payment to Alpine Bank in full satisfaction of the outstanding mortgage and line of credit will be disbursed to you at Closing.

**Closing Date:** Closing shall occur at the law offices of Olszewski, Massih & Maurer, P.C., 214 8<sup>th</sup> Street, Suite 210, Glenwood Springs, CO 81601 on Wednesday, March 10, 2010 at a mutually agreed time ("Closing"), or as soon as reasonably possible thereafter if you have not obtained payoff statements from Alpine Bank prior to March 10, 2010. If Closing is extended, a new closing date and time will be mutually agreed upon by the parties.

**Attorney's Fees.** You agree to pay one-half of the attorney's fees we have incurred in relation to this transaction at the Closing, not to exceed \$500.00.

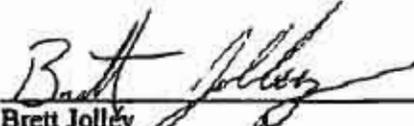
This letter agreement shall be governed by and construed in accordance with the laws of the State of Colorado without giving effect to any choice or conflict of law provision or rule (whether of the State of Colorado or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Colorado.

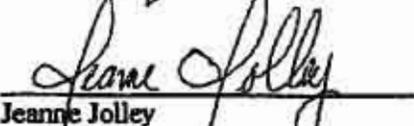
This letter agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any executed counterpart of this letter agreement or other signature hereto delivered by a party by facsimile shall be deemed for all purposes as being good and valid execution and delivery of this letter agreement by such party.

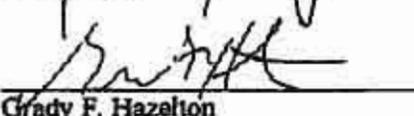
[Remainder of page intentionally left blank.]

If this letter agreement accurately sets forth the parties' mutual understanding and agreement regarding the subject matter hereof, please sign and date this letter agreement in the space provided below and deliver an executed copy to Amanda N. Maurer of Olszewski, Massih & Maurer, P.C., P.O. Box 916, Glenwood Springs, CO 81602 or F: 970-928-9600. Upon receipt of your signature to this letter agreement, Olszewski, Massih & Maurer, P.C. shall forward a proposed promissory note, deed of trust, security agreement and UCC financing statement for your review and comment prior to Closing.

AGREED TO AND ACCEPTED AS OF THE 25<sup>th</sup> DAY OF February, 2010.

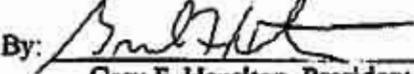
  
 \_\_\_\_\_  
 Brett Jolley

  
 \_\_\_\_\_  
 Jeanne Jolley

  
 \_\_\_\_\_  
 Grady F. Hazelton

  
 \_\_\_\_\_  
 Suzanne Hazelton fka Suzanne Shaffer

Western Slope Investments Corp.  
 dba WINGNUTZ BAR AND GRILL

By:   
 \_\_\_\_\_  
 Gary F. Hazelton, President

**OLSZEWSKI, MASSIH & MAURER, P.C.**

**ATTORNEYS AT LAW**

Edward B. Olszewski  
Melody D. Massih  
Amanda N. Maurer

Website:  
[www.ommpc.com](http://www.ommpc.com)

P.O. Box 916  
214 - 8<sup>TH</sup> STREET, SUITE 210  
GLENWOOD SPRINGS, CO 81602

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TELEPHONE: 970.928.9100  
FACSIMILE: 970.928.9600

May 18, 2010

Western Slope Investments Corp.  
c/o Grady and Suzanne Hazelton  
P.O. Box 586  
New Castle, CO 81647

**Re: Western Slope Investments Corp. dba WINGNUTZ BAR AND GRILL**

Dear Grady and Suzanne:

During our meeting earlier this month, we discussed Grady transferring a portion of his shares in the referenced corporation to Suzanne so that you would both be 50/50 owners as of January 1, 2010. After reviewing the corporate paperwork that you provided, I see that the corporation is authorized to issue up to 10,000 shares of capital stock pursuant to the Articles of Incorporation. Only 1,000 shares have been issued to Grady to date, leaving 9,000 authorized but unissued shares. Thus, rather than preparing paperwork for Grady to "sell" half of his shares to Suzanne, I prepared the two enclosed corporate resolutions. The first resolution will be signed by Grady as the sole director and shareholder authorizing the issuance of 1000 shares to Suzanne in consideration of services she has provided to the company and for other good and valuable consideration, to be effective as of January 1, 2010. The second resolution appoints both of you as directors, Grady as President and Secretary and Suzanne as Vice-President and Treasurer, and will be signed by both of you.

Please contact me to discuss any questions or revisions to the corporate resolutions. If they are acceptable as drafted, please execute the resolutions as indicated, file the originals in the corporate minute book and mail or fax executed copies to my office for my file. Stock Certificate No. 1 issued to Grady for 1000 shares will still be valid, and you will need to prepare and issue to Suzanne Stock Certificate No. 2 for 1000 shares. If you do not have access to a typewriter, you can bring Stock Certificate No. 2 to my office and we will type the information in for you.

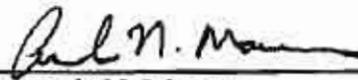
Finally, you should confirm with your accountant that you have taken the appropriate steps to have each of you listed as 50/50 owner by issuing an additional 1000 shares to Suzanne. Your accountant will be able to assist you with adjustments to your Quickbooks ledger to show equal equity accounts for both of you as of January 1, 2010. As 50/50 owners, shareholder

*Western Slope Investments Corp.*  
*c/o Grady and Suzanne Hazelton*  
*May 18, 2010*  
*Page 2 of 2*

distributions will need to be made equally to both of you from January 1, 2010 through December 31, 2010 and each year thereafter. Please discuss the advantages of making shareholder distributions versus paying W-2 wages with your accountant, and he will most likely suggest that you pay compensation in a combination of both shareholder distributions and W-2 wages.

Very truly yours,

OLSZEWSKI, MASSIH & MAURER, P.C.

By:   
Amanda N. Maurer

Enclosures

**UNANIMOUS WRITTEN CONSENT**  
**IN LIEU OF A SPECIAL MEETING**  
**OF THE BOARD OF DIRECTORS AND SHAREHOLDERS**  
**OF WESTERN SLOPE INVESTMENTS CORP.**

The undersigned, being all of the shareholders and directors of Western Slope Investments Corp., a Colorado corporation (the "Corporation"), consent that the following actions be taken without a meeting as authorized by the Colorado Business Corporation Act and in lieu of a special meeting of the directors and shareholders:

RESOLVED, that the following persons are Directors of the Corporation:

Grady F. Hazelton  
Suzanne Hazelton

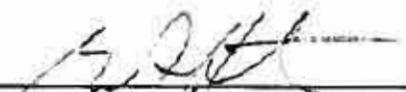
and

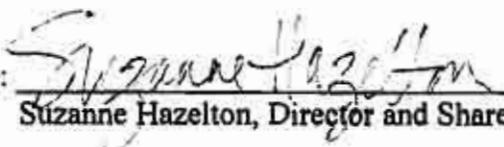
FURTHER RESOLVED, that the following persons shall serve as officers of the Corporation in the capacity stated beside their names for one (1) year or until their successor(s) are elected and qualified:

Grady F. Hazelton      President, Secretary  
Suzanne Hazelton      Vice President, Treasurer

Dated May 18, 2010, to be effective as of January 1, 2010.

WESTERN SLOPE INVESTMENTS CORP.

By:   
Grady F. Hazelton, Director and Shareholder

By:   
Suzanne Hazelton, Director and Shareholder

**UNANIMOUS WRITTEN CONSENT  
IN LIEU OF A SPECIAL MEETING  
OF THE SOLE DIRECTOR AND SHAREHOLDER  
OF WESTERN SLOPE INVESTMENTS CORP.**

The undersigned, being the sole shareholder and director of Western Slope Investments Corp., a Colorado corporation (the "Corporation"), consents that the following actions be taken without a meeting as authorized by the Colorado Business Corporation Act and in lieu of a special meeting of the sole director and shareholder:

RESOLVED, that the issuance of 1000 shares of the capital stock of the Corporation is authorized to Suzanne Hazelton, in consideration of services rendered for and on behalf of the Corporation and for other good and valuable consideration; and

FURTHER RESOLVED, that the officers of the Corporation are directed to issue 1000 shares of the capital stock of the Corporation in full settlement and payment for services rendered to the Corporation; and

FURTHER RESOLVED, that the shares when issued shall be fully paid and nonassessable; and

FURTHER RESOLVED, as of January 1, 2010, the shareholders of the Corporation shall be as follows:

	<u>Authorized and Issued Shares:</u>	<u>Ownership Percentage:</u>
Grady F. Hazelton	1000	50%
Suzanne Hazelton	1000	50%

Dated May 13, 2010, to be effective as of January 1, 2010.

WESTERN SLOPE INVESTMENTS CORP.

By:   
Grady F. Hazelton, Director and Shareholder

*Unanimous Written Consent in Lieu of Special Meeting  
Western Slope Investments Corp.*



# RIFLE POLICE DEPARTMENT

201 East 18th Street • Rifle, CO 81650-3237

## Memorandum

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**To:** Lisa Cain, City Clerk  
**From:** Valerie Shanahan, Office Manager *VS*  
**Date:** 05-10-2011  
**Re:** Liquor License Corporate Report of Changes  
Wing Nutz Bar & Grill / Suzanne Hazelton

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Fingerprint search results for Suzanne Hazelton, Wing Nutz Bar & Grill Corporate Report of Changes, have been received. As of May 3, 2011 no Colorado or FBI criminal histories were located.

/vms





Sander N. Karp  
James S. Neu  
Karl J. Hanlon  
Michael J. Sawyer  
James F. Fosnaught  
Greg S. Russi,  
*Of Counsel*

Anna S. Itenberg  
Cassia R. Furman  
T. Damien Zumbrennen  
Jeffrey J. Conklin

201 14<sup>th</sup> Street, Suite 200  
P. O. Drawer 2030  
Glenwood Springs, CO 81602  
Telephone: (970) 945-2261  
Facsimile: (970) 945-7336  
[www.mountainlawfirm.com](http://www.mountainlawfirm.com)

James S. Neu  
[jsn@mountainlawfirm.com](mailto:jsn@mountainlawfirm.com)

May 26, 2011

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

Re: June 1, 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 June 1, 2011 Rifle City Council Meeting.

1. Ordinance No. 3, Series of 2011 (Medical Marijuana Regulations). As we discussed at your last meeting, the Colorado Legislature passed significant legislation in 2010 regarding the regulation of medical marijuana businesses and the Department of Revenue, which oversees the state's regulation of medical marijuana businesses, promulgated extensive regulations. The legislation created a dual licensing system with a state and local licensing authority, similar to liquor licensing, that becomes effective July 1, 2011. Prior to the adoption of that legislation, the City enacted local regulations of medical marijuana businesses by Ordinance No. 33, Series of 2009, codified in Chapter 6 of Article VIII of the Rifle Municipal Code. The state's statutory scheme fits very well with what the City enacted, but some of the terminology in the RMC needs to be changed to match state statute and regulations, such as changing "permit" to "license" and "dispensary" to "center," etc. In addition, the state created three separate licensed activities: medical marijuana centers, optional premises cultivation operations, and infused products manufacturers. The enclosed Ordinance No. 3, Series of 2011 amends the RMC accordingly and includes new and amended definitions to conform to the state's regulations. In addition, Ordinance No. 3 adopts the state's regulations by reference and any violation of those regulations is also a violation of this Chapter subject to local enforcement.

The State's regulations include a provision prohibiting medical marijuana businesses from being located within 1,000 feet of a school, an alcohol or drug treatment facility, or a residential child care facility. Following first reading Ordinance No. 3 has been amended to adopt this 1,000 foot distance requirement, and RMC §6-8-200 exempts existing establishments giving them a non-conforming status. In addition, the state statute at C.R.S. 12-43.3-308 that contains the location restriction states in part "the provisions of this section shall not affect the renewal or re-issuance of a license once granted..."

The State Legislature recently passed additional clean-up legislation in HB 11-1043 that contains

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an additional one (1) year moratorium on new medical marijuana businesses through June 30, 2012; however, the City may see a request to transfer an existing license from a jurisdiction that has banned medical marijuana into the City. This provision may cause an influx of requests to transfer licenses into the City, so we have included in Ordinance No. 3 for your consideration a moratorium on such transfers through June 30, 2012. This will allow the City some breathing room while the state's regulations take full effect on the industry. All amendments for second reading of Ordinance No. 3 are shown in the highlighted text to differentiate from all of the red-lining.

We recommend approval of Ordinance No. 3, Series of 2011, as amended, on second reading.

2. Ordinance No. 4, Series of 2011 (Mail Ballot Election Code Amendments). General municipal and special municipal elections in the City of Rifle are conducted pursuant to Chapter 2, Article I of the Rifle Municipal Code and Article II of the Rifle Home Rule Charter. Section 2.1 of the Charter states that City elections shall be governed by the Colorado Municipal Election Law except as otherwise provided in the Charter or by ordinance. The Colorado Municipal Election Code permits any municipality to provide by ordinance or resolution that it will utilize the requirements of the Uniform Election Code of 1992, articles 1 to 13 of title 1, C.R.S. as an alternative procedure for any election. The provisions of the Uniform Election Code include the Colorado Mail Ballot Election Act at C.R.S. §1-7.5-104. In recent years, the popularity of mail ballot elections has both increased voter participation and decreased election costs throughout the state, and many local governments have moved to an exclusively mail ballot format, rather than offering a polling place option. In the past Rifle has authorized the use of mail ballots by resolution, but still retained the Municipal Election Code procedure, including election day polling places. The majority of Rifle voters have chosen the mail ballot option.

The procedures and timelines of the Municipal Election Code and the Uniform Election Code do not coincide, creating some confusing choices for the Clerk when using mail ballots under the Municipal Election Code regime. The City Clerk would also like the option of conducting a mail ballot-only election without polling places, which requires adopting by ordinance the option to use the Mail Ballot Election Act procedures. Ordinance No. 4, Series of 2011 before you on first reading would resolve these issues by amending RMC Section 2-1-10 to add the option of following the procedure outlined in the Mail Ballot Election Act. The City Council will continue to call a mail ballot election at its discretion by resolution, so the option of utilizing the Municipal Election Code procedure, including polling places, remains intact.

We recommend approval of Ordinance No. 4, Series of 2011 on second reading.

3. Resolution No. 8 Series of 2011 (Approving Blacktail Minor Subdivision). HR, LLC, the Developer of Blacktail Minor Subdivision, proposes subdividing approximately ten (10) acres on Airport Road east of Buckhorn Business Park into four (4) light industrial lots. The Developer will construct Blacktail Avenue to serve the newly created lots which will eventually loop around to

Buckhorn Drive when the adjacent property develops. The enclosed SIA is the City's standard form, however Section 12 regarding the performance guarantee provides the Developer the option of prohibiting lot sales in lieu of obtaining a letter of credit to secure the completion of the public improvements. With the lending market still difficult, this flexibility seems justified since no other property will be affected. The Developer may need to sell a lot to an adjoining property owner to finance the construction of Blacktail Avenue, which lot would be merged with a lot in Buckhorn Business Park and accessed off of Buckthorn Drive; therefore, we also left the flexibility of a lot sale so long as the buyer acknowledges the lack of security and we could ensure that all necessary provisions are contained in that acknowledgment.

We recommend approval of Resolution No. 8 Series of 2011.

4. Resolution No. 7, Series of 2011 (Rifle Community Television Channel 10 Policy). The City of Rifle operates Rifle Community Television Channel 10 ("RCT") as a government access channel pursuant to its cable franchise agreement. The franchise agreement permits up to three "PEG" channels, which stands for public access, education, and government television. To date RCT has not exercised its option to extend its offerings to public access programming which would be a much larger and complex undertaking. As a government access channel, RCT is controlled by the City for local government programming and is not a public forum. However, the channel does include community programming in its schedule so we worked with Jim Bell to develop a policy that clarifies the mission and purpose of government access television in Rifle. Resolution No. 7, Series of 2011 adopts the Rifle Community Television Government Access Channel Policy as the official policy for RCT.

In drafting the policy, our focus was to limit RCT content and define the channel as a non-public forum- essentially how it has operated historically. Although "Cooperative/Community Programming" remains a content category and Rifle staff retains the option to accept programming from community sources, the subject matter of that programming is limited to non-commercial broadcasts that are in the public interest. No advertising, political programming, programming that promotes religious beliefs or religious philosophies (subject to a narrow exception for artistic or performance-based holiday programs), or segments that violate FCC guidelines for public access television will be permitted. As we discussed in your workshop, allowing artistic or performance based holiday programming does open up that First Amendment door a bit, but it was our understanding that Council wants RCT to continue to provide the programs it has in the past.

We recommend approval of Resolution No. 7, Series of 2011.

5. Ordinance No. 5, Series of 2011 (Amending RMC Section 18-9-30 International Fire Code). The City has adopted the International Fire Code, 2003 Edition, ("IFC") as the official fire code of the City. The IFC is adopted by reference, with amendments, at Chapter 18, Article IX of the RMC. Section 18-9-30 of the RMC amends the standard terms of the IFC, and subsection (8) addresses

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requirements for automatic sprinkler systems in the City. The City has amended the standard IFC provisions to require automatic sprinkler systems in types of commercial buildings not called out by the IFC. For example, under the current regulations any three-story or more building must be sprinkled. Other commercial buildings are called out for sprinkling based on floor area ratios. When the floor area of an alteration, remodel or modification to any existing building exceeds 40% of the floor area of the building being improved, the entire building must comply with the IFC sprinkling requirements. After working with the IFC sprinkler system amendments for several years, the Building and Planning Department recommends amending such special requirements to apply only to new buildings, structures, and certain remodels in the City's Central Business District and to new buildings and structures divided into separate ownership interests. Ordinance No. 5, Series of 2011 before you on first reading revises the automatic sprinkler system requirements as adopted at RMC Section 18-9-30 accordingly.

We recommend approval of Ordinance No. 5, 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

Dear Mr. Hier –

Based on my review of the four proposals for acoustical engineering and theater consultation for the restoration of the Ute Theater, it is my recommendation to hire D.L. Adams Associates for this project. My recommendation is based on many factors such as proposed fee, scope of work (deliverables), in-house capabilities and enthusiasm to do the work.

The most extensive part of my review was based on fee and scope of work – what we will receive as a final deliverable and at what cost. Each of the four consulting teams were asked to break down their fee into four separate categories; they are as follows:

- Acoustical consulting and design
- Audio visual consulting and design
- Theater consulting and design
- IT, Telecommunication and low voltage design

Of the four consulting teams that provided us with proposals, only two of these teams provided a complete package (D.L. Adams Associates and Shen Milsom Wilke/Shuler Shook). The two other teams (Kirkegaard/Shuler Shook and Theater Consultants Collaborative) failed to provide a fee for the IT, Telecommunication and low voltage design.

In breaking down the deliverables for each of the four categories (see attached spread sheet), it is clear that D.L. Adams Associates will be providing the most information and services of the four proposers. Not only is it important to get the most out of the fee but it is equally important to get the most information possible onto a set of construction documents (unclear and incomplete drawings typically lead to construction cost increases during construction).

Of the four proposers, D.L. Adams Associates was the second lowest proposed fee (of the two teams that provided a complete proposal, they were the lowest). It is important to note that the lowest fee provided (Theater Consultants Collaborative) failed to include IT, telecommunication and low voltage design and that their deliverables for audio/video consulting and design are very limited.

D.L. Adams Associates is also the only proposer that will complete all of the four categories of work in-house, the other three teams have combined different offices in order to become a complete team. As a design professional, this is important to me because I am assured that all of the work (four categories) is being coordinated under one roof as opposed to multiple offices at each end of the country. Also, D.L. Adams Associated was the only proposer to come visit the site and talk to the Ute Theater board about the project – this shows me great enthusiasm on their part to get the job.

Sincerely,



Richard Carter  
Johnson Carter Architects, PC



**JOHNSON-CARTER**  
ARCHITECTS, PC

136 E. Third Street, Suite B

Rifle, CO 81650

970.625.0580

970.625.0581 fax

residential • commercial • industrial • institutional • educational



Ute Theater Consulting Proposals						
5/26/2011						
<b>Fee Break-down</b>						
	Acoustic Consult. & Design	AV Consult. & Design	Theater Consult. & Design	IT, Telecom and Low Voltage	Total	Total w/o IT, Telecom & LV
Kirkegaard & Schuler Shook *	\$13,500	\$15,000	\$21,500	not included	\$50,000	\$50,000
D.L. Adams Associates *	\$12,600	\$8,200	\$12,300	\$8,100	\$41,200	\$33,100
Shen Milsom Wilke & Schuler Shook *	\$11,990	\$14,690	\$15,000	\$12,390	\$54,070	\$41,680
Theater Consultants Collaborative *	\$6,600	\$4,000	\$12,000	not included	\$22,600	\$22,600
* Fee includes construction administration						
<b>Deliverable Break-down</b>						
Acoustic Consult. Deliverables	Report	Drawings	Specifications	Cost Estimate	Coordination w/Design Team	
Kirkegaard & Schuler Shook	X				X	40%
D.L. Adams Associates	X	X	X	X	X	100%
Shen Milsom Wilke & Schuler Shook	X		X		X	60%
Theater Consultants Collaborative	X	X	X			60%
AV Consult. Deliverables	Report	Drawings	Specifications	Cost Estimate	Coordination w/Design Team	
Kirkegaard & Schuler Shook	X	X	X	X		80%
D.L. Adams Associates	X	X	X	X	X	100%
Shen Milsom Wilke & Schuler Shook	X	X	X	X		80%
Theater Consultants Collaborative	X		X			40%
Theater Consult. Deliverables	Report	Drawings	Specifications	Cost Estimate	Coordination w/Design Team	
Kirkegaard & Schuler Shook		X	X	X	X	80%
D.L. Adams Associates	X	X	X	X	X	100%
Shen Milsom Wilke & Schuler Shook		X	X	X	X	80%
Theater Consultants Collaborative	X	X	X		X	80%
IT, Telecom & LV Deliverables	Report	Drawings	Specifications	Cost Estimate	Coordination w/Design Team	
Kirkegaard & Schuler Shook						0%
D.L. Adams Associates		X	X	X	X	80%
Shen Milsom Wilke & Schuler Shook	X	X	X			60%
Theater Consultants Collaborative						0%
Kirkegaard	Acoustical and AV System Consultants (Chicago and Boulder)					
Schuler Shook	Theater Planners and Consultants (Dallas, Minneapolis, Chicago)					
D.L. Adams Associates	Acoustical, AV, Theater and IT Consultants (Denver)					
Shen Milsom Wilke	Acoustic, AV and IT Consultants (15 offices worl-wide)					
Theater Consultants Collaborative	Acoustic, AV and Theater Consultants (North Carolina)					

**DEPARTMENT OF PLANNING & DEVELOPMENT**

202 Railroad Avenue, Rifle, CO 81650

Phone: 970-665-6490 Fax: 970-625-6268



**MEMORANDUM**

**TO:** MATT STURGEON, PLANNING DIRECTOR  
**FROM:** NATHAN LINDQUIST, PLANNER  
**DATE:** MAY 26, 2011  
**SUBJECT:** BLACKTAIL MINOR SUBDIVISION  
FINAL 2011-2

**REQUEST**

The applicant, Mark Sills of HR, LLC seeks Final Plan approval for a minor subdivision at 2455 Airport Road. The parcel is proposed to be subdivided into four lots to be zoned Light Industrial.

**BACKGROUND**

2455 Airport Road is a 10-acre parcel currently occupied by a modular housing unit and a garage near Airport Road. The remainder of the property is vacant. The zoning is Light Industrial. The property previously came before the City as the Foothills Business Park, a final plat for which was approved by the City in 2009 but never recorded by the applicant. The current property owner has withdrawn the Foothills Business Park approval.

**CURRENT PROPOSAL**

The applicant's current proposal is to subdivide the property into four lots to include Light Industrial zoning uses. The proposal is similar to surrounding uses and is consistent with the character of Airport Road as a light industrial employment center as described in the Comprehensive Plan.

Blacktail Avenue is proposed to be constructed as a public street on the eastern property line (see map). Right-of-way for the eastern half of Blacktail Avenue has already been dedicated by the adjoining property owner. Blacktail Avenue will serve as access for Lots 2-4 and for future subdivisions in the area. The City's Public Works Manual will ensure that Blacktail Avenue is constructed to City standards before land uses are approved within the subdivision.

Staff is also working with the applicant to create a trade-off that would reduce landscaping requirements for Blacktail Avenue due to the lack of through-traffic on the future street. At the same time, landscaping and berming requirements for Airport Road would be increased in order to screen light industrial areas from the main thoroughfare. In addition, Blacktail Avenue would have a sidewalk on one side only, due to the lack of pedestrian through traffic and expectation of light industrial uses that do not involve pedestrian activity. Residential uses are not permitted in the Light Industrial district (although limited caretaker quarters may be approved).

This proposal cannot be approved through a subdivision process; it requires approval of a text amendment that would come before City Council.

**RECOMMENDATION**

Staff recommends that City Council approve Final Plan 2011-2 with the following conditions.

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1. The modular unit may be used as a temporary construction office, per Code but must be removed by March 31, 2012. All nonconformities associated with the temporary construction office are hereby relinquished.
2. The garage on Lot 1 shall either be removed by March 31, 2012 or made to conform with all provisions of the Rifle Municipal Code, including use and structure requirements. All nonconformities associated with the garage are hereby relinquished.
3. The applicant shall relinquish the status of any and all nonconforming uses within the subdivision.
4. Residential uses are prohibited within the property.
5. Dedicate 30' of ROW on the final plat for Blacktail Avenue.
6. Dedicate a 40' access and utility easement on southern property boundary on final plat.
7. Access for Lot 1 shall be permitted from Airport Road. Any use of Lot 1 shall require a site plan and associated improvements as stipulated in the Rifle Municipal Code.
8. Access for Lots 2-4 shall only be permitted from Blacktail Avenue.
9. The applicant shall install an Airport Road landscape buffer and berm by July 31, 2011.
10. City approval for Foothills Business Park is null and void.
11. The properties included within the subdivision shall agree to participate in a Special Improvement District should a SID ever be formed to construct improvements along Airport Road.

## FINDINGS

Pursuant to Section 16-5-280, the City Council shall consider the following criteria before approving a minor subdivision (***staff comments shown in bold italics/italics***):

1. Conformance of the proposal with the City of Rifle Municipal Code;

***The proposal conforms with the Code.***

2. The compatibility of the proposal with the character of the surrounding area, including but not limited to the architectural character of the neighborhood, the average lot and building sizes in the neighborhood, and the relative value of the proposed structure to the value of other structures in the neighborhood;

***The surrounding neighborhood includes light industrial uses. Staff expects that this project will be compatible with its surroundings.***

3. The desirability for the proposed use in the specific area of the City;

***The Airport Road corridor is a light industrial center in Rifle consistent with the proposed uses.***

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4. The potential for adverse environmental effects that might result from the proposed use;

***No adverse environmental effects are anticipated as a result of the proposal.***

5. Compatibility of the proposed use and the site (or subdivision) plan with the City of Rifle Comprehensive Plan;

***This property is located in the "South Business District" which states: "Moving east along Airport Road, land uses begin to transition to a more Light Industrial character that includes heavy truck traffic, heavy equipment storage, and large storage yards screened by opaque fencing."***

6. The potential impact of the proposed use upon the value of property and buildings within the surrounding area;

***The presence of new light industrial development should have a positive effect on property values in the area.***

7. Conformance of the proposal with the approval requirements concerning water and sewer tap availability for high volume use requests pursuant to §10.10.110 of these regulations, if applicable.

***Not applicable***

**SITE SPECIFIC DEVELOPMENT PLAN AND  
SUBDIVISION IMPROVEMENTS AGREEMENT  
FOR BLACKTAIL MINOR SUBDIVISION**

THIS AGREEMENT made this \_\_\_\_ day of \_\_\_\_\_, 2011, by and between the CITY OF RIFLE, COLORADO, a home-rule municipality whose address is P.O. Box 1908, Rifle, CO 81650 (hereinafter "City") and RIFLE HR, LLC a Colorado limited liability company whose address is 721 Estates Blvd. Grand Junction, CO 81505 (hereinafter "Developer");

WITNESSETH:

WHEREAS, at 2455 Airport Road and described as Lot 1, Billingsley Minor Subdivision No. 1 according to the Plat recorded December 15, 1995 at Reception No. 486473 with the Garfield County Clerk and Recorder's Office (hereinafter the "Property"); and

WHEREAS, by Resolution No. 29, Series of 2008, the Rifle City Council approved the Final Plat of the Foothills Minor Subdivision, subdividing Lot 1, Billingsley Minor Subdivision into four (4) lots, which Final Plat was never recorded and Developer wishes to abandon such Final Plat approval and pursue different development plans for the Property; and

WHEREAS, on January 25, 2011, the Planning Commission reviewed and approved Conditional Use Permit 2011-1 for the Property, subject to certain conditions as set forth therein; and

WHEREAS, on May 11, 2011 after a duly-noticed public hearing and pursuant to Rifle Municipal Code §16-5-280, the City of Rifle Planning Commission approved a Combined Sketch Plan and Preliminary Plan for the Property; and

WHEREAS, on June 1, 2011, the City Council of the City of Rifle, after holding all necessary public hearings, approved by appropriate resolution a Final Subdivision Plat and Final Subdivision Plan for the Property creating four lots, which Resolution No. 8, Series of 2011 is recorded as Reception No. \_\_\_\_\_ with the Garfield County Clerk and Recorder; and

WHEREAS, the City's approval of the Final Subdivision Plat and Final Subdivision Plan for the Property cited above is contingent upon the express condition that all obligations and duties created by this Agreement are faithfully performed by the Developer.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained herein, the parties hereto agree as follows:

1. Recitals. The foregoing recitals are incorporated herein as material representations and acknowledgments of the parties.

2. Purposes. The purpose of this Agreement is to set forth the terms and conditions to be met by the Developer; to set forth the fees to be paid by the Developer upon subdivision of the Property, and to constitute the Subdivision Improvement Agreement provided for in Sections 16-4-170, 16-5-440(d) and 16-6-180(c)(2) of the Rifle Municipal Code. All terms and

conditions contained herein are in addition to all requirements of the Rifle Municipal Code, the City of Rifle Land Use Regulations (Title 16 of the Rifle Municipal Code),

and state and federal statutes, and are not intended to supersede any requirements contained therein, except where specifically provided in this Agreement.

3. Fees. In addition to any fees enacted by any ordinance of general applicability in the City, the following fees shall be paid to the City by the Developer:

- A. Reimbursement of Costs. The Developer hereby agrees to pay the City the actual costs to the City for engineering, surveying, and legal services rendered in connection with the review of the subdivision of the Property. In addition, the Developer shall reimburse the City for the cost of making corrections or additions to the master copy of the official City map, for the fee for recording the Final Plat and accompanying documents with the County Clerk and Recorder of Garfield County. Developer shall also pay any fee required pursuant to the Rifle Municipal Code. Interest shall be imposed at rate of 1.5% per month on all balances not paid within thirty (30) days of the date of the statement. In addition to any and all remedies available to the City and in the event the City is forced to pursue collection of any amounts due and unpaid under this provision or under this Agreement, the City shall be entitled to collect attorney's fees and costs incurred in said collection efforts in addition to the amount due and unpaid.
  - B. Water and Sewer Taps. Developer, its successors and assigns, shall comply in full with Title 13 of the Rifle Municipal Code regarding tap fees for water and sewer service.
  - C. Water Rights Dedication. Developer shall pay the cash in lieu of the water rights dedication fees as required under RMC Section 13-6-10, et. seq, as it may be amended. For this purpose, prior to the issuance of every building permit for the Property, Developer shall pay the fee then in effect (currently \$450.00 per EQR) for all units and/or commercial square footage for which potable water service is to be provided by the City. Further, the Developer agrees to be bound by any ordinance or resolution of general applicability that modifies these fees.
5. Specific Conditions. Developer agrees to perform the following conditions:
- A. Representations. All representations of the Developer made in its application and in statements during the public hearings before the Planning Commission and City Council shall be considered conditions of approval with which the Developer shall comply.
  - B. Abandonment of Foothills Minor Subdivision Approval. Developer hereby expressly agrees that the Final Plat approval for Foothills Minor Subdivision is hereby abandoned and in no force or effect.

- C. Revegetation and Landscaping. By October 31, 2011, Developer shall landscape the Property and revegetate any disturbed areas to eliminate erosion pursuant to plans reviewed and approved by the City. Developer shall further install a landscape buffer and berm along Airport Road pursuant to plans reviewed and approved by the City by July 31, 2011. Lots 1 and 2 shall be responsible for maintaining all landscaping on such lots.
- D. Modular House and Garage on Lot 1. Developer hereby relinquishes and abandons any non-conforming uses and structures related to the modular house and garage located on Lot 1. Developer agrees that no residential uses are permitted on the Property and the modular house may only be utilized for a construction office related to the development of the Property. Developer shall remove the modular house and garage on Lot 1 of the Property by May 31, 2012; provided, however, the garage may remain if it is brought up to compliance with all provisions of the RMC, including, but not limited to, uses and structures.
- E. Access for Lots 2, 3 and 4. Lots 2, 3 and 4 shall be accessed only from Blacktail Avenue with no direct access to Airport Road.
- F. Blacktail Avenue Dedication. Developer shall dedicate thirty feet (30') of right-of-way for Blacktail Avenue on the Final Plat for the Property.
- G. Utility and Access Easement. Developer shall dedicate a forty foot (40') access and utility easement on the southern property boundary on the Final Plat for the Property.
- H. Dust, Mud and Erosion Control. Developer shall maintain all streets and surrounding areas during construction of the Public Improvements by employing techniques acceptable to the City for dust, mud and erosion control.
6. Pre-Construction Meeting. Developer shall hold a pre-construction meeting between the City Engineer and Public Works Director and the Developer, its engineer and contractor for the purpose of discussing all construction issues that will be required for this project.
7. Public Improvements. All water lines, water facilities, sewer lines, sewer facilities, hydrants, water or sewer distribution facilities, drainage structures, landscaping, gas lines, electrical facilities, cable T.V., telephone lines, utility systems, streets (public and/or private), lighting and signage required by this Agreement or shown on the final subdivision plan prepared by \_\_\_\_\_, as Job No. \_\_\_\_\_ dated \_\_\_\_\_, 2011, as it may be amended (the "Public Improvements") shall be installed and completed at the expense of the Developer.

- A. All Public Improvements required by this Agreement are shown on the Final Subdivision Plat and Plans submittal, and the estimated costs thereof, are identified on **Exhibit A** attached hereto and incorporated herein by this reference. The public improvements shall be constructed in conformance with the plans and specifications submitted by the Developer as part of the Final Plat application and approved by the City Public Works Director or his/her designee, including all supplemental plans and specifications (all of which are on file at City Hall), the City of Rifle Public Works Manual then in effect, and the utility plan (hereinafter collectively referred to as "Plans and Specifications").
  - B. Developer shall provide at its sole cost and expense all necessary engineering designs, surveys, field surveys, and incidental services related to the construction of the Public Improvements.
8. Construction Observation and Inspection.
- A. Construction Inspection by Developer. Developer shall be responsible for ensuring that its certified professional engineer provides construction inspection services as necessary to allow Developer's engineer to provide a stamped certification, when improvements are submitted to the City for acceptance, that the Public Improvements have been constructed in accordance with the Plans and Specifications approved by the City.
  - B. Construction Observation by the City. The City shall have the right to make engineering observations at reasonable intervals and at the Developer's expense during construction of the Public Improvements. Observation, acquiescence in or approval by any engineering inspector of the construction of any physical facilities, at any particular time, shall not constitute City approval of any phase of construction of the Public Improvements. City approvals shall be made only after completion of construction and in the manner hereinafter set forth. To assist the City in monitoring the installation of the Public Improvements, a supervisor employed by the Developer's general contractor shall inspect the Public Improvements on at least a weekly basis, and shall provide the City Public Works Director or his/her designee with supervisor's field and inspection notes relating to the installation of the Public Improvements which have been reviewed and stamped by a professional engineer. The supervisor shall regularly apprise the City Public Works Director or his/her designee of the status of the work on the Public Improvements. Further, the Developer at its own expense shall have an approved geotechnical engineer monitor the methods of construction and backfill, to ensure such work is being completed in conformance with the approved Plans and Specifications, and accepted standards for such work. The geotechnical engineer shall conduct inspections and testing as directed by the City Public Works Director or his/her designee. The City agrees to respond to requests for interim inspections in a timely manner and to respond not later than ten (10)

business days after a request for a final inspection. Nothing in this paragraph shall be construed to constitute an acceptance by the City of the Public Improvements, which approval and acceptance shall only occur pursuant to the specific provisions below.

9. Completion of Public Improvements; Approval. The Developer shall complete all Public Improvements within one (1) year of the execution of this Agreement. Upon the Developer's completion of construction of the Public Improvements, the Developer's engineer shall certify in writing that the improvements have been completed in conformance with the Plans and Specifications and submit to the City a completed acceptance checklist utilizing a form approved by the City. Thereafter, the City Public Works Director or his/her designee shall inspect the Public Improvements and certify in writing and with specificity their conformity or lack thereof to the Plans and Specifications. The Developer shall make all corrections necessary to bring the Public Improvements into conformity with the Plans and Specifications. The Developer shall at its expense have "as-built" drawings prepared by a professional engineer and a registered land surveyor, which drawings shall include all legal descriptions the City may require. The Developer shall also prepare a summary of the actual construction costs of all Public Improvements to be dedicated to the City. The "as-built" drawings and costs summary shall be forwarded to the City for review and approval.

Once the as-built drawings and costs summary are approved, and any and all corrections are completed, the City Public Works Director or his/her designee shall certify in writing that all Public Improvements are in conformity with the Plans and Specifications, and the date of such certification shall be known as the Acceptance Date. The City shall be under no obligation to provide any water or sewer service until all Public Improvements are brought into conformance with the Plans and Specifications and the approved Final Subdivision Plan and Subdivision Plat, and are certified and approved by the City Public Works Director or his/her designee pursuant to this Agreement. However, upon certification and approval, the City shall be obligated to provide water and sewer service to the Property, subject to all provisions of the Rifle Municipal Code, and in particular to the availability of water or sewer taps, which shall be on a first-come, first-served basis. The City does not guarantee an adequate number of taps will be available to serve the Property at the time the Developer intends to proceed with development.

10. Acceptance; Conveyance. Within thirty (30) days of the Acceptance Date, the Owner shall execute a deed to the Town conveying all rights of way and easements required for the operation, maintenance, repair and replacement of the Improvements. Owner agrees to dedicate to the public and to convey or, with respect to off-site easements, to assign, to the Town, in such form as may be required by the Town, such easements and other rights as acquired by Owner as may be reasonably required for the construction of the Improvements. Such conveyance and dedication shall be free and clear of all liens and encumbrances that might adversely affect the use of the Improvements for their intended purpose. The Owner shall also execute a bill of sale conveying the Improvements to the Town, free and clear of all liens and encumbrances. All Improvements conveyed to the Town shall be warranted for a period of twelve (12) months from the Acceptance Date, as provided below.

11. Warranty. Developer shall warrant any and all Public Improvements and facilities which are conveyed to the City pursuant to this Agreement (i.e. water and sewer facilities and lines, public roads and facilities located on or under public lands and easements) for a period of twelve (12) months from the Acceptance Date. Specifically, but not by way of limitation, Developer shall warrant that:

- A. The title conveyed shall be good and its transfer rightful;
- B. Any and all facilities conveyed shall be free from any security interest or other lien or encumbrance; and
- C. Any and all facilities so conveyed shall be free of any defects in materials or workmanship for a period of one (1) year, as stated above.

12. Performance Guarantee. The total amount of required security for the Public Improvements shall be as specified on Exhibit A. In lieu of providing a letter of credit as set forth below, Developer has the option of recording with the Garfield County Clerk and Recorder simultaneously with the Final Plat a Notice of Prohibition of Lot Sales encumbering the Property in a form acceptable to the City until all public improvements are constructed and accepted by the City. In the event Developer desires to sale a lot prior to the acceptance of all public improvements, the buyer must execute an Acknowledgment of Notice of Prohibition of Lot Sales approved by the City agreeing to accept all risks that the public improvements are not completed serving the Property and access must be provided by alternative means to such lot sold approved by the City. This Acknowledgement of Notice will be recorded simultaneously with the deed conveying such lot. Upon the completion of the public improvements and acceptance by the City, the City shall record a Release allowing the sale of lots.

- A. In order to secure the construction and installation of the Public Improvements above described, for which the Developer is responsible, the Developer shall upon execution of this Agreement, and before any lots are contracted for or sold or offered for sale, furnish the City with a certificate or other evidence, in good and sufficient form approved by the City Attorney, of an irrevocable letter of credit, issued or confirmed by a commercial banking institution authorized to do business and with offices located within the State of Colorado to secure the performance and completion of the Public Improvements, in an amount equal to the estimated costs of said facilities as set forth on Exhibit A. The City shall have the right to review and approve all terms and conditions of the letter of credit prior to recording of the final plat.

The original letter of credit shall be delivered to the City prior to the recordation of the Final Plat. This Letter of Credit shall comply in all respects with the Uniform Customs and Practice for Documentary Credits, 1993 Revision, issued

by the International Chamber Commerce, Paris, to the extent it does not conflict with Article 5 of the Colorado Uniform Commercial Code.

- B. In the event the Public Improvements are not constructed or completed within 12 months of the date of this Agreement, the letter of credit shall provide that the funds necessary to complete the Public Improvements shall be put directly to an escrow account under the control of the City Manager and shall be used to complete the Public Improvements called for herein.
- C. Within ten (10) days of timely completion of the Public Improvements, and performance of the conditions and requirements of this Agreement secured by the performance guarantee, and upon the approval of the City Manager, the performance guarantee shall be released to Developer. If the improvements are not completed within the required time, the performance guarantee may be called by the City and the monies may be used to complete the improvements; provided, however, that if such guarantee is not sufficient to pay the actual costs, the Developer shall be responsible for the balance.
- D. The required security for the Public Improvements is the amount mutually agreed upon by the Developer and the City Engineer as set forth above. The parties agree that this amount does not necessarily reflect the City Engineer's estimate of what the actual cost to the City would be if the City were required to fund construction of all of the Public Improvements. In the event the costs of the Public Improvements exceed the amount set forth above, Developer shall be solely responsible for the actual cost. The purpose of Exhibit A is solely to determine the amount of security and shall be revised every twelve (12) months to reflect the actual costs, and the performance guarantee required by this SIA shall be adjusted accordingly. No representations are made as to the accuracy of these estimates, and the Developer agrees to pay the actual costs of all such Public Improvements.
- E. The parties expressly agree that the Developer's preparation and submission to the City of "as-built drawings" and a summary of actual construction costs for the Public Improvements to be dedicated to the City--and approval by the City of the as-built drawings and summary--are essential requirements of this Agreement. In the event the Developer fails to provide the as-built drawings and summary to the City thirty (30) days prior to the expiration of the performance guarantee or any extension thereof, such failure shall constitute a breach of this Agreement with regard to the completion of the Public Improvements, damages for which are impossible to ascertain, entitling the City to call upon the performance guarantee in an amount equal to ten (10%) percent of the total amount set forth on Exhibit A, which amount the City may retain as liquidated damages due to Developer's breach. No releases to the letter of credit shall be granted by the City until such as-built drawings are provided and all improvements are accepted by the City.

13. Phasing Plan. The Property is intended to be developed in one (1) phase.

14. Title Policy. Prior to the recordation of the Final Plat for the Property, the Developer shall provide the City a commitment for a title insurance policy, indicating that the Property is free and clear of all encumbrances whatsoever which would impair the use of the Property as proposed by the Final Subdivision Plat. Further, said title commitment, and/or an additional title commitment, shall show that all other property to be dedicated to the City is free and clear of all encumbrances which would make said dedications unacceptable as the City in its sole discretion determines. At the time of recording the Final Plat, the title insurance policy(s) shall be provided to the City, and the premium(s) for the title insurance shall be paid by the Developer. In the event the title commitment(s) reflect encumbrances which would impair the use of the Property as proposed or which would make the public dedications unacceptable, the City shall notify the Developer, who shall cure or otherwise remove or subordinate said encumbrances to the satisfaction of the City prior to the recordation of the Final Plat.

15. Vested Rights. Pursuant to Section 16-11-10, *et. seq.*, of the Rifle Municipal Code, the City and the Developer agree that the City Council's final subdivision plat approval of the Property constitutes the approval of a "Site Specific Development Plan", and no further hearings are required. Pursuant to the approval by the City Council of the Final Plat for the Property, the City granted vested property rights for the Property for a period of three (3) years from the effective date of the City ordinance approving this Agreement and the Final Plat upon the condition that Developer comply with all of the terms and conditions of this Agreement, the Final Plat for the Property, and the development submittal. Such rights shall also be subject to the provisions of Rifle Municipal Code Section 16-11-10, *et. seq.* The Developer shall at its expense publish the vested rights notice required by C.R.S. §24-68-103(1) and Rifle Municipal Code Section 16-11-50.

16. Reserved.

17. Conditions of Building Permit / Certificate of Occupancy. In addition to all requirements of the Rifle Municipal Code and any requirements imposed by operation of state, federal, or local law, no building permits shall be issued for the Property until:

- A. This SIA has been recorded in the Office of the Garfield County Clerk and Recorder, and a recorded copy is on file in the Office of the City Clerk.
- B. The Final Plat has been recorded in the Office of the Garfield County Clerk and Recorder, and a recorded copy is on file in the Office of the City Clerk.
- C. All public improvements have been accepted, or a performance guarantee to secure all public improvements has been provided in accordance with this SIA.

18. Voluntary Action of Developer. Notwithstanding any provision of the Rifle Municipal Code, the Developer agrees that all terms and conditions of this Agreement, including specifically the payment of fees, the dedication of land, and the completion of off-site infrastructure improvements, are agreed to and constitute the voluntary actions of the Developer.

19. Breach by Developer; City's Remedies. In the event of any default or breach by the Developer of any term, condition, covenant or obligation under this Agreement, the City Council shall be notified immediately. The City may take such action as it deems necessary to protect the public health, safety, and welfare; to protect lot buyers and builders, and to protect the citizens of the City from hardship. The City's remedies include:

- A. The refusal to issue to the Developer any building permit or certificate of occupancy; provided, however, that this remedy shall not be available to the City until after the affidavit described below has been recorded;
- B. The recording with the Garfield County Clerk and Recorder of an affidavit, approved in writing by the City Attorney and signed by the City Manager or his designee, stating that the terms and conditions of this Agreement have been breached by the Developer. At the next regularly scheduled City Council meeting, the City Council shall either approve the filing of said affidavit or direct the City Manager to file an affidavit stating that the default has been cured. Upon the recording of such an affidavit, no further lots or parcels may be sold within the Property until the default has been cured. An affidavit signed by the City Manager or his designee and approved by the City Council stating that the default has been cured shall remove this restriction;
- C. A demand that the security given for the completion of the public improvements be paid or honored;
- D. The refusal to consider further development plans within the Property; and/or
- E. Any other remedy available at law.

Unless necessary to protect the immediate health, safety, and welfare of the City or City residents, the City shall provide the Developer ten (10) days' written notice of its intent to take any action under this paragraph during which ten-day period the Developer may cure the breach described in said notice and prevent further action by the City. Furthermore, unless an affidavit as described above has been recorded with the Garfield County Clerk and Recorder, any person dealing with the Developer shall be entitled to assume that no default by the Developer has occurred hereunder unless a notice of default has been served upon Developer as described above, in which event Developer shall be expressly responsible for informing any such third party of the claimed default by the City.

20. Assignment. This Agreement may not be assigned by the Developer without the prior written consent of the City, which consent shall not be unreasonably withheld. In the event Developer desires to assign its rights and obligations herein, it shall so notify the City in writing together with the proposed assignee's written agreement to be bound by the terms and conditions contained herein.

21. Indemnification. Developer agrees to indemnify and hold the City harmless from any and all claims or losses of any nature whatsoever incurred by the City resulting from the subdivision of the Property. This indemnification shall include actual attorneys' fees incurred in the event that any party brings an action against the City for any of the approvals described herein. The parties hereto intend not to duplicate any legal services or other costs associated with the defense of any claims against either party described in this section. Therefore, the parties hereto agree to cooperate in full to prevent duplicative expenses incurred as a result of the indemnification herein described.

22. Waiver of Defects. In executing this Agreement, Developer waives all objections it may have concerning defects, if any, in the formalities whereby it is executed, or concerning the power of the City to impose conditions on Developer as set forth herein, and concerning the procedure, substance, and form of the ordinances or resolutions adopting this Agreement.

23. Final Agreement. This Agreement supersedes and controls all prior written and oral agreements and representations of the parties and is the total integrated agreement between the parties.

24. Modifications. This Agreement shall not be amended, except by subsequent written agreement of the parties.

25. Release of Liability. It is expressly understood that the City cannot be legally bound by the representations of any of its officers or agents or their designees except in accordance with the City of Rifle Code and Ordinances and the laws of the State of Colorado, and that Developer, when dealing with the City, acts at its own risk as to any representation or undertaking by the City officers or agents or their designees which is subsequently held unlawful by a court of law.

26. Captions. The captions in this Agreement are inserted only for the purpose of convenient reference and in no way define, limit, or prescribe the scope or intent of this Agreement or any part thereof.

27. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors, and assigns.

28. Invalid Provision. If any provisions of this Agreement shall be determined to be void by any court of competent jurisdiction, then such determination shall not affect any other provision hereof, all of which other provisions shall remain in full force and effect. It is the

intention of the parties hereto that, if any provision of this Agreement is capable of two constructions, one of which would render the provision void, and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

29. Governing Law. The laws of the State of Colorado shall govern the validity, performance, and enforcement of this Agreement. Should either party institute legal suit or action for enforcement of any obligation contained herein, it is agreed that the venue of such suit or action shall be in Garfield County, Colorado.

30. Attorneys' Fees; Survival. Should this Agreement become the subject of litigation, the substantially prevailing party shall be entitled to, and the failing party shall pay, all reasonable attorneys' fees, expenses, and court costs. All rights concerning remedies and/or attorneys shall survive any termination of this Agreement.

31. Authority. Each person signing this Agreement represents and warrants that he is fully authorized to enter into and execute this Agreement, and to bind the party it represents to the terms and conditions hereof.

32. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which, when taken together, shall be deemed one and the same instrument.

33. Notice. All notices required under this Agreement shall be in writing and shall be hand-delivered or sent by registered or certified mail, return receipt requested, postage prepaid, to the addresses of the parties herein set forth. All notices so given shall be considered effective seventy-two (72) hours after deposit in the United States mail with the proper address as set forth below. Either party by notice so given may change the address to which future notices shall be sent.

Notice to City:	City of Rifle P. O. Box 1908 Rifle, CO 81650
With copy to:	Karp Neu Hanlon, P.C. P. O. Drawer 2030 Glenwood Springs, CO 81602
Notice to Developer:	Rifle HR, LLC c/o Mark Sills 721 Estates Blvd. Grand Junction, CO 81505

34. Gender. Whenever the context shall require, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

WHEREFORE, the parties hereto have executed duplicate originals of this Agreement on the day and year first written above.

CITY OF RIFLE, COLORADO

By: \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Clerk

RIFLE HR, LLC

By: \_\_\_\_\_  
Mark Sills, Manager

STATE OF COLORADO )  
 ) ss.  
COUNTY OF GARFIELD )

Acknowledged, subscribed, and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 2011, by \_\_\_\_\_, as Mayor, and by \_\_\_\_\_, as Clerk, on behalf of the City of Rifle, Colorado.

WITNESS my hand and official seal.

My Commission expires: \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

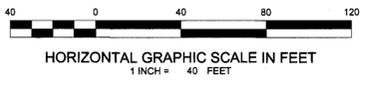
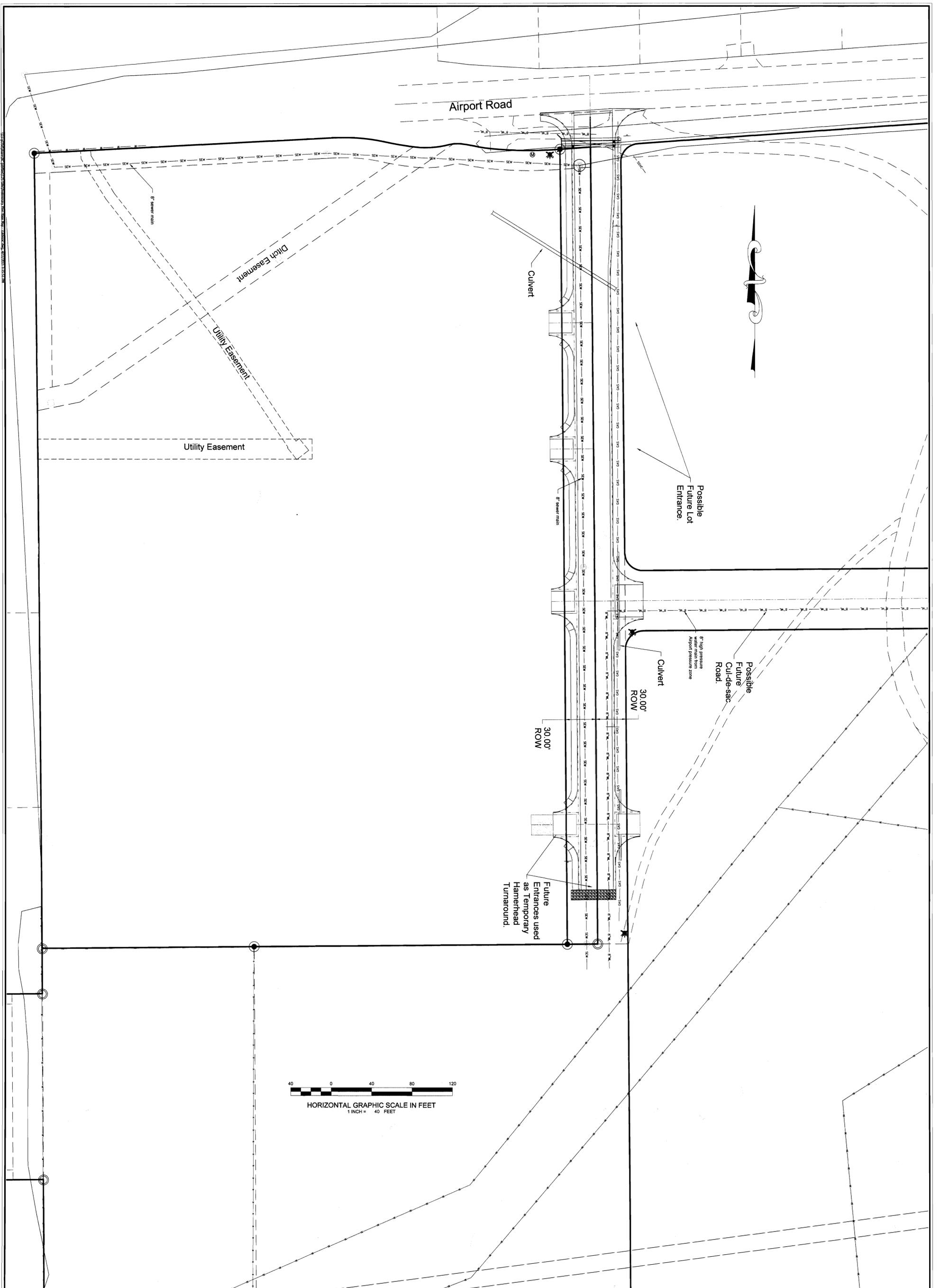
STATE OF COLORADO )  
 ) ss.  
COUNTY OF )

Acknowledged, subscribed, and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 2011, by Mark Sill as Manager of Rifle HR, LLC.

WITNESS my hand and official seal.

My Commission expires: \_\_\_\_\_.

\_\_\_\_\_  
Notary Public



Drawing Revisions			
No.	Description	By	Date


**BELL CONSULTING, LLC**  
 P.O. Box 8  
 Rifle, Colorado 81650  
 Voice: 970/625-9313 Fax: 970/625-9315

Client  
 Project

Sheet Title  
**Blacktail Ave.  
 Area Exhibit**

File  
 \\s-g\355\share\BC-jobfiles\125-Sils\Preliminary Plan Base Map - culdesac.dwg

**CITY OF RIFLE, COLORADO  
RESOLUTION NO. 8  
SERIES OF 2011**

AN RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIFLE,  
COLORADO, APPROVING THE FINAL PLAT OF THE BLACKTAIL  
MINOR SUBDIVISION IN THE CITY OF RIFLE

WHEREAS, Rifle HR, LLC (“Developer”) is the owner of certain real property located in the City of Rifle, Colorado at 2455 Airport Road and described as Lot 1, Billingsley Minor Subdivision No. 1 according to the Plat recorded December 15, 1995 at Reception No. 486473 with the Garfield County Clerk and Recorder’s Office (hereinafter the "Property"); and

WHEREAS, by Resolution No. 29, Series of 2008, the Rifle City Council approved the Final Plat of the Foothills Minor Subdivision, subdividing Lot 1, Billingsley Minor Subdivision into four (4) lots, which Final Plat was never recorded and Developer wishes to abandon such Final Plat approval and pursue different development plans for the Property; and

WHEREAS, Developer desires to subdivide the Property into four (4) lots to include uses on the Property that are either permitted or conditional uses in the City’s Light Industrial zone district; and

WHEREAS, on May 11, 2011 after a duly-noticed public hearing and pursuant to Rifle Municipal Code §16-5-280, the City of Rifle Planning Commission approved a Combined Sketch Plan and Preliminary Plan for the Property; and

WHEREAS, Developer filed with the Rifle Planning Department an application for Final Subdivision Plat approval for the Property creating four (4) lots; and

WHEREAS, on June 1, 2011 the Rifle City Council reviewed the Final Subdivision Plat application for the Property, and found these documents to be consistent with the approved Combined Sketch/Preliminary Plan; and

WHEREAS, the City Council desires to approve the Final Subdivision Plat of the Blacktail Minor Subdivision pursuant to Rifle Municipal Code §16-5-440(e), subject to all terms and conditions set forth herein and in the Subdivision Improvements Agreement for the Property (“SIA”), which Final Plat and SIA are available for inspection at the City Clerk’s Office during business hours.

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

1. The City Council incorporates the foregoing recitals as findings by the City Council.
2. That certain Final Subdivision Plat for the Blacktail Minor Subdivision is hereby

approved, subject to all terms and conditions contained herein and in the SIA, which SIA is hereby approved.

3. Developer shall comply with all of Developer's representations made in any applications and in statements during the public hearings before the Planning Commission and City Council and they shall be conditions of approval with which Developer shall comply unless specifically modified. Developer shall also comply in full with the requirements of the Rifle Municipal Code, including without limitation the requirements of the City of Rifle Public Works Manual. Developer shall also comply in full with the conditions of the Planning and Development Department's staff report presented to the City Council on even date herewith, which conditions must be satisfied prior to the recording of the Final Plat.

4. The Mayor of the City is hereby authorized to indicate the City Council's approval of the Final Plat and SIA for the Property by signing two (2) reproducible copies of the Final Plat and SIA. A true and correct copy of the Final Plat and SIA shall be deposited with the City Clerk and shall be available for public inspection at the Clerk's office after being fully executed by the parties.

5. The City Clerk is hereby directed to file one (1) copy of the Final Plat for the Property, the original of this Resolution, and the SIA in the Office of the City Clerk.

6. The City Clerk is hereby further directed to record this Resolution, the Final Plat for the Property, and the SIA in the Office of the Clerk and Recorder of Garfield County, and to file one (1) certified copy of the Final Plat and this Resolution with the Garfield County Assessor.

7. The City Council's approval of the Final Subdivision Plat creates a vested property right pursuant to the Rifle Municipal Code and Article 68 of Title 24, C.R.S., as amended, for a period of three (3) years from the effective date of this Resolution. As a condition of the granting of such vested right, the Developer shall, at its expense, publish the vested rights notice required by C.R.S. §24-68-103(c) and the Rifle Municipal Code §16-11-10, *et. seq.*, and Developer shall comply with all other procedural requirements set forth therein.

THIS RESOLUTION was read, passed, and adopted by the Rifle City Council at a regular meeting held the 1<sup>st</sup> day of June, 2011.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2011.

CITY OF RIFLE, COLORADO

BY \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk



## How to use the discount Rx card

- This is a permanent card. There is no expiration date. It can be used over and over and provides discounts of 10-80% on prescription medications. The average for brand-name drugs is 15% and 55% for generics
- There are no income limitations. **Anyone can use the card!**
- This card benefits the uninsured and underinsured the most, but it also benefits those people on Medicaid and Medicare. It can help save money on the prescription drugs that those services don't cover
- It can be used at more than one pharmacy. The card is accepted at 80% of pharmacies in the US and Puerto Rico
- You can compare prices of drugs and pharmacies in your area by going to:  
[www.caprxprogram.org/wood](http://www.caprxprogram.org/wood)  
Select the pharmacy with the best price.
- The cards are available in over 12 languages
- You do not have to activate the card. Just bring it to your pharmacist
- The cards are distributed through Community Assistance Program (CAP), an outreach program sponsored by National Benefit Builders, Inc.



We can send these cards in volume.  
To request more *free* cards, please contact:

Keith Wood

970-309-0293

[keith@mountaininsurancesolutions.com](mailto:keith@mountaininsurancesolutions.com)



**Community Assistance Program**

Making healthcare more affordable

**CITY OF RIFLE, COLORADO  
RESOLUTION NO. 7  
SERIES OF 2011**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIFLE,  
COLORADO ADOPTING A GOVERNMENT ACCESS CHANNEL POLICY  
FOR RIFLE COMMUNITY TELEVISION.

WHEREAS, the Rifle Community Television channel (“RCT”) is operated as a government access channel by the City of Rifle as provided for in the Telecommunications Policy Act of 1984, as amended; and

WHEREAS, staff recommends that a policy be adopted to reflect the purpose and mission of RCT as a government access channel used for local government programming; and

WHEREAS, the Rifle City Council wishes to adopt the Rifle Community Television Government Access Channel Policy attached hereto as Exhibit A accordingly.

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

1. The aforementioned recitals are hereby fully incorporated herein and adopted as findings and determinations by the City Council.

2. The City Council hereby adopts the Rifle Community Television Government Access Channel Policy attached hereto as Exhibit A as the official rules and regulations for Rifle Community Television.

THIS RESOLUTION was read, passed, and adopted by the Rifle City Council at a regular meeting held this 1<sup>st</sup> day of June, 2011.

CITY OF RIFLE, COLORADO

By: \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

**CITY OF RIFLE**  
**RIFLE COMMUNITY TELEVISION**  
**GOVERNMENT ACCESS CHANNEL POLICY**

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**I. PURPOSE**

Rifle Community Television (RCTV) is a government access channel as provided for in the Telecommunications Policy Act of 1984, as amended. As a government channel, RCTV is not required by law to offer access to anyone other than the City of Rifle and is a non-public forum—not a public access channel. RCTV may, within its sole editorial discretion, accept programming from other sources. Governmental access channels are used for programming by local government, and the City of Rifle has complete editorial control of all content and programming.

**II. OBJECTIVES**

1. To provide live and taped gavel-to-gavel coverage of Rifle City Council, Rifle Planning Commission, and other local government meetings with the exception of City Council executive sessions.
2. To serve as an information source during local emergencies.

Rifle Community Television  
Government Access Channel Policy

3. To provide programs from government, educational institutions, community organizations and individuals that RCTV, within its sole discretion, deems to be in the public interest.
4. To provide an electronic bulletin board for announcements and community information.
5. To provide programming that is non-commercial in nature.

**III. PROGRAMMING CATEGORIES**

1. Governmental Decision-Making: Programming that shows deliberations of elected or appointed bodies, as well as coverage of selected public issues forums.
2. Community Information/Affairs: Programming that provides information about City government or issues of local interest.
3. Cooperative/Community Programming: Programming produced or provided in cooperation with other organizations or individuals that is informative or entertaining.

**IV. PROGRAMMING GUIDELINES**

1. All programming on RCTV must be either produced or approved for use by the staff of RCTV.
2. All programming must be consistent with the channel's purpose and objectives and fall within one of the programming categories.
3. All public meetings will be covered, to the extent possible, gavel-to-gavel, excluding executive sessions, without editing. Introductory or supplementary information, which will aid the viewer in understanding the context or issues, may be provided.
4. Recorded coverage of meetings shall not be considered an official record of said meetings, and there shall be no liability by the City or its employees for inadvertent erasure or omissions, technical difficulties, or for inaccurate information stated during an aired event.
5. All programming produced by RCTV shall be copyrighted and may only be reproduced for personal, non-commercial use by individuals. Retransmission or any unauthorized use of RCTV programming in whole or in part is forbidden without the written consent of RCTV.

Rifle Community Television  
Government Access Channel Policy

6. Programs may be submitted by governments, community organizations, educational institutions, or individuals that are located in the City of Rifle or that provide primary services to the City for approval by RCTV to cablecast.
7. Programs may be submitted from other sources for approval by RCTV to cablecast, but they must have a resident sponsor in the City of Rifle. A sponsor is a person who wants to have a program shown on RCTV, who takes responsibility for its content, who agrees to hold the City harmless and who agrees to answer any questions from the public about the program.
8. Acceptance of programs for cablecasting shall be within the sole editorial discretion of RCTV. RCTV is not responsible for any damage or loss of programs.
9. Submitted programming must be in DVD or VHS(SP) format, labeled with the name of the program and producer, phone number and length in hours and seconds. Due to technical playback limitations, 30/60 seconds spots will not be accepted.
10. Programs are subject to repeat airings, at the sole discretion of RCTV.
11. It is the responsibility of the person submitting a program to obtain all copyrights, permissions and clearances including, but not limited to, video, performance, music, song, theatrical and film rights.
12. If accepted, scheduling of a program is within the sole discretion of RCTV.
13. When a program accepted for cablecast contains, according to the sole editorial judgment of RCTV, discussion of controversial issues of public importance, RCTV will provide time for cablecasting alternative viewpoints.
14. Copies of programs can be obtained by bringing blank DVD's to City Hall and filling out the request form provided.

**V. SPONSORSHIP OF PROGRAMMING**

1. A program of an event or activity that is sponsored by a for-profit business primarily for the benefit of a non-profit organization may be submitted to RCTV for its approval to cablecast.
2. Organizations such as the Rifle Area Chamber of Commerce can submit programs on for-profit business to profile them provided the focus is to give information

Rifle Community Television  
Government Access Channel Policy

rather than create profit for the business, e.g. upcoming sales and pricing information should not be included.

3. RCTV may produce or cablecast a program on a business where the educational value outweighs any advertising value and the community interest can be served by the informational content.
4. Programs promoting the arts, culture or individual artists are encouraged. Where the overall purpose of the program is cultural/educational/historical/artistic, restrictions on commercial programs will not apply, particularly where it is clear there is no prospect of substantial financial gain from cablecasting the program.
5. Where a person or organization produces a series of programs on a subject, which forms the basis for the producer's for-profit business:
  - a. The name of the business, DBA, or professional name must not be mentioned except at the beginning and end of the program;
  - b. The producer cannot mention the program in any advertising or descriptive literature about his business, or make an reference in his materials that he has a program on RCTV or is a local TV personality or words to that effect;
  - c. These rules also apply to anyone producing a program on behalf of another in business, as a favor or in exchange for money, goods, services or other consideration.
6. RCTV will accept, at its discretion, sponsorship or underwriting of programs. Any sponsored program shall carry a statement at the beginning and/or end of the program like the following: "This program is sponsored in part by \_\_\_\_\_" or "This program is made possible by a grant from \_\_\_\_\_".
7. Corporate logos may be accepted, however no "call to action" or other advertising kind of language will be accepted.

## **VI. POLITICAL PROGRAMMING**

1. Rifle Community Television does not produce programs promoting issues or candidates for public office. RCTV encourages candidate forums organized by public interest organizations where all candidates are given an equal opportunity to speak. The same criterion applies to political issues such that both sides of an issue must be represented.

Rifle Community Television  
Government Access Channel Policy

2. RCTV will not record events that are primarily partisan in nature, especially those that promote a specific candidate.

**VII. PROHIBITED PROGRAMMING**

1. Programming that violates FCC guidelines for access television including obscene or indecent material, libelous or slanderous speech, lottery information or other illegal content.
2. Any advertisements supporting or opposing a political candidate or ballot measure. Candidates for election or re-election to any office shall not be permitted to “use” the channel, except as may be a part of a public meeting from the time of their legally qualified candidacy until after the election. The channel is exempt from providing equal opportunities to a candidate under FCC Rules, Section 76.205 for time incumbents spend on the channel when performing the routine duties of their position.
3. Any advertisements for the sale of goods or services.
4. Programming that promotes religious beliefs or religious philosophies; provided, however, programming that has artistic or performance value in a religious holiday setting may be cablecast in RCTV’s sole discretion if such artistic or performance value outweighs the promotion of religious beliefs or religious philosophies.
5. Programming that violates local, state or federal laws.

**VIII. ELECTRONIC BULLETIN BOARD**

1. The bulletin board is for non-commercial announcements of events and activities of public interest to the citizens of the City of Rifle as determined by RCTV.
2. Messages may be submitted by governments, educational institutions, community organizations, or individuals that are located in or provide primary services to the City of Rifle. Acceptance of messages shall be within the sole discretion of RCTV, consistent with its purpose and objectives.
3. Announcements should be submitted in writing to RCTV at least two working days before the message would run, which is usually within one week prior to the event.
4. Written information submitted may be edited for brevity and clarity at the

Rifle Community Television  
Government Access Channel Policy

discretion of RCTV.

5. Ineligible messages include but are not limited to: free items, e.g. kittens; items for sale; lost and found items; help wanted advertising; regularly scheduled meetings of organizations; and solicitations for funds.
6. RCTV is not responsible for the accuracy of the information submitted.

**IX. GRIEVANCE PROCEDURE**

Any person wishing to protest a decision by RCTV may file an appeal with the City Manager within ten (10) days after the disputed action.

**X. PRODUCTION PERSONNEL AND EQUIPMENT**

All RCTV equipment and services are operated by the RCTV staff. Use by others is subject to the approval of RCTV.

**TO:** John Hier, City Manager  
**FROM:** Dick Deussen, P.E. City Engineer  
**RE:** Irrigation System Audits and Related Improvement Work.  
**DATE:** May 25, 2011

---

We request that Oasis Irrigation Company be awarded the contract to provide irrigation system audits and improvement services for the Rebates and Audits for Irrigation Networks (RAIN) Program. City Staff will provide review of the audits after preparation by the contractor, recommend which property should receive rebates on recommended improvements, provide inspection of the improvements and approve progress payments.

The cost for these services, as shown on the attachment, is \$18,650 (if 60 participants are selected for an audit) and half that amount if only 30 property owners participate. If less than 30 participate, the contractor is paid on a unit price basis. Funds are available from the Water Capital Fund in the amount of \$22,489 from a grant from Colorado Water Conservation Board. This grant is included in the professional services line item (310-4331-400-320).

Two contractors submitted bids for this work as shown in the attachment. Neither firm is a primary local contractor. Gopher Irrigation and Landscaping, LLC is a secondary local contractor but even with the discount allowed, did not come close in price to the low bidder.

SGM has reviewed the low bid and agrees on the recommendation to award this work to Oasis Irrigation Company. They have also checked their references and they recently satisfactorily performed similar audits within the Eagle River Water and Sanitation District. A sub-consultant to SGM, Jared Kerst (a certified irrigation system auditor) will assist the City in review of the audits prepared by the contractor and his time is included in the cost for SGM's services, previously approved.

This project should be a zero cost for the City as all costs (except improvements) are paid for by the grant. Any improvements (less any rebates) will be paid by individual property owners, if they wish to improve their irrigation systems.

We recommend that the RAIN project be awarded to Oasis Irrigation Company for an amount not to exceed the grant of \$22,489.

Attachment:

**City of Rifle**  
**Rebates and Audits for Irrigation Networks Program**

Item	Description	Unit	\$/Unit		\$/Total	
			Contractor			
			Oasis	Oasis	Gopher	Gopher
1&5	Conduct Audit	60 or 30	\$62.50	3,750.00	\$150.00	9,000.00
2&6	Administration for Improvements	60 or 30	\$50.00	3,000.00	\$131.25	7,875.00
3&7	Controller	40 or 20	\$235.00	9,400.00	\$289.50	11,580.00
4&8	Weather Station	20 or 10	\$125.00	2,500.00	\$501.50	10,030.00
	Total/60*			18,650.00		38,485.00
9**	Adjust Flow/Zone	1	\$3.60		\$20.00	
10	Adjust Valve	1	\$6.00		\$20.00	
11	Adjust Pressure	1	\$12.00		\$15.00	
12	Repair Plugged Equipment	1	\$6.00		\$10.00	
13	Adjust Head Tilt	1	\$6.00		\$15.00	
14	Raise Sunken Head	1	\$8.50		\$20.00	
15	Replace Head	1	\$14.45		\$30.00	
16	Repalace Nozzle	1	\$3.87		\$10.00	
17	Repair Seal or Fitting	1	\$7.30		\$15.00	
18	Replace Emitter	1	\$1.62		\$10.00	
19	Replace Emitter Tubing	1	\$2.50		\$10.00	
20	Repair Line Break	1	\$18.47		\$100.00	
21	Adjust Arc	1	\$2.40		\$10.00	
22	Adjust Spray	1	\$2.40		\$7.00	
23	Clear Pattern	1	\$2.40		\$10.00	

\* Total for 30 participants would be half this amount

\*\* Items 9 through 23 are limits on cost to participant

**TO:** John Hier, City Manager  
**FROM:** Dick Deussen, City Engineer  
**RE:** UPS System for Railroad Avenue Traffic Signals  
**DATE:** May 25, 2011

---

Please ask City Council to award the construction of a UPS System for Railroad Avenue Traffic Signals to Rifle Electric, Inc. in the amount of \$69,640. Funds are available from the Street Improvement Capital Fund (201-4312-400-733). The amount of the line item is listed as \$78,500 but we have committed \$18,465 to Xcel to relocate street lights at the roundabouts and \$7,020 to Xcel for a street light at the entrance to the O&M Service Center. The remaining amount of \$53,015 will require an expenditure of \$16,625 from the Working Fund Balance.

Rifle Electric has performed numerous electric 10al installations for the City and has installed several UPS systems throughout Colorado.

The work includes installing battery backup systems at six signals along Railroad Avenue at 3<sup>rd</sup>, 5<sup>th</sup>, 7<sup>th</sup> (Middle School Crossing), 9<sup>th</sup>, 14<sup>th</sup> and 16<sup>th</sup> Streets. This will eliminate non-operational traffic signals upon power failures up to 4 hours in length. The battery backup system will be mounted within enclosures mounted on each controller and the 12 volt batteries will be continuously kept at full charge until needed.

The equipment and cabinet cost is about 75% of the total cost and will require about 4 to 6 weeks for delivery.

Only one bidder submitted a bid. However, an estimated price from our electrical firm that maintains our traffic lights indicated that the price received is reasonable.

Staff recommends award of the UPS System for Railroad Avenue Traffic Signals to Rifle Electric, Inc. in the amount of \$69,640. This improvement will benefit the citizens of Rifle and reduce the cost of maintenance and repair from power failures and improve response times of our contractor who maintains the traffic signals.



## MEMORANDUM

**To:** City Manager John Hier

**From:** Mike Braaten, Government Affairs Coordinator

**Date:** May 26, 2011

**Re:** City Council consideration of BLM Cooperating Agency status for Oil Shale PEIS

---

In mid-May Mayor Lambert received an invitation from the US Bureau of Land Management for the City of Rifle to participate as a cooperating agency during the preparation of a new Programmatic Environmental Impact Statement for tar sands and oil shale.

You may recall, the City of Rifle has participated in the past as a cooperating agency on the subject of oil shale regulations. This PEIS is a "fresh look" at commercial leasing for oil shale by the Obama Administration and will focus on reviewing decisions that were made during the last few months of the Bush Administration.

BLM has anticipated the process will take approximately 21 months with the first draft of the PEIS available the end of 2011 for comment.

Following this memo, I have provided the invitation letter from BLM, an explanation of the role of cooperating agencies from BLM's website and a copy of the City's comments regarding issues to be considered during the new Oil Shale PEIS submitted electronically and in person during the public scoping sessions held last month.

Please let me know if there are any comments, questions or concerns. Thank you.

Staff recommendation is for Council to approve the City's participation as a cooperating agency in BLM's development of the new tar sands and oil shale Programmatic Environmental Impact Statement.



United States Department of the Interior  
BUREAU OF LAND MANAGEMENT  
Washington, D.C. 20240  
<http://www.blm.gov>



Mr. Keith Lambert, Mayor  
City of Rifle  
202 Railroad Avenue  
Rifle, Colorado 81650

Dear Mr. Lambert:

Section 369(d)(1) of the Energy Policy Act of 2005 requires the Secretary of the Interior "to complete a Programmatic Environmental Impact Statement (PEIS) for a commercial leasing program for oil shale and tar sands resources on public lands, with an emphasis on the most geologically prospective lands in Colorado, Utah, and Wyoming." In accordance with this requirement, the Bureau of Land Management (BLM) published a Notice of Intent to prepare a PEIS on December 13, 2005, and commenced a land use planning process in accordance with the Federal Land Policy and Management Act (FLPMA) of 1976 and the BLM planning regulations at 43 CFR part 1600. On November 17, 2008, a Record of Decision (ROD) was signed, approving the amendment of 10 Resource Management Plans (RMPs) in Colorado, Utah, and Wyoming, to allocate certain BLM-managed lands as open to oil shale and tar sands leasing.

The BLM is proposing to begin a new public planning process related to oil shale and tar sands. Specifically, the BLM is publishing in the *Federal Register* a Notice of Intent to Prepare a PEIS and Possible Land Use Plan Amendments for Allocation of Oil Shale and Tar Sands Resources on Lands Administered by the BLM in Colorado, Utah, and Wyoming. In addition, the planning initiative will address ongoing Federal civil actions.

In the Notice of Intent, the BLM will consider whether it is still appropriate for the land identified in 2008 to remain open for oil shale and tar sands leasing and development, in light of the nascent character of the technology for development of these resources. With commercial development of oil shale at least several years away, the new public planning process will allow the BLM to take a fresh look at what public lands are best suited for oil shale and tar sands development. Specifically, the BLM will consider amending the applicable RMPs to specify whether any areas in Colorado, Utah, and Wyoming that are currently open for future leasing and development of oil shale or tar sands should remain so. Final land-use decisions will be made in light of any new information about potential resource needs and impacts, and technological innovations.

The BLM places great importance in working effectively with its governmental partners through the cooperating agency relationship and I would like to invite you to partner with us in a cooperating agency relationship for this PEIS/Plan Amendment.

The Council on Environmental Quality (CEQ) regulations implementing the National Environmental Policy Act (NEPA) (40 CFR 1500-1508) emphasize the use of such arrangements as a means of ensuring timely coordination with tribal, state, Federal, and local agencies in preparation of NEPA analyses and documentation. For further information please see our cooperating agency website: <http://www.blm.gov/planning/cadg/>.

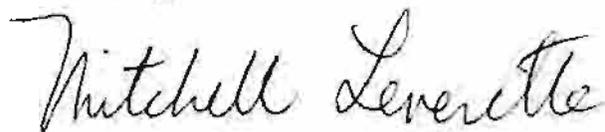
The City of Rifle is eligible for cooperating agency status on the new oil shale and tar sands PEIS on the basis of its jurisdiction by law. Gaining your agency's expertise and perspective will be valuable to the success of the BLM's oil shale and tar sands resources leasing and development strategy. Not only can the BLM's decisions for the public lands have a tremendous effect on neighboring communities, but the involvement of the City of Rifle as a cooperating agency, in the spirit of NEPA, can help ensure that we make the best possible decisions for all Americans.

Preparation of the PEIS is a multi-step process that will be completed in approximately 21 months and will include the preparation of a **Draft PEIS**, a **Final PEIS**, and a **ROD**. Given this constraint, cooperating agencies may, however, negotiate the level of their involvement consistent with their available staffing and resources.

If you would like to participate as a cooperating agency, please contact Ms. Sherri Thompson at (303) 239-3758 or via email at [Sherri\\_Thompson@blm.gov](mailto:Sherri_Thompson@blm.gov). Please make use of our website for further information and to sign up for Web news and up-dates. The address is: <http://blm.gov/st5c>.

The PEIS process begins with public scoping. The public scoping process will run from April 14, 2011, through May 16, 2011. Thank you for your consideration. We look forward to our interaction and discussions with you and your agency.

Sincerely,

A handwritten signature in cursive script that reads "Mitchell Leverette".

Mitchell Leverette,  
Chief, Division of Solid Minerals

cc: Kent Walter, Meeker Field Office Manager  
White River Field Office  
220 East Market St.  
Meeker, Colorado 81641

Steve Bennett, Colorado River Valley Field Office Manager  
Colorado River Valley Field Office  
2300 River Frontage Road  
Silt, CO 81652

Jim Cagney, District Manager  
Northwest District Office  
2815 H Road  
Grand Junction, Colorado 81506

Helen Hankins, Colorado State Director  
2850 Youngfield Street  
Lakewood, Colorado 80215

U.S. DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**  
National

The cooperating agency role derives from the *National Environmental Policy Act of 1969* (NEPA), which called on federal, state, and local governments to cooperate with the goal of achieving "productive harmony" between humans and their environment.

The Council on Environmental Quality's regulations implementing NEPA allow federal agencies (as lead agencies) to invite tribal, state, and local governments, as well as other federal agencies, to serve as cooperating agencies in the preparation of environmental impact statements.

Over the years, the BLM has established many productive cooperating agency relationships under informal policy. Our partners have rendered invaluable assistance to the BLM during planning and managing efforts that cover more than 245 million acres of public land in our nation.

In 2005 the BLM amended its planning regulations to ensure that staffs at all levels – state office or field office – engage their governmental partners consistently and effectively through the cooperating agency relationship whenever land use plans are prepared or revised.

The BLM is the first federal agency to promulgate regulations that establish a consistent, permanent role for cooperating agencies. We believe that by working closely with our state, local, tribal and federal government partners, we will improve communication and understanding, identify common goals and objectives, and enhance the quality of our management of the public lands.

These regulations demonstrate the strong commitment to the letter and spirit of President Bush's Executive Order on Facilitation of Cooperative Conservation, which recognizes that "local cooperation is critical to ensuring successful, effective, and long-lasting conservation results." On this site you will find links to the BLM's *Desk Guide to Cooperating Agency Relationships* and associated documents. For further information, please contact Rob Winthrop, Planning and Science Support Group (202-785-6597), or Cynthia Moses-Nedd, Intergovernmental Affairs Group (202-452-5114), at the BLM Washington Office.

- Presidential Executive Order: Facilitation of Cooperative Conservation (20KB PDF)
- A Desk Guide to Cooperating Agency Relationships 2005 (990KB PDF)  
This file is also available in a text-only format.
- News Releases
  - Interior Department Managers to Work with States, Counties, Tribes in Early Stages of Environmental Studies, 6/10/2005 DOI
  - New Rule Change to Give States, Counties and Tribes Active Role in Land-use Planning Decisions, 3/16/2005 DOI
  - BLM Strengthens Role of Local, State, and Tribal Partners in Planning, 3/10/04 BLM
  - Interior Secretary Norton Encourages Cooperative Approach Towards Environmental Decision-Making, 7/19/2004 NACo (20KB PDF)
- Frequently Asked Questions
- Federal Register Notice--Final Rule on Cooperating Agency Relationships (600KB PDF)
- The Revised BLM Land Use Planning Handbook (1.7MB PDF)
- a sample MOU
- Council on Environmental Quality (CEQ)
- CEQ Memorandum on Cooperating Agencies Implementing NEPA
- Excerpt from CEQ's Forty Most Asked Questions about NEPA  
(see Question 14 on Cooperating Agency Relationships)



May 3, 2011

BLM Oil Shale and Tar Sands Resources Leasing Programmatic EIS Scoping  
Argonne National Laboratory, EVS, 240  
9700 S. Cass Avenue  
Argonne, IL 60439

### **Comments from the City of Rifle, Colorado**

The City of Rifle greatly appreciates the Department of the Interior/BLM review of past decisions regarding oil shale leasing and development and offers the following comments.

The City of Rifle, Colorado (population 9,200) sits at the base of the oil-shale rich Roan Plateau in the Piceance Basin. If commercial development of oil shale does ever occur again, our small community and region will again be the likely epicenter of oil shale development as it was in the late 1970s and early 1980s. Unfortunately, in 1982, our community was also the epicenter of the oil shale bust that resulted in an economic depression in our region that spanned close to two decades.

In recent years, our city of 9,200 was heavily impacted by natural gas exploration, drilling and production occurring in nearby private and public lands. The recent energy development "boom" brought significant growth to our community and placed considerable demands upon our municipal infrastructure, resulted in a shortage of affordable housing and essential community workforce, caused material and labor costs to skyrocket and strained social services and law enforcement capacities. The development of oil shale resources will likely result in similar impacts.

Also, as our community has learned from the recent natural gas boom, investment in community services, facilities and infrastructure is needed many years in advance of commercial production and the receipt of any tax revenue that may assist a local government in coping with the expense of costly infrastructure improvements and service expansions.

Because of these concerns for our community, it is the City of Rifle's position that commercial leasing should not occur until the RD&D leases can prove oil shale can be a commercially-viable fuel source that can be developed responsibly with minimal impacts on the landscape, wildlife habitat, water, and other natural resources. The City also requests that a socio-economic and infrastructure needs analysis be completed prior to commercial leasing in the communities likely to be impacted by the commercial development of oil shale and federal funding be dedicated to address the identified needs in the impacted local communities.

Should commercial leasing occur, the City would also support federal regulation that would allow a reasonable incentive for companies engaged in the development and production of oil shale to provide up-front and on-going investment in local communities and to local governments directly affected by oil shale development and production.

Thank you in advance for your consideration of the City's concerns.





## MEMORANDUM

**TO:** John Hier, City Manager

**FROM:** Matt Sturgeon, Assistant City Manager

**DATE:** May 23, 2011

**SUBJECT:** DOLA HUDC and Tiger II Grant Agreements

---

Staff placed two DOLA Grant Agreements on the June 1 City Council agenda for Council's consideration. The City Attorney reviewed the subject grants, and staff is recommending Council authorize the Mayor to sign both agreements. These funds were not anticipated when preparing the FY2011 budget, therefore any grant funds spent in 2011 will require a supplemental appropriation; these funds will be budgeted to the Planning Department's Professional Services sub account.

These grants stem from Rifle's participation in the Colorado Sustainable Main Street Program and combined total \$815,600.00 (*see breakdown of funds below*). Both grants will be administered by DOLA but subject to federal reporting guidelines; the guidelines are outlined in the contracts.

### GRANT FUNDS

USDOT Tiger II Funds:	\$395,600.00
HUDC Funds:	\$420,000.00

The HUDC grant was awarded to fund a Transit Oriented Development (TOD) Strategic Plan for the Central Business District. The grant allows the City to take on: 1) Residential and Commercial Market Analysis; 2) Energy and Sustainability Planning; 3) Redevelopment Site Planning and Design, and; 4) Partner Identification. **EXHIBIT B** of the grant provides specific component details and additional explanation. The HUDC grant requires in-kind match from the Rifle Regional Economic Development Corporation (\$1,200.00), Colorado Dept. of Public Health and Environment (pedestrian audit = \$4,025), and City staff \$7,001; in-kind is direct labor towards the project.

The USDOT Tiger II grant was awarded to assist with the same overall purpose as the HUDC funds, however Tiger II dollars will be directed towards: 1) TOD Analysis and



**CITY OF RIFLE**  
202 RAILROAD AVENUE • P.O. BOX 1908 • RIFLE, CO 81650  
WWW.RIFLECO.ORG

(970) 665-6405 • (970) 665-6402 Fax

Planning; 2) Conceptual Multi-Modal Transportation Infrastructure Design; 3) Multi-Modal Infrastructure Design and Environmental Review (aka NEPA Compliance. **EXHIBIT B** of the USDOT Grant provides specific details and additional explanation. Tiger II funds require no cash or in-kind match funds.

Phase I Waiver #: \_\_\_\_\_

**Catalog of Federal Domestic Assistance (CFDA) #14.704**

CMS Contract Routing # \_\_\_\_\_ NAA \_\_\_\_\_

Encumbrance # F11HCC11550

Account Code(s): \_\_\_\_\_

**STATE OF COLORADO  
DEPARTMENT OF LOCAL AFFAIRS  
HUD COMMUNITY CHALLENGE PLANNING GRANT (HUDC)  
DIVISION OF LOCAL GOVERNMENT GRANT AGREEMENT  
with  
CITY OF RIFLE**

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Form Revised: 06 2009

## 1. PARTIES

THIS GRANT AGREEMENT (“Grant”) is entered into by and between the City of Rifle (“Grantee”), and the STATE OF COLORADO (the “State”) acting by and through the Colorado Department of Local Affairs (the “Department”) for the benefit of the Division of Local Government (“DLG”).

## 2. EFFECTIVE DATE AND NOTICE OF NONLIABILITY

This Grant shall not be effective or enforceable until approved and signed by the Colorado State Controller or authorized delegate (“Effective Date”), but shall be effective and enforceable thereafter in accordance with its provisions. The Department shall not be obligated to pay or reimburse Grantee for any performance hereunder, including, but not limited to costs or expenses incurred, or be bound by any provision of this Grant prior to (*see checked options below*):

### A. Option

The Effective Date.

### B. Option

The later to occur of the Effective Date or the date of a separate letter issued by the Department (“Release of Funds Letter”) notifying Grantee of the completion of a satisfactory environmental review and authorizing Grantee to obligate or use Grant Funds.

## 3. RECITALS

### A. Authority, Appropriation, And Approval

Authority for this Grant arises from CRS **§24-32-705**. Authority exists in the law and funds have been budgeted, appropriated and otherwise made available and a sufficient unencumbered balance thereof remains available for payment and the required approval, clearance and coordination have been accomplished from and with appropriate agencies.

### B. Grantee

Grantee is an eligible recipient of Grant Funds made available by the Program, as defined below, and awarded by this Grant. Grantee is aware of, willing and able to comply with all provisions specific to the Program, as set forth in **Exhibit A**, and to complete the Project described in **Exhibit B**.

### C. Purpose and Department’s Role

The Department administers funds made available to the Department for the purpose as described in **Exhibit B**.

## 4. DEFINITIONS

The following terms as used herein shall be construed and interpreted as follows:

### A. Cash Match

“Cash Match” means hard cash spent by Grantee for Work-related costs. The hard cash match required from Grantee in this Grant must be from non-federal and/or non-State funds, unless otherwise expressly permitted in the Project Budget in **Exhibit B**.

### B. Effective Date

Effective Date means the date this Grant is effective and enforceable in accordance with **§2** above.

### C. Exhibits and Other Attachments

Exhibit means the following are attached hereto and incorporated by reference herein: Exhibit A, Applicable Laws, Exhibit B, Statement of Project, and Exhibit C, Supplemental Provisions for Federal Funding Accountability and Transparency Act of 2006 (FFATA).

### D. Goods

Goods means any physical item produced or manufactured and acquired by Grantee either separately or in conjunction with the Services rendered hereunder that are required by the provisions hereof.

### E. Grant Funds

Grant Funds means the funds available for distribution by the Department to Grantee for use in connection with the Project, as set forth in the Recitals and Statement of Project sections hereof.

### F. In-Kind Match

“In-Kind Match” includes, but is not limited to, the valuation of in-kind services. "In-kind" is the value of something received or provided that does not have a cost associated with it. For example, if in-kind match

is permitted by law (other than cash payments), then the value of donated services could be used to comply with the non-cash match requirement. Also, third party in-kind contributions may count toward satisfying non-cash match requirements provided the Grantee in receipt of such contributions expends them as “allowable costs” pursuant to the Grants Management Common Rule for State and Local Units of Governments, 28 CFR Part 66.24.

**G. Party or Parties**

Party or Parties means one or both of the Department and Grantee.

**H. Program**

Program means the federal Housing and Urban Development (HUD) Challenge Grant, which provides funding for this Grant.

**I. Project**

Project means the Project described in the Recitals and **Exhibit B**.

**J. Project Budget**

Project Budget means the Project Budget described in **Exhibit B**.

**K. Services**

Services means services performed or tangible material produced or delivered in completing the Project and in performance of Grantee’s other obligations hereunder.

**L. Termination Date**

Termination Date means the date this Grant terminates as described in **§5(A)** below.

**M. Work Product**

Work Product means software, research, reports, studies, data, photographs, negatives or other finished or unfinished documents, drawings, models, surveys, maps, materials, or work product of any type, including drafts, prepared by Grantee in completing the Project and in performance of Grantee’s other obligations hereunder.

**5. TERM AND EARLY TERMINATION**

**A. Initial Term-Work Commencement**

The term of this Grant shall commence on the Effective Date and terminate on January 31, 2014, unless terminated earlier as provided below. Grantee’s obligations under this Grant shall be undertaken and performed in the sequence and manner set forth in **Exhibit B**. Performance of this Grant shall commence as soon as practicable after (*see checked option below*):

- i.  the Effective Date; or
- ii.  the later to occur of the Effective Date and the date set forth in a Release of Funds Letter.

**B. Department’s Option to Extend**

The Department, in its sole discretion and upon written notice to Grantee, may unilaterally extend the term of this Grant for a period of up to three months under the same provisions as the original Grant if the Parties are negotiating a replacement contract (and not merely seeking a term extension) at or near the end of any initial term or an extension thereof. This extension shall terminate at the earlier of either the end of the three month period or when a replacement Grant is signed by the Parties and approved by the State Controller or authorized designee. Any other extension of the term of this Grant requires an amendment made in accordance with the Modification subsection of the General Provisions below.

**C. Early Termination**

This Grant is subject to early termination in accordance with the general remedies provisions of **§17** below and as specifically otherwise provided for herein.

**6. STATEMENT OF PROJECT**

Grantee shall complete the Project and perform its other obligations as described herein and in **Exhibit B**. Grantee shall prosecute its obligations hereunder and in **Exhibit B** with due diligence to completion. The Department, in its sole discretion, but in accordance with limitations imposed by the Office of the State Controller, may change budgetary lines in the Project Budget section of **Exhibit B**. The Department shall send notice of such changes within 60 days in accordance with **§18** below.

**7. MATCHING FUNDS**

**A. Amount**

Grantee shall provide matching funds as specified in **Exhibit B** and shall report to the Department regarding the status of such funds as required in **Exhibit B**.

**B. Breach**

Grantee’s failure to keep records, and/or to report may affect its continued participation in the Program under which this Grant operates. In addition, the Department may terminate this Grant under the Termination for Cause subsection of **§17** below if the Department has reasonable evidence that Grantee will be unable to provide such matching funds during the term hereof.

**8. GRANTEE FINANCIAL MANAGEMENT**

**A. Accounts**

Grantee shall maintain properly segregated accounts of Grant funds, matching funds, and other funds associated with the Project and make those records available to the Department on request. All receipts and expenditures associated with the Project shall be documented in a detailed and specific manner, in accordance with the Project Budget set forth in **Exhibit B**.

**B. Project Budget Line Item Adjustments**

Regarding budget lines within the Project Budget, Grantee may:

- i.  not adjust individual budget line amounts without approval of the Department. Such approval shall be in the form of:
  - a) a notice issued by the Department in accordance with **§18** below; or
  - b) an amendment in accordance with the Modification subsection of the General Provisions below.
- ii.  adjust individual budget line amounts without the Department’s approval if:
  - a) there are no transfers to or between administration budget lines; and
  - b) the cumulative budgetary line item changes do not exceed the lesser of fifteen percent of the total budgeted amount or \$20,000.

**9. PAYMENTS TO GRANTEE**

Grantee shall be paid in the following amounts and manners, subject to return of any unexpended Grant Funds:

**A. Maximum Amount**

The maximum amount payable under this Grant to Grantee by the Department shall be \$420,000, as determined by the Department from available funds. The Department shall reimburse Grantee for costs approved in the Grant budget, set forth in **Exhibit B**. Satisfactory performance under the terms of this Grant shall be a condition precedent to the Department’s obligation to reimburse Grantee. The maximum amount of Grant Funds payable as reimbursement under this Grant, and any extension hereof, shall include all Grantee’s fees, costs and expenses.

**B. Payment**

All payments are subject to the **§17** below.

**i. Method and Time**

Grantee periodically shall submit invoices to the Department in the form and manner set forth in **Exhibit B**, and attach timesheets, receipts and other requested documentation in the form and manner approved by the Department. Grantee shall submit request for reimbursements/invoices within 30 days after the end of the period for which payment is requested, and final billings under this Grant shall be received by the Department within 45 days after termination hereof. Untimely requests for payment may be accepted at the sole discretion of the Department.

**ii. Electronic Funds Transfer**

Payments shall be made by one of the following methods:

- a) by mutually agreeable method including in-person pickup,
- b) electronic funds transfer (EFT) if Grantee provides written EFT instructions to the Department on a form acceptable to the Department, or
- c) via the U.S. Postal Service or other delivery service addressed as specified by Grantee in the remittance address section of **Exhibit B**.

**iii. Erroneous Payments, Unexpended and Excess Funds**

Grantee shall refund payments made by the State in error for any reason, including, but not limited to overpayments or improper payments, within 15 days of discovering or receiving notice of such error. Any funds paid to Grantee hereunder not expended in connection with this Grant by the termination date shall be refunded by Grantee within 15 days of such date. Any funds not required to complete Grantee's obligations hereunder shall be de-obligated by the State. If Grantee receives funds hereunder during any fiscal year in excess of its spending limit for such fiscal year, Grantee shall refund all excess funds to the State within 15 days of the later of of discovering or receiving notice of such excess. Erroneous, unexpended, and excess funds received by Grantee under this Grant shall not be refunded or paid to any party other than the State.

**iv. Available Funds-Contingency-Termination**

The Department is prohibited by law from making fiscal commitments beyond the term of the State's current fiscal year. Therefore, Grantee's compensation is contingent upon the continuing availability of State appropriations as provided in §2 of the Colorado Special Provisions, set forth below. If federal funds are used with this Grant in whole or in part, the Department's performance hereunder is contingent upon the continuing availability of such funds. Payments pursuant to this Grant shall be made only from available funds encumbered for this Grant and the Department's liability for such payments shall be limited to the amount remaining of such encumbered funds.

**C. Additional Funds**

Grantee shall provide any additional or matching funds necessary to perform its obligations in accordance with the budget in **Exhibit B**.

**D. Remedies**

If state or federal funds are not appropriated, or otherwise become unavailable to fund this Grant, the State may immediately terminate the Grant in whole or in part without further liability in accordance with §17(B) below. If additional funds under §9(C) are unavailable in whole or part, the State may, in its sole discretion, reduce its total funding commitment hereunder in proportion to the reduction in additional funds. If Grantee fails to refund payments as set forth in §9(B)(iii) above, the State may offset the amount not returned against any other unpaid funds the State owes Grantee under any other grant, agreement, or obligation between the Parties.

**10. REPORTING AND NOTIFICATION**

Reports and analyses required under this section shall be made in accordance with procedures and in such form as prescribed by the Department.

**A. Performance, Progress, Personnel, and Funds**

Grantee shall comply with all reporting requirements set forth in **Exhibit B**.

**B. Litigation**

Within 10 days after being served with any pleading related to this Grant or the Project, in a legal action filed with a court or administrative agency, Grantee shall notify the Department of such action and deliver copies of such pleadings to the Department's principal representative in accordance with §18 below. If a Department principal representative is not then serving, such notice and copies shall be delivered to the Executive Director of the Department.

**C. Noncompliance**

Grantee's failure to provide reports and notify the Department in a timely manner in accordance with this section may result in the delay of payment of funds and/or termination under §17 below.

**11. GRANTEE RECORDS**

Grantee shall make, keep, maintain and allow inspection and monitoring of the following records:

**A. Maintenance**

Grantee shall maintain a complete file of all records, documents, communications, notes and other written materials, electronic media files, and communications, pertaining in any manner to the Project or the delivery of Services (including, but not limited to the operation of programs) or Goods hereunder.

Grantee shall maintain such records (the Record Retention Period) until the last to occur of the following:

- i.** a period of five years after the date this Grant is completed or terminated , or
- ii.** final payment is made hereunder, whichever is later, or
- iii.** for such further period as may be necessary to resolve any pending matters, or

- iv. if an audit is occurring, or Grantee has received notice that an audit is pending, then until such audit has been completed and its findings have been resolved

**B. Inspection**

Grantee shall permit the State, the federal government or any other duly authorized agent of a governmental agency to audit, inspect, examine, excerpt, copy and/or transcribe Grantee's records related to this Grant during the Records Retention Period to assure compliance with the terms hereof or to evaluate Grantee's performance. The Department reserves the right to inspect the Project at all reasonable times and places during the term of this Grant, including any extension. The provisions §14(E), §16, and/or §17 below shall apply if project performance does not conform to Grant requirements.

**C. Monitoring**

Grantee also shall permit the State, the federal government or any other duly authorized agent of a governmental agency, in the sole discretion of such governmental agency, to monitor all activities conducted by Grantee pursuant to this Grant, using any reasonable procedure, at the discretion of such governmental agency, including, but not limited to: internal evaluation procedures, examination of program data, special analyses, on-site checking, and formal audit examinations. All such monitoring shall be performed in a manner which will not unduly interfere with Grantee's performance hereunder.

**D. Final Audit Report**

If an audit is performed on Grantee's records for any fiscal year covering a portion of the term of this Grant, Grantee shall submit one copy of the final audit report to the Department's principal representative at the address specified in §18 below.

**12. CONFIDENTIAL INFORMATION-STATE RECORDS**

Grantee acknowledges that it may become privy to confidential information in connection with its performance hereunder, including but not limited to State records, personnel records, and information concerning individuals ("Confidential Information"). The following applies if Grantee receives confidential information:

**A. Confidentiality**

Grantee shall keep all Confidential Information confidential at all times and comply with all laws and regulations concerning confidentiality of information to the same extent applicable to the Department. Any request or demand for information in the possession of Grantee made by a third party shall be forwarded immediately to the Department's principal representative for resolution.

**B. Notification**

Grantee shall notify each of its agents, employees, sub-grantees, subcontractors and assigns (each a "Related Party") who may come into contact with Confidential Information that such party is subject to the confidentiality requirements set forth herein, and shall provide each Related Party with a written explanation of such requirements before permitting such party to access any information of the Department.

**C. Use, Security, and Retention**

Confidential Information of any kind shall not be distributed or sold to any third party or used by Grantee or a Related Party in any way, except as authorized by this Grant and as approved by the Department. Grantee shall provide and maintain a secure environment that ensures confidentiality of all State records and other Confidential Information wherever located. Confidential Information shall not be retained in any files or otherwise by Grantee or a Related Party, except as set forth in this Grant and approved by the Department.

**D. Disclosure-Liability**

Disclosure of State records or other Confidential Information by Grantee or a Related Party for any reason may be cause for legal action against Grantee or such Related Party by the State or third parties and defense of any such action shall be Grantee's sole responsibility.

**E. Health Insurance Portability & Accountability Act of 1996 ("HIPAA")**

This section  shall, or shall not  apply to this Grant. Federal law and regulations governing the privacy of certain health information requires a "Business Associate Contract" between the Department and Grantee. 45 C.F.R. Section 164.504(e). Attached and incorporated herein by reference and agreed to by the Parties is a HIPAA Business Associate Addendum for HIPAA compliance. Terms of the

Addendum shall be considered binding upon execution of this Grant and shall remain in effect during the term of this Grant, including any extension.

### **13. CONFLICT OF INTEREST**

#### **A. Definition and Appearance**

Grantee shall not engage in any business or personal activities or practices or maintain any relationships which conflict in any way with the full performance of Grantee's obligations hereunder. Grantee acknowledges that with respect to this Grant, even the appearance of a conflict of interest is harmful to the Department's interests. Absent the Department's prior written approval, Grantee shall refrain from any practices, activities or relationships which reasonably appear to be in conflict with the full performance of Grantee's obligations to the Department hereunder. Grantee shall comply with the provisions of CRS §18-8-308 and §24-18-101-109.

#### **B. Specific Prohibitions**

Grantee's and sub-grantee's respective officers, employees, or agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from Grantee's potential subgrantees, or parties to sub-contracts. Grantee's employees, officers, agents or any permitted sub-grantees shall not participate in the selection, award, or administration of this Grant or any sub-grant or sub-contract, if an actual or apparent conflict of interest would occur. Such a conflict would arise when any of the following has a financial or other interest in the firm selected for award:

- i.** an employee, officer, agent or board member;
- ii.** any member of the employee's immediate family;
- iii.** an employee's partner; or
- iv.** an organization, which employs, or is about to employ, any of the aforementioned.

#### **C. Determination by Department - Default**

If Grantee is uncertain as to the existence of a conflict of interest, Grantee shall submit to the Department a disclosure statement setting forth the relevant details for the Department's consideration. Failure to promptly submit a disclosure statement or to follow the Department's direction in regard to the apparent conflict shall be considered a material default of this Grant and grounds for termination under the Termination for Cause subsection of §17 below.

#### **D. Code of Performance**

Grantee, and sub-grantees and subcontractors, if any, shall maintain a written code of standards governing the performance of their respective employees, agents, and contractors engaged in the award and administration of this Grant, or subcontract or subgrant, if any. Grantee shall provide a copy of such code to the Department within 10 days of the Department's written request therefore.

### **14. REPRESENTATIONS AND WARRANTIES**

The Parties make the following specific representations and warranties to each other, upon which each is relying in entering into this Grant.

#### **A. Standard and Manner of Performance**

Grantee shall perform its obligations hereunder, including in accordance with the highest professional standard of care, skill and diligence. Grantee shall perform its obligations hereunder in the sequence and manner set forth in **Exhibit B**.

#### **B. Inspection and Verification**

The Department reserves the right to inspect and monitor Grantee's performance hereunder at all reasonable times and places to verify that they conform to the requirements of **Exhibit B**. The provisions §14(E), §16, and/or §17 below shall apply if Grantee's performance does not conform to Grant requirements.

#### **C. Legal Authority-Grantee and Grantees Signatory**

Grantee warrants that it possesses the legal authority to enter into this Grant and has taken all actions required by its procedures, by-laws, and/or applicable laws to exercise that authority, and to lawfully authorize its undersigned signatory to execute this Grant and to bind Grantee to its terms. The person signing and executing this Grant on behalf of Grantee hereby represents and warrants and guarantees that they have full authorization to do so. If requested by the Department, Grantee shall provide the

Department the basis for Grantee’s authority to enter into this Grant within 15 days of receiving such request.

**D. Licenses, Permits, Etc**

Grantee represents and warrants that as of the Effective Date it has, and that at all times during the term hereof it will have, at its sole expense, all licenses, certifications, approval, insurance, permits, and other authorization required by law to perform its obligations hereunder. Additionally, all employees of Grantee performing services under this Grant shall hold the required licenses or certifications, if any, to perform their duties, Grantee, if a foreign corporation or other entity transacting business in the State of Colorado, further certifies that it currently has obtained and shall maintain any applicable certificate of authority to transact business in the State of Colorado and has designated a registered agent in Colorado to accept service of process. Any revocation, withdrawal or non-renewal of licenses, certifications, approvals, insurance, permits or any such similar requirements necessary for Grantee to properly perform this Grant, shall be deemed to be a default by Grantee and grounds for termination under Grant §17(A) below.

**E. Breach**

If the Grantee breaches any of its representations or warranties, the Department may require Grantee to promptly perform its obligations again in conformity with Grant requirements, at no additional cost to the Department. If such breaches cannot be, or are not cured, the Department may, in addition to any other remedies provided for in this Grant, require Grantee to take necessary action to ensure that future performance conforms to the provisions of this Grant; and equitably reduce the payment due to Grantee to reflect the reduced value of the Project. Any reduction, delay or denial of payment under this provision shall not constitute a breach of Grant or default by the Department.

**15. INSURANCE**

Grantee and its sub-grantees and subcontractors shall obtain and maintain insurance as specified in this section at all times during the term of this Grant: All policies evidencing the insurance coverages required hereunder shall be issued by insurance companies satisfactory to Grantee and the State.

**A. Grantee**

**i. Public Entities**

If Grantee is a "public entity" within the meaning of the Colorado Governmental Immunity Act, CRS §24-10-101, et seq., as amended (the Governmental Immunity Act”), then Grantee shall maintain at all times during the term of this Grant such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under such Act. Grantee shall show proof of such insurance satisfactory to the Department, if requested by the Department. Grantee shall require each grant or contract with a sub-grantee or subcontractor which is a public entity, providing Goods or Services in connection with this Grant, to include the insurance requirements necessary to meet sub-grantees liabilities under the Act.

**ii. Non-Public Entities**

If Grantee is not a "public entity" within the meaning of the Governmental Immunity Act, Grantee shall obtain and maintain during the term of this Grant insurance coverage and policies meeting the same requirements set forth in subsection B of this section with respect to sub-grantees and sub-contractors which are not "public entities”.

**B. Sub-grantees and Subcontractors**

Grantee shall require each contract with a sub-grantee or subcontractor, other than those that are public entities, providing Goods or Services in connection with this Grant to include insurance requirements substantially similar to the following:

**i. Worker’s Compensation**

Worker’s Compensation Insurance as required by State statute, and Employer’s Liability Insurance covering all of sub-grantee or subcontractor employees acting within the course and scope of their employment.

**ii. General Liability**

Commercial General Liability Insurance written on ISO occurrence form CG 00 01 10/93 or equivalent, covering premises operations, fire damage, independent contractors, products and

completed operations, blanket contractual liability, personal injury, and advertising liability with minimum limits as follows:

- a) \$1,000,000 each occurrence;
- b) \$1,000,000 general aggregate;
- c) \$1,000,000 products and completed operations aggregate; and
- d) \$50,000 any one fire.

If any aggregate limit is reduced below \$1,000,000 because of claims made or paid, sub-grantee or subcontractor shall immediately obtain additional insurance to restore the full aggregate limit and furnish to Grantee a certificate or other document satisfactory to Grantee showing compliance with this provision.

**iii. Automobile Liability**

Automobile Liability Insurance covering any auto (including owned, hired and non-owned autos) with a minimum limit of \$1,000,000 each accident combined single limit.

**iv. Additional Insured**

Grantee and the State shall be named as additional insured on the Commercial General Liability and Automobile Liability Insurance policies (leases and construction contracts require additional insured coverage for completed operations on endorsements CG 2010 11/85, CG 2037, or equivalent).

**v. Primacy of Coverage**

Coverage required of the sub-grantee or subcontractor shall be primary over any insurance or self-insurance program carried by Grantee or the State.

**vi. Cancellation**

The above insurance policies shall include provisions preventing cancellation or non-renewal without at least 45 days prior notice to the Grantee and Grantee shall forward such notice to the State in accordance with §18 (Notices and Representatives) within seven days of Grantee's receipt of such notice.

**vii. Subrogation Waiver**

All insurance policies in any way related to the Grant and secured and maintained by Grantee's sub-grantees or subcontractors as required herein shall include clauses stating that each carrier shall waive all rights of recovery, under subrogation or otherwise, against Grantee or the State, its agencies, institutions, organizations, officers, agents, employees, and volunteers.

**C. Certificates**

Each of Grantee's subcontractors and subgrantees shall provide certificates showing insurance coverage required hereunder to Grantee within seven business days of the Effective Date, but in no event later than the commencement of the Services or delivery of the Goods under the subcontract or subgrant. No later than 15 days prior to the expiration date of any such coverage, each subcontractor or subgrantee shall deliver to Grantee certificates of insurance evidencing renewals thereof upon request by the Department or at any other time during the term of a subcontract or subgrantee, Grantee may request in writing, and the subcontractor or subgrantee shall thereupon within 10 days supply to Grantee, evidence satisfactory to Grantee and the Department of compliance with the provisions of this section.

**16. DEFAULT-BREACH**

**A. Defined**

In addition to any breaches or defaults specified in other sections of this Grant, including, but not limited to the Colorado Special Provisions below, the failure of either Party to perform any of its material obligations hereunder in whole or in part or in a timely or satisfactory manner, constitutes a default or breach. The institution of proceedings under any bankruptcy, insolvency, reorganization or similar legislation, by or against Grantee, or the appointment of a receiver or similar officer for Grantee or any of its property, which is not vacated or fully stayed within 20 days after the institution or occurrence thereof; shall also constitute a default.

**B. Notice and Cure Period**

In the event of a default or breach, notice of such shall be given in writing by the aggrieved Party to the other Party in the manner provided in §18 below. If such default or breach is not cured within 30 days of receipt of written notice or, if a cure cannot be completed within 30 days, cure of the default or breach has

not begun within said period and pursued with due diligence, the aggrieved Party may terminate this Grant by providing written notice thereof, as provided for in §18 below, specifying the effective date of the termination. Notwithstanding anything to the contrary herein, the Department, in its sole discretion, need not provide advance notice or a cure period and may immediately terminate this Grant in whole or in part if reasonably necessary to preserve public safety or to prevent immediate public crisis.

## **17. REMEDIES**

If Grantee is in default or breach under any provision of this Grant, the Department shall have all of the remedies listed in this section in addition to all other remedies set forth in other sections of this Grant. The Department may exercise any or all of the remedies available to it, in its sole discretion, concurrently or consecutively.

### **A. Termination for Cause and/or Default**

If Grantee fails to perform any of its obligations hereunder with such diligence as is required to ensure its completion in accordance with the provisions of this Grant and in a timely manner, the Department may notify Grantee of such non-performance in accordance with the §16 above and §18 below. If Grantee thereafter fails to promptly cure such non-performance within the cure period, the Department, at its option, may terminate this entire Grant or such part of this Grant as to which there has been delay or a failure to properly perform. Exercise by the Department of this right shall not be deemed a breach of its obligations hereunder. Grantee shall continue performance of this Grant to the extent not terminated, if any.

#### **i. Obligations and Rights**

To the extent specified in the termination notice, Grantee shall not incur further obligations or render further performance hereunder past the effective date of such notice, and shall also terminate outstanding orders and subcontracts with third parties. However, Grantee shall complete and deliver to the Department all Services and Goods not cancelled by the termination notice and may incur obligations as are necessary to do so within the Grant terms. In the sole discretion of the Department, Grantee shall assign to the Department all of Grantee's right, title, and interest under such terminated orders or subcontracts. Upon termination, Grantee shall take timely, reasonable and necessary action to protect and preserve property in the possession of Grantee in which the Department has an interest. All materials owned by the Department in the possession of Grantee shall be immediately returned to the Department. All Work Product, at the option of the Department, shall be delivered by Grantee to the Department and shall become the Department's property.

#### **ii. Payments**

The Department shall pay Grantee only for accepted performance received up to the date of termination. If, after termination by the Department, it is determined that Grantee was not in default or that Grantee's action or inaction was excusable, such termination shall be treated as a termination in the public interest and the rights and obligations of the Parties shall be the same as if this Grant had been terminated in the public interest, as described in §17(B) below.

#### **iii. Damages and Withholding**

Notwithstanding any other remedial action by the Department, Grantee also shall remain liable to the Department for any damages sustained by the Department by virtue of any default under this section by Grantee and the Department may withhold any payment to Grantee for the purpose of mitigating the Department's damages, until such time as the exact amount of damages due to the Department from Grantee is determined. Further, the Department may withhold amounts due to Grantee as the Department deems necessary to protect the Department against loss because of outstanding liens or claims of former lien holders and to reimburse the Department for the excess costs incurred in procuring similar goods or services. Grantee shall be liable for excess costs incurred by the Department in procuring from third parties replacement Services or substitute Goods as cover.

### **B. Early Termination for the Public Interest**

The Department is entering into this Grant for the purpose of carrying out the public policy of the State of Colorado, as determined by its Governor, General Assembly, and Courts. If this Grant ceases to further the public policy of the State, the Department, in its sole discretion, may terminate this Grant in whole or

in part. Exercise by the Department of this right shall not be deemed a breach of the Department’s obligations hereunder. This subsection shall not apply to a termination of this Grant by the Department for cause or default by Grantee, which shall be governed by §17(A) above.

**i. Method and Content**

The Department shall notify Grantee of the termination in accordance with §16 above and §18 below specifying the effective date of the termination and whether it affects all or a portion of this Grant.

**ii. Obligations and Rights**

Upon receipt of a termination notice, Grantee shall be subject to and comply with §17(A)(i) above.

**iii. Payments**

If this Grant is terminated by the Department in furtherance of the public interest of the State of Colorado, Grantee shall be paid for satisfactory performance up to the date of termination less payments previously made.

**C. Remedies Not Involving Termination**

The Department, its sole discretion, may exercise one or more of the following remedies in addition to other remedies available to the Department:

**i. Suspend Performance**

Suspend Grantee’s performance with respect to all or any portion of this Grant pending necessary corrective action as specified by the Department without entitling Grantee to an adjustment in price/cost or performance schedule. Grantee shall promptly cease performance and incurring costs in accordance with the Department’s directive and the Department shall not be liable for costs incurred by Grantee after the suspension of performance under this provision.

**ii. Withhold Payment**

Withhold payment to Grantee until corrections in services are satisfactorily completed and /or acceptable goods are provided.

**iii. Deny Payment**

Deny payment for those Services not performed and/or Goods not provided and which due to circumstances caused by the Grantee cannot be performed or provided or, if performed or provided, would be of no value to the Department; provided, that any denial of payment must be reasonably related to the value of work, performance or Goods lost to the Department.

**iv. Removal**

Demand removal of any of Grantee’s employees, agents, or subcontractors whom the Department deems incompetent, careless, insubordinate, unsuitable, or otherwise unacceptable, or whose continued relation to this Grant is deemed to be contrary to the public interest or not in the Department’s best interest. Replacement of any key personnel hereunder shall be done in accordance with the relevant provisions of **Exhibit B**.

**18. NOTICES and REPRESENTATIVES**

Each individual identified below is the principal representatives of the designating Party. All notices required to be given hereunder shall be hand delivered with receipt required or sent by certified or registered mail to such Party’s principal representative at the address set forth below. In addition to, but not in lieu of, hard-copy notice, notice also may be sent by e-mail to the e-mail addresses, if any, set forth below. Either Party may from time to time designate by written notice substitute addresses or persons to whom such notices shall be sent. Unless otherwise provided herein, all notices shall be effective upon receipt.

**A. Department:**

Tony Hernandez, Director of Local Government Colorado Department of Local Affairs 1313 Sherman St., Room 521 Denver, CO 80203 Email: tony.hernandez@state.co.us
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**B. Grantee:**

Keith Lambert City of Rifle
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202 Railroad Ave.  
Rifle, CO 81650

**19. GOVERNMENTAL IMMUNITY**

Notwithstanding any other provision to the contrary, nothing herein shall constitute a waiver, express or implied, of any of the immunities, rights, benefits, protection, or other provisions of the Colorado Governmental Immunity Act, §CRS 24-10-101, et seq., as amended. Liability for claims for injuries to persons or property arising from the negligence of the State of Colorado, its departments, institutions, agencies, boards, officials, and employees is controlled and limited by the provisions of the Governmental Immunity Act and the risk management statutes, CRS §24-30-1501, et seq., as amended.

**20. LEGAL RESIDENT**

This section  shall, or shall not  apply to this Grant. Grantee must confirm that any individual natural person eighteen years of age or older is lawfully present in the United States pursuant to CRS §24-76.5-101 et seq. when such individual applies for public benefits provided under this Grant by requiring the following:

**A. Identification:**

The applicant shall produce one of the following personal identifications:

- i.** A valid Colorado driver's license or a Colorado identification card, issued pursuant to article 2 of title 42, C.R.S.; or
- ii.** A United States military card or a military dependent's identification card; or
- iii.** A United States Coast Guard Merchant Mariner card; or
- iv.** A Native American tribal document.

**B. Affidavit**

The applicant shall execute an affidavit herein attached as **Form 1**, Affidavit of Legal Residency, stating:

- i.** That **they are** United States citizen or legal permanent resident; or
- ii.** That **they are** otherwise lawfully present in the United States pursuant to federal law.

**21. STATEWIDE CONTRACT MANAGEMENT SYSTEM**

[This section shall apply when the maximum amount in §9(A) is \$100,000 or higher]

By entering into this Grant, the Grantee agrees to be governed, and to abide, by the provisions of CRS §24-102-205, §24-102-206, §24-103-601, §24-103.5-101 and §24-105-102 concerning the monitoring of vendor performance on state contracts and inclusion of contract performance information in a statewide contract management system.

The Grantee's performance shall be evaluated in accordance with the terms and conditions of this Grant, State law, including CRS §24-103.5-101, and State Fiscal Rules, Policies and Guidance. Evaluation of the Grantee's performance shall be part of the normal contract administration process and the Grantee's performance will be systematically recorded in the statewide Contract Management System. Areas of review shall include, but shall not be limited to quality, cost and timeliness. Collection of information relevant to the performance of Grantee's obligations under this Grant shall be determined by the specific requirements of such obligations and shall include factors tailored to match the requirements of the Statement of Project of this Grant. Such performance information shall be entered into the statewide Contract Management System at intervals established in the Statement of Project and a final review and rating shall be rendered within 30 days of the end of the Grant term. The Grantee shall be notified following each performance and shall address or correct any identified problem in a timely manner and maintain work progress.

Should the final performance evaluation determine that the Grantee demonstrated a gross failure to meet the performance measures established under the Statement of Project, the Executive Director of the Colorado Department of Personnel and Administration (Executive Director), upon request by the DOLA, and showing of good cause, may debar the Grantee and prohibit the Grantee from bidding on future contracts. The Grantee may contest the final evaluation and result by: (i) filing rebuttal statements, which may result in either removal or correction of the evaluation (CRS §24-105-102(6)); or (ii) under CRS §24-105-102(6), exercising the debarment protest and appeal rights provided in CRS §§24-109-106, 107, 201 or 202, which may result in the reversal of the debarment and reinstatement of the Grantee, by the Executive Director, upon showing of good cause.

## **22. GENERAL PROVISIONS**

### **A. Assignment**

Except as otherwise specifically provided in **Exhibit B**, Grantee’s rights and obligations hereunder are personal and may not be transferred, assigned or subcontracted, without the prior, written consent of the State. Any attempt at assignment, transfer, subcontracting without such consent shall be void. All assignments, subcontracts/subcontractors approved by Grantee or the State shall be subject to the provisions hereof. Grantee shall be solely responsible for all aspects of subcontracting arrangements and performance.

### **B. Binding Effect**

Unless otherwise provided herein, all provisions herein contained, including the benefits and burdens, shall extend to and be binding upon the Parties’ respective heirs, legal representatives, successors, and assigns.

### **C. Captions**

The captions and headings in this Agreement are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions.

### **D. Counterparts**

This Agreement may be executed in multiple identical original counterparts, all of which shall constitute one agreement.

### **E. Entire Understanding**

This Agreement represents the complete integration of all understandings between the Parties and all prior representations and understandings, oral or written, are merged herein. Prior or contemporaneous addition, deletion, or other amendment hereto shall not have any force or affect whatsoever, unless embodied herein.

### **F. Indemnification**

#### **i. Intergovernmental Grants**

If this is an intergovernmental Grant, the provisions hereof shall not be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protection, or other provisions, of the Colorado Governmental Immunity Act, CRS §24-10-101 et seq., or the Federal Tort Claims Act, 28 U.S.C. 2671 et seq., as applicable, as now or hereafter amended.

#### **ii. Non-Intergovernmental Grants**

If this is not an intergovernmental Grant, Grantee shall indemnify, save, and hold harmless the State, its employees and agents, against any and all claims, damages, liability and court awards including costs, expenses, and attorney fees and related costs, incurred as a result of any act or omission by Grantee, or its employees, agents, subcontractors, or assignees pursuant to the terms of this Grant.

### **G. Jurisdiction and Venue**

All suits, actions, or proceedings related to this Agreement shall be held in the State of Colorado and the Parties hereby agree that venue shall be proper in the City and County of Denver.

### **H. List of Selected Applicable Laws**

Grantee at all times during the performance of this Grant shall comply with all applicable Federal and State laws and their implementing regulations, currently in existence and as hereafter amended, including without limitation those set forth on **Exhibit A**, Applicable Laws, attached hereto, which laws and regulations are incorporated herein and made part hereof. Grantee also shall require compliance with such laws and regulations by sub-contractors under sub-contracts permitted by this Grant.

### **I. Modification**

#### **i. By the Parties**

Except as specifically provided in this Agreement, modifications of this Agreement shall not be effective unless agreed to in writing by both parties in an amendment to this Agreement, properly executed and approved in accordance with Colorado State law and State Fiscal Rules.

#### **ii. By Operation of Law**

This Agreement is subject to such modifications as may be required by changes in Federal or Colorado State law, or their implementing regulations. Any such required modification

automatically shall be incorporated into and be part of this Agreement on the effective date of such change, as if fully set forth herein.

**J. Order of Precedence**

The provisions of this Agreement shall govern the relationship of the State and Grantee. In the event of conflicts or inconsistencies between this Agreement and its exhibits and attachments, such conflicts or inconsistencies shall be resolved by reference to the documents in the following order of priority:

- i.** Exhibit C Supplemental Provisions for Federal Funding Accountability and Transparency Act
- ii.** Colorado Special Provisions
- iii.** The provisions of the main body of this Grant
- iv.** Exhibit A Applicable Laws
- v.** Exhibit B Statement of Project

**K. Severability**

Provided this Agreement can be executed and performance of the obligations of the Parties accomplished within its intent, the provisions hereof are severable and any provision that is declared invalid or becomes inoperable for any reason shall not affect the validity of any other provision hereof.

**L. Survival of Certain Agreement Terms**

Notwithstanding anything herein to the contrary, provisions of this Agreement requiring continued performance, compliance, or effect after termination hereof, shall survive such termination and shall be enforceable by the State if Grantee fails to perform or comply as required.

**M. Third Party Beneficiaries**

Enforcement of this Agreement and all rights and obligations hereunder are reserved solely to the Parties, and not to any third party. Any services or benefits which third parties receive as a result of this Agreement are incidental to the Agreement, and do not create any rights for such third parties.

**N. Waiver**

Waiver of any breach of a term, provision, or requirement of this Agreement or any right or remedy hereunder, whether explicitly or by lack of enforcement, shall not be construed or deemed as a waiver of any subsequent breach of such term, provision or requirement, or of any other term, provision, or requirement.

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## **23. COLORADO SPECIAL PROVISIONS**

These Special Provisions apply to all State contracts except where noted in *italics*.

### **A. 1. CONTROLLER'S APPROVAL. CRS §24-30-202 (1).**

This Grant shall not be deemed valid until it has been approved by the Colorado State Controller or designee.

### **B. 2. FUND AVAILABILITY. CRS §24-30-202(5.5).**

Financial obligations of the State payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.

### **C. 3. GOVERNMENTAL IMMUNITY.**

No term or condition of this Grant shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, of the Colorado Governmental Immunity Act, CRS §24-10-101 et seq., or the Federal Tort Claims Act, 28 U.S.C. §§1346(b) and 2671 et seq., as applicable now or hereafter amended.

### **D. 4. INDEPENDENT CONTRACTOR.**

Grantee shall perform its duties hereunder as an independent contractor and not as an employee. Neither Grantee nor any agent or employee of Grantee shall be or shall be deemed to be an agent or employee of the state. Grantee shall pay when due all required employment taxes and income taxes and local head taxes on any monies paid by the state pursuant to this Grant. Grantee acknowledges that Grantee and its employees are not entitled to unemployment insurance benefits unless Grantee or a third party provides such coverage and that the state does not pay for or otherwise provide such coverage. Grantee shall have no authorization, express or implied, to bind the state to any agreement, liability or understanding, except as expressly set forth herein. Grantee shall provide and keep in force workers' compensation (and provide proof of such insurance when requested by the state) and unemployment compensation insurance in the amounts required by law and shall be solely responsible for its acts and those of its employees and agents.

### **E. 5. COMPLIANCE WITH LAW.**

Grantee shall strictly comply with all applicable federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

### **F. 6. CHOICE OF LAW.**

Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this Grant. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. Any provision incorporated herein by reference which purports to negate this or any other Special Provision in whole or in part shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise. Any provision rendered null and void by the operation of this provision shall not invalidate the remainder of this Grant, to the extent capable of execution.

### **G. 7. BINDING ARBITRATION PROHIBITED.**

The State of Colorado does not agree to binding arbitration by any extra-judicial body or person. Any provision to the contrary in this Grant or incorporated herein by reference shall be null and void.

### **H. 8. SOFTWARE PIRACY PROHIBITION. Governor's Executive Order D 002 00.**

State or other public funds payable under this Grant shall not be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Grantee hereby certifies and warrants that, during the term of this Grant and any extensions, Grantee has and shall maintain in place appropriate systems and controls to prevent such improper use of public funds. If the State determines that Grantee is in violation of this provision, the State may exercise any remedy available at law or in equity or under this Grant, including, without limitation, immediate termination of this Grant and any remedy consistent with federal copyright laws or applicable licensing restrictions.

**I. 9. EMPLOYEE FINANCIAL INTEREST/CONFLICT OF INTEREST. CRS §§24-18-201 and 24-50-507.**

The signatories aver that to their knowledge, no employee of the State has any personal or beneficial interest whatsoever in the service or property described in this Grant. Grantee has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Grantee's services and Grantee shall not employ any person having such known interests.

**J. 10. VENDOR OFFSET. CRS §§24-30-202 (1) and 24-30-202.4. *[Not Applicable to intergovernmental agreements]***

Subject to CRS §24-30-202.4 (3.5), the State Controller may withhold payment under the State's vendor offset intercept system for debts owed to State agencies for: (a) unpaid child support debts or child support arrearages; (b) unpaid balances of tax, accrued interest, or other charges specified in CRS §39-21-101, et seq.; (c) unpaid loans due to the Student Loan Division of the Department of Higher Education; (d) amounts required to be paid to the Unemployment Compensation Fund; and (e) other unpaid debts owing to the State as a result of final agency determination or judicial action.

**K. 11. PUBLIC CONTRACTS FOR SERVICES. CRS §8-17.5-101. *[Not Applicable to agreements relating to the offer, issuance, or sale of securities, investment advisory services or fund management services, sponsored projects, intergovernmental agreements, or information technology services or products and services]***

Grantee certifies, warrants, and agrees that it does not knowingly employ or contract with an illegal alien who will perform work under this Grant and will confirm the employment eligibility of all employees who are newly hired for employment in the United States to perform work under this Grant, through participation in the E-Verify Program or the Department program established pursuant to CRS §8-17.5-102(5)(c), Grantee shall not knowingly employ or contract with an illegal alien to perform work under this Grant or enter into a contract with a subcontractor that fails to certify to Grantee that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Grant. Grantee (a) shall not use E-Verify Program or Department program procedures to undertake pre-employment screening of job applicants while this Grant is being performed, (b) shall notify the subcontractor and the contracting State agency within three days if Grantee has actual knowledge that a subcontractor is employing or contracting with an illegal alien for work under this Grant, (c) shall terminate the subcontract if a subcontractor does not stop employing or contracting with the illegal alien within three days of receiving the notice, and (d) shall comply with reasonable requests made in the course of an investigation, undertaken pursuant to CRS §8-17.5-102(5), by the Colorado Department of Labor and Employment. If Grantee participates in the Department program, Grantee shall deliver to the contracting State agency, institution of higher education or political subdivision a written, notarized affirmation, affirming that Grantee has examined the legal work status of such employee, and comply with all of the other requirements of the Department program. If Grantee fails to comply with any requirement of this provision or CRS §8-17.5-101 et seq., the contracting State agency, institution of higher education or political subdivision may terminate this Grant for breach and, if so terminated, Grantee shall be liable for damages.

**L. 12. PUBLIC CONTRACTS WITH NATURAL PERSONS. CRS §24-76.5-101.**

Grantee, if a natural person eighteen (18) years of age or older, hereby swears and affirms under penalty of perjury that he or she (a) is a citizen or otherwise lawfully present in the United States pursuant to federal law, (b) shall comply with the provisions of CRS §24-76.5-101 et seq., and (c) has produced one form of identification required by CRS §24-76.5-103 prior to the effective date of this Grant.

Revised 1/1/09

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**24. SIGNATURE PAGE**

**THE PARTIES HERETO HAVE EXECUTED THIS GRANT**

**\* Persons signing for Grantee hereby swear and affirm that they are authorized to act on Grantee’s behalf and acknowledge that the State is relying on their representations to that effect.**

<b>GRANTEE</b> <b>City of Rifle, Colorado</b>	<b>STATE OF COLORADO</b> <b>John W. Hickenlooper, GOVERNOR</b>  DEPARTMENT OF LOCAL AFFAIRS
By: _____ Name of Authorized Individual	By: _____ Reeves Brown, Executive Director
Title: _____ Official Title of Authorized Individual	Date: _____
_____ *Signature	<b>PRE-APPROVED FORM CONTRACT REVIEWER</b>
Date: _____	By: _____ Teri Davis, Director of Financial Assistance Services
	Date: _____

**ALL GRANTS REQUIRE APPROVAL by the STATE CONTROLLER**

**CRS §24-30-202 requires the State Controller to approve all State Grants. This Grant is not valid until signed and dated below by the State Controller or delegate. Grantee is not authorized to begin performance until such time. If Grantee begins performing prior thereto, the State of Colorado is not obligated to pay Grantee for such performance or for any goods and/or services provided hereunder.**

<b>STATE CONTROLLER</b> David J. McDermott, CPA
By: _____ Barbara M. Casey, Controller Delegate
Date: _____

### **EXHIBIT A – APPLICABLE LAWS**

Laws, regulations, and authoritative guidance incorporated into this Grant include, without limitation:

1. 29 U.S.C. 201, et seq. - Federal Fair Labor Standards Act
2. 33 U.S.C. 1251, et seq. - Section 404 of the Clean Water Act as amended.
3. P.L. 93-205, - Section 7 of the Endangered Species Act.
4. 21 U.S.C. 1101, et seq. - Drug Abuse Office and Treatment Act of 1972 as amended
5. 42 U.S.C. §§ 3601-19 (Fair Housing Act) and implementing regulations at 24 CFR Part 100
6. 42 U.S.C. 4151, et seq. - Architectural Barriers Act of 1968
7. 33 U.S.C. 1251 - 1376 - Federal Water Pollution Control Act, as amended.
8. 31 U.S.C. 7501, et seq. - Single Audit Act of 1984
9. 24 C.F.R. Sections 1.6, 8.55, 107.30 and 121.2
10. 24 C.F.R. Part 58, Environmental Review Procedures For Entities Assuming HUD Environmental Responsibilities
11. 40 C.F.R. 1500-1508, as amended, Council on Environmental Quality Regulations Implementing NEPA
12. 42 U.S.C. 12101, et seq. - Americans with Disabilities Act of 1990
13. 20 U.S.C. 1681-1683 and 1685-1687- Title IX of the Education Amendments of 1972, as amended.
14. 29 U.S.C. 794 - Section 504 of the Rehabilitation Act of 1973
15. 42 U.S.C. 2000d, et seq. - Title VI of the Civil Rights Act of 1964
16. 42 U.S.C. 6101-6107 – Age Discrimination Act of 1975
17. 31 U.S.C. 1352 - Limitation on Use of Appropriated Funds to Influence Certain Federal Contracting and Financial Transactions
18. 5 U.S.C. 552, as amended - Freedom of Information Act.
19. P.L. 109-282, as amended by P.L. 110-252, Section 6202 - Federal Funding Transparency and Accountability Act of 2006, as amended.
20. Executive Order 11063, as amended by Ex Order 12259, Nondiscrimination and Equal Opportunity in Housing
21. Executive Order 11246 - Equal Employment Opportunity
22. Executive Order 12372 - Intergovernmental Review of Federal Programs
23. Executive Order 12549 - Debarment and Suspension
24. Executive Order 12898 - Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations
25. Executive Order 13166 - Improving Access to Services for Persons with Limited English Proficiency.
26. 49 C.F.R. 18 - Uniform Administrative Requirements for Grants and Agreements
27. 2 C.F.R. Part 225 - Cost Principles for State and Local Governments
28. 2 C.F.R. Part 1200 - Non-procurement Suspensions and Debarment
29. 41 C.F.R. Parts 60, et seq. - Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and federally assisted contracting requirements)
30. 49 C.F.R. Part 20 - New Restrictions on Lobbying
31. 49 C.F.R. Part 21 - Nondiscrimination in Federally Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964
32. 49 C.F.R. Part 24, as amended - Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970
33. 49 C.F.R. Part 25 - Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance.
34. 49 C.F.R. Part 27 - Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance.
35. 49 C.F.R. Part 28 - Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities Conducted by the Department of Transportation.
36. 49 C.F.R. Part 32 - Governmentwide Requirements for Drug-Free Workplace (Financial Assistance)
37. 49 C.F.R. Parts 27 and 38 - DOT's implementing ADA regulations, including the ADA Accessibility Guidelines in Part 37, Appendix A.
38. 49 C.F.R. Part 26 - Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs.
39. A-87 Cost Principles Applicable to Grants and Contracts with State and Local Governments.
40. A-102 Grants and Agreements with State and Local Governments
41. A-133 Audits of States, Local Governments, and Non-Profit Organizations
42. C.R.S. 24-75-601 et seq., as amended, Legal Investment of Public Funds

**EXHIBIT B – STATEMENT OF PROJECT (SOP)**  
**HUD Community Challenge Planning Grant - Colorado Sustainable Main Streets**

**1. GENERAL DESCRIPTION OF THE PROJECT(S).**

**1.1. Project Description.** The City of Rifle’s primary outcome for this project is the development of a Transit Oriented Development (TOD) Strategic Plan for downtown Rifle. The City of Rifle has undertaken several planning efforts that serve as a foundation for this project, including a downtown master plan, a gateway study, and property redevelopment planning, alongside multiple other downtown initiatives. The purpose of this project is to organize efforts into a TOD concept; fill in missing planning components such as multi-modal infrastructure design, transit planning, market analysis, site design, and energy planning; cultivate partners to invest in the downtown; and integrate the pieces into an overall Strategic Plan.

This project is interrelated to a separate contract, utilizing DOT TIGER II funds.

HUD Challenge funding will be used to complete the following planning components (conceptual only) utilizing a multi-disciplinary consultant team.

- a. Residential and Commercial Market Analysis.* (HUD Funds—TBD\* out of \$420,000) The current and future housing and commercial needs and opportunities in Rifle are not well understood. A Housing Analysis would identify the housing demand, income ranges, and population sectors amenable to the downtown and review affordable housing options in conjunction with the Garfield County Housing Authority. A Commercial Market Analysis will collect and review economic and consumer data; evaluate market conditions; identify economic leakage and opportunities by sector; identify business operator needs and obstacles; develop market-driven strategies; and work closely with the Rifle Economic Development Corporation and the Chamber of Commerce. In addition, the Market Analysis component will incorporate the Sonoran Institute’s work with the Envision Tomorrow software tool. Envision Tomorrow will create different development options and evaluate their performance against indicators like tax revenue, energy demand, water impacts, land consumption, or access to transit. Completed March 2013.
- b. Energy and Sustainability Planning.* (HUD Funds—TBD\* out of \$420,000) The City of Rifle’s Energy Village Plan identifies goals and strategies around energy and sustainability issues. The project team will identify options to incorporate renewables, energy efficiency, conservation, and cutting-edge technologies such as electric car infrastructure into the downtown. They will also identify a communication strategy for educating the community and marketing Rifle’s vision. Energy planning will coordinate with the Sonoran Institute who will provide technical assistance in identifying “green infrastructure” concepts; and Clean Energy Economy for the Region (CLEER), a local non-profit. Completed March 2013.
- c. Redevelopment Site Planning and Design.* (HUD Funds—TBD\* out of \$420,000) The project team will design projects identified by prior plans and by this project’s planning process. This will include examining the functionality of the Gateway street network design and the Downtown Zoning Code at a site level; visuals to communicate potential development; identification and evaluation of potential redevelopment sites. Completed January 2014.
- d. Partner Identification.* (HUD Funds—TBD\* out of \$420,000) The project team will assist the city and the Rifle EDC in identifying public and private partners to invest in the downtown; identify frameworks for partnerships; and provide technical assistance and design. Completed January 2014.
- e. Integrated Strategic Plan.* (HUD Funds—TBD\* out of \$420,000) The project team will create a final product that integrates the various planning components into a strategic document. This document will include the input from the public process, infrastructure phasing and costs, funding

sources, sequenced action steps, and strategies for public-private or multi-agency partnerships. Completed January 2014.

**\* HUD elements, amount TBD:** Project elements may be submitted in one RFP so that consultant teams can develop innovative or more cost-effective partnerships. Consultant teams will have the flexibility to develop the best approach for their teams, as long as the total does not exceed the amount of HUD funds available for those elements, at \$420,000.

### **1.1.1 Results of Work**

The results of work conducted under this grant may be made available to the public through dedication, assignment by HUD or other means as HUD shall determine.

### **1.1.2 Interim and Final Reports**

All interim and final reports and any other specified deliverables shall be owned by the Federal Government and held for the benefit of the public, which shall include Grantee.

Interim and final reports may not be published by the Grantee or any parties participating in the work for a period of sixty days after the acceptance of the deliverables by HUD.

### **1.1.3 Acknowledgement and Disclaimer**

All deliverables, or any part thereof, and any independent and special products arising from this award, when published by the Grantee or other participants in the work, shall contain the following acknowledgment and disclaimer:

“The work that provided the basis for this publication was supported by funding under an award with the U.S. Department of Housing and Urban Development. The substance and findings of the work are dedicated to the public. The author and publisher are solely responsible for the accuracy of the statements and interpretations contained in this publication. Such interpretations do not necessarily reflect the views of the Government.”

Grantee agrees to acknowledge the Department of Local Affairs and U.S. Housing and Urban Development in any and all final work products generated by the Project, including all materials or events designed to promote or educate the public about the Project.

### **1.1.4 Prior Approval of Written Communications**

Copies of all press releases, formal announcements, and other planned, written issuances containing news or information concerning work products or activities of this grant, that may be made by the Grantee or its staff, or any other person or organization participating in the work of the grant, shall be provided to the DLG Regional Manager (see Section 4.2) for review and comment by the U.S. Housing and Urban Development before the planned release. Whenever possible, these should be provided at least two weeks before the planned release, but in no event simultaneously with the release.

The use of social media, such as web feeds, wikis, blogs, phot and video-sharing, podcasts, and microblogs is acceptable under the grant program. Information to be released through social media must be provided to the DLG Regional Manager for review and comment at least two business days before the planned release.

### **1.1.5 Consortium Agreement Requirement**

All recipients and sub-recipients of this Colorado Sustainable Main Streets Award, funded by the U.S. Housing and Urban Development and Federal Highway Administration, must enter into a memorandum of understanding that binds them to this award (i.e., Consortium Agreement). By doing so, all entities are legally bound to comply with all the terms and conditions of the award.

### **1.1.6 Accessibility of Information by People with Disabilities**

Section 508 of the Rehabilitation Act of 1973 requires all Federal electronic and information technology to be accessible by people with disabilities. All Products of Work that will be

posted on HUD’s website must meet HUD’s Web Publication Standards and Procedures at [www.hud.gov/assist/webpolicies.cfm](http://www.hud.gov/assist/webpolicies.cfm).

**1.2. Eligible expenses** include consultant costs as agreed upon in 1.1 Project Description above.

**1.2.1.** Per the requirements of the HUD Community Challenge Planning grant, federal funds may not be used to pay or to provide reimbursement for payment of the salary of a consultant retained by the Grantee, at a rate more than the equivalent of General Schedule 15, Step 10 base pay rate. See the Office of Personnel Management Website, [www.opm.gov](http://www.opm.gov), and its Salaries and Wages link for the current base rate, which may be lower than the local rate.

**1.2.2.** Grantee shall not incur costs or obligate federal funds for any purpose pertaining to the operation of the project or program, 45 days prior to the end of the period of performance. The only costs authorized during this time include closeout activities, normally limited to the preparation of final progress, financial and required project audit reports.

**1.3. Cost Savings** derived while completing the Project shall be:

**1.3.1.**  divided equally between the State and Grantee

**1.3.2.**  split on a pro-rata basis between the State and Grantee

**1.3.3.**  returned to the State

**1.4. Matching Funds.** Unless authorized in writing by the State, Grantee shall be responsible for meeting the required total matching funds for this Project, as identified under the “Match Funds” column of §7 below, during the term of this Grant.

**1.4.1** Grantee shall provide Matching Funds in the amount set forth in §7.0 below in order to receive the full amount of the Grant Funds pursuant to this Grant. Matching Funds shall be the funds listed under the “In-Kind Match” and “Cash Match” columns of §7.0 below. Grantee shall provide a copy of agreements between Grantee and Cash Match entities. Grantee shall track the use of In-Kind Match and Cash Match throughout the term of the Grant with appropriate documentation that includes, but is not limited to, time and activity reports for in-kind personnel time spent on the project, and lease rate per square foot, if using office space as In-Kind Match. Funds used to match a previous State grant(s) shall not be used to satisfy the Matching Funds requirement of this Grant.

**1.4.2** Grantee’s required matching contribution must be provided on a line-item by line-item basis, and must at least equal the amounts specified in the Project Budget table. Payments to Grantee will be based on the ratio of Grant funds to the Total Project Cost as reflected in the Project Budget. The State will apply the ratio to the total project expenditures Grantee reports for the period and submits for payment.

**1.5. Section 3 of the HUD Act of 1968.** This section  shall, or shall not  apply to this Grant. When applicable, Grantee and subgrantee shall to the greatest extent feasible, provide opportunities for training and employment that arise through HUD-financed projects will be given to lower-income persons in the Project area, and that contracts be awarded to businesses located in the Project area or to businesses owned in substantial part, by residents of the Project area. Grant Shall follow the reporting requirement detailed in §6.1.4 below.

**1.6. Federal Funding Accountability and Transparency Act of 2006, (Pub. L. 109-282) (Transparency Act also known as FFATA).** Grantee and subgrantees are required to report award information on the government Website and register with U.S. Government Central Contract Registration (CCR) at <http://www.bbn.gov/ccr>. See Attachment C - Supplemental Provisions for Federally Funded Contracts, Grants, and Purchase Orders Subject to The Federal Funding Accountability and Transparency Act of 2006 (FFATA), As Amended, As of 10-15-10 for specific information.

**1.7. Whistleblower Protection.** Each grantee or sub-grantee awarded funds made available shall promptly refer to the HUD Office of Inspector General any credible evidence that a principal, employee, agent, contractor, sub-recipient, subcontractor, or other person has submitted a false

claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving those funds. Complaints can be made to HUD through any of these means:

Calling toll free at 1-800-347-3735; persons who have hearing or speech disabilities may reach this number from the Federal Relay Service, at 1-800-877-8339.

Faxing at (202) 708-4829

E-mailing to [hotline@hudoig.gov](mailto:hotline@hudoig.gov)

Writing to HUD OIG Hotline (GFI), 451 7<sup>th</sup> Street, SW, Washington, DC 20410

**1.8. Property.** Accountability for property continues as long as the Grantee holds the property, or for the period of time established by the agreement. Disposal of property must be in accordance with the rules established in the Property Management Standards referred to in the award. Program income, including royalties, must be used to support eligible activities.

**1.9. Data Collection.** Collection of data from ten or more respondents and sponsored by HUD shall be subject to the Paperwork Reduction Act (44 U.S.C. 3501– 3520). If a survey instrument for a collection of data sponsored by HUD is proposed, it will be subject to review and approval by the Office of Management and Budget (OMB). Such review and approval must be obtained prior to the use of the survey instrument. Grantee must submit the proposed instrument to the DLG Regional Manager for review and submission to OMB.

## 2. DEFINITIONS

None

## 3. DELIVERABLES

**3.1. Outcome.** The final outcome of this project is to provide sustainability by completing a Transit Oriented Design plan for downtown Rifle. The TOD Plan will include transit planning, conceptual multi-modal infrastructure design, residential and commercial market analysis, energy and sustainability in order to help in creating a suitable living environment.

**3.2. Service Area.** The performance of the services described within this Grant shall be located in Rifle, Colorado and adjacent portions of Garfield County as applicable.

**3.3. In-Kind and Leverage Commitments.** Documentation verifying in-kind and other match.

**3.4. All Interim and Final Reports.** Quarterly Financial and Program Reports as well as a Final Report.

## 4. PERSONNEL

**4.1. Responsible Administrator.** Grantee's performance hereunder shall be under the direct supervision of Matt Sturgeon, an employee or agent of Grantee, who is hereby designated as the responsible administrator of this project.

**4.2. DLG Regional Manager.** Elyse Ackerman Casselberry, 222 6<sup>th</sup> #409, Grand Junction, CO 81501.

**4.3. Replacement.** Grantee shall immediately notify DLG if any key personnel cease to serve. If Grantee wishes to replace its key personnel, it shall notify DLG and seek its approval, which shall be at DLG's sole discretion, as DLG issued this Grant in part reliance on Grantee's representations regarding its Key Personnel. Such notice shall specify why the change is necessary, who the proposed replacement is, what their qualification are, and when the change will take effect. Anytime key personnel cease to serve, DLG, in its sole discretion, may direct Grantee to suspend work on the Project until such time as their replacements are approved. All notices sent under this subsection shall be sent in accordance with §18 of the Grant.

## 5. PAYMENT

Payments shall be made in accordance with the provisions set forth in §9 of the Grant.

**5.1. Payment Schedule.** Grantee shall disburse Grant Funds received from the State within fifteen days of receipt. Excess funds shall be returned to the Department.

Payment	Amount	
<b>Interim Payment(s)</b>	<b>\$399,000</b>	Paid upon receipt of actual expense documentation and written requests from the Grantee for reimbursement of eligible program activities authorized by the Department.
<b>Final Payment</b>	<b>\$ 21,000</b>	Paid upon substantial completion of the Project, provided that the Grantee has submitted, and the Department has approved, all required reports.
<b>Total</b>	<b>\$420,000</b>	

**5.2. Remittance Address.** If mailed, payments shall be remitted to the following address unless changed in accordance with §18 of the Grant:

City of Rifle  
 202 Railroad Ave  
 Rifle, CO 81650

**5.3. Interest.** Grantee may keep interest earned from federal funds up to \$100 per year for administrative expenses..Excess interest income shall be returned to DLG.

**6. ADMINISTRATIVE REQUIREMENTS**

**6.1. Reporting.** Grantee shall submit the following reports to the Department using the state-provided forms. The Department may withhold payment(s) if such reports are not submitted timely.

**6.1.1. Financial Status Reports.** One copy of the quarterly Financial Status Report shall be submitted within 15 calendar days of the end of each calendar quarter.

**6.1.2. Narrative Performance Reports.** One copy of the quarterly Narrative Performance Report shall be submitted within 15 calendar days of the end of each calendar quarter.

**6.1.3. Final Reports.** Within 15 days after the completion of the Project or the final draw, whichever is later, Grantee shall submit a Final Narrative Performance Report, and a final Financial Status Report to the Department.

**6.1.4. Single Audit Report.** If Grantee is required to have a single audit, Grantee shall submit a copy of its audit report to DLG within 180 days of its fiscal year-end.

**6.2. Monitoring.**

**6.2.1. Grantee.** Grantee shall notify DLG at least 30 days in advance of Project being completed. DLG shall perform on-site monitoring, prior to project close-out.

**6.2.2. Subgrantee.** Grantee shall monitor its subgrantees, if any, at least once during the term of this project. Results of such monitoring shall be maintained on file.

**6.3. Contract.**

**6.3.1.** Any and all contracts entered into by the Grantee or any of its subcontractors shall comply with all applicable federal and state laws and shall be governed by the laws of the State of Colorado.

**6.3.2.** Copies of any and all contracts, Intergovernmental Agreements, and/or Memorandums of Understanding entered into by Grantee in order to accomplish this Projects shall be submitted to the DLG Regional Manager for review upon execution.

**6.4. Environmental Requirements.** Grantee shall comply with all HUD environmental requirements and shall not obligate Grant funds prior to receipt of the written release of funds from the State.

**6.5. Procurement Standard.** Grantee shall follow appropriate procurement standards as required by the state, including the selection and payment of contractors, consultants, architects, engineers, and purchase of materials necessary for the completion of the Project.

**6.6. Recordkeeping.** Grantee shall maintain records in accordance with recordkeeping requirements as outlined in the 11 A. in the Main Body of this Contract.

**7. PROJECT BUDGET**

Project Activities	Total Project Cost 100 %	HUDC Funds	Other Funds 28.3%	Match Fund Source
Administration	\$ 8,201	\$000	\$ 7,001 \$1,200	Grantee (in-kind) Rifle Economic Development Cmmssn. (in-kind)
Consultants	\$424,025	\$420,000	\$ 4,025	Colorado Department of Public Health and Environment (ped. audit – in-kind)
<b>Total</b>	<b>\$432,226</b>	<b>\$420,000</b>	<b>\$12,226</b>	

## EXHIBIT C – Supplemental Provisions for FFATA

### State of Colorado Supplemental Provisions for Federally Funded Contracts, Grants, and Purchase Orders Subject to The Federal Funding Accountability and Transparency Act of 2006 (FFATA), As Amended As of 10-15-10

The contract, grant, or purchase order to which these Supplemental Provisions are attached has been funded, in whole or in part, with an Award of Federal funds. In the event of a conflict between the provisions of these Supplemental Provisions, the Special Provisions, the contract or any attachments or exhibits incorporated into and made a part of the contract, the provisions of these Supplemental Provisions shall control.

**1. Definitions.** For the purposes of these Supplemental Provisions, the following terms shall have the meanings ascribed to them below.

**1.1. “Award”** means an award of Federal financial assistance that a non-Federal Entity receives or administers in the form of:

**1.1.1.** Grants;

**1.1.2.** Contracts;

**1.1.3.** Cooperative agreements, which do not include cooperative research and development agreements (CRDA) pursuant to the Federal Technology Transfer Act of 1986, as amended (15 U.S.C. 3710);

**1.1.4.** Loans;

**1.1.5.** Loan Guarantees;

**1.1.6.** Subsidies;

**1.1.7.** Insurance;

**1.1.8.** Food commodities;

**1.1.9.** Direct appropriations;

**1.1.10.** Assessed and voluntary contributions; and

**1.1.11.** Other financial assistance transactions that authorize the expenditure of Federal funds by non-Federal Entities.

Award **does not** include:

**1.1.12.** Technical assistance, which provides services in lieu of money;

**1.1.13.** A transfer of title to Federally-owned property provided in lieu of money; even if the award is called a grant;

**1.1.14.** Any award classified for security purposes; or

**1.1.15.** Any award funded in whole or in part with Recovery funds, as defined in section 1512 of the American Recovery and Reinvestment Act (ARRA) of 2009 (Public Law 111-5).

**1.2. “Central Contractor Registration (CCR)”** means the Federal repository into which an Entity must enter the information required under the Transparency Act, which may be found at <http://www.bpn.gov/ccr>.

**1.3. “Contract”** means the contract to which these Supplemental Provisions are attached and includes all Award types in §1.1.1 through 1.1.11 above.

**1.4. “Contractor”** means the party or parties to a Contract funded, in whole or in part, with Federal financial assistance, other than the Prime Recipient, and includes grantees, subgrantees, Subrecipients, and borrowers. For purposes of Transparency Act reporting, Contractor does not include Vendors.

**1.5. “Data Universal Numbering System (DUNS) Number”** means the nine-digit number established and assigned by Dun and Bradstreet, Inc. to uniquely identify a business entity. Dun and Bradstreet’s website may be found at: <http://fedgov.dnb.com/webform>.

**1.6. “Entity”** means all of the following as defined at 2 CFR part 25, subpart C;

**1.6.1.** A governmental organization, which is a State, local government, or Indian Tribe;

**1.6.2.** A foreign public entity;

**1.6.3.** A domestic or foreign non-profit organization;

**1.6.4.** A domestic or foreign for-profit organization; and

**1.6.5.** A Federal agency, but only a Subrecipient under an Award or Sub award to a non- Federal entity.

**1.7. “Executive”** means an officer, managing partner or any other employee in a management position.

**1.8. “Federal Award Identification Number (FAIN)”** means an Award number assigned by a Federal agency to a Prime Recipient.

**1.9. “FFATA”** means the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282), as amended by §6202 of Public Law 110-252. FFATA, as amended, also is referred to as the “Transparency Act.”

**1.10. “Prime Recipient”** means a Colorado State agency or institution of higher education that receives an Award.

**1.11. “Subaward”** means a legal instrument pursuant to which a Prime Recipient of Award funds awards all or a portion of such funds to a Subrecipient, in exchange for the Subrecipient’s support in the performance of all or any portion of the substantive project or program for which the Award was granted.

**1.12. “Subrecipient”** means a non-Federal Entity (or a Federal agency under an Award or Subaward to a non-Federal Entity) receiving Federal funds through a Prime Recipient to support the performance of the Federal project or program for which the Federal funds were awarded. A Subrecipient is subject to the terms and conditions of the Federal Award to the Prime Recipient, including program compliance requirements. The term “Subrecipient” includes and may be referred to as Subgrantee.

**1.13. “Subrecipient Parent DUNS Number”** means the subrecipient parent organization’s 9-digit Data Universal Numbering System (DUNS) number that appears in the subrecipient’s Central Contractor Registration (CCR) profile, if applicable.

**1.14. “Supplemental Provisions”** means these Supplemental Provisions for Federally Funded Contracts, Grants, and Purchase Orders subject to the Federal Funding Accountability and Transparency Act of 2006, As Amended, as may be revised pursuant to ongoing guidance from the relevant Federal or State of Colorado agency or institution of higher education.

**1.15. “Total Compensation”** means the cash and noncash dollar value earned by an Executive during the Prime Recipient’s or Subrecipient’s preceding fiscal year and includes the following:

**1.15.1.** Salary and bonus;

**1.15.2.** Awards of stock, stock options, and stock appreciation rights, using the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2005) (FAS 123R), Shared Based Payments;

**1.15.3.** Earnings for services under non-equity incentive plans, not including group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of Executives and are available generally to all salaried employees;

**1.15.4.** Change in present value of defined benefit and actuarial pension plans;

**1.15.5.** Above-market earnings on deferred compensation which is not tax-qualified;

**1.15.6.** Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the Executive exceeds \$10,000.

**1.16. “Transparency Act”** means the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282), as amended by §6202 of Public Law 110-252. The Transparency Act also is referred to as FFATA.

**1.17 “Vendor”** means a dealer, distributor, merchant or other seller providing property or services required for a project or program funded by an Award. A Vendor is not a Prime Recipient or a Subrecipient and is not subject to the terms and conditions of the Federal award. Program compliance requirements do not pass through to a Vendor.

**2. Compliance.** Contractor shall comply with all applicable provisions of the Transparency Act and the regulations issued pursuant thereto, including but not limited to these Supplemental Provisions. Any revisions to such provisions or regulations shall automatically become a part of these Supplemental Provisions, without the necessity of either party executing any further instrument. The State of Colorado may provide written notification to Contractor of such revisions, but such notice shall not be a condition precedent to the effectiveness of such revisions.

**3. Central Contractor Registration (CCR) and Data Universal Numbering System (DUNS) Requirements.**

**3.1. CCR.** Contractor shall maintain the currency of its information in the CCR until the Contractor submits the final financial report required under the Award or receives final payment, whichever is later. Contractor shall review and update the CCR information at least annually after the initial registration, and more frequently if required by changes in its information.

**3.2. DUNS.** Contractor shall provide its DUNS number to its Prime Recipient, and shall update Contractor's information in Dun & Bradstreet, Inc. at least annually after the initial registration, and more frequently if required by changes in Contractor's information.

**4. Total Compensation.** Contractor shall include Total Compensation in CCR for each of its five most highly compensated Executives for the preceding fiscal year if:

**4.1.** The total Federal funding authorized to date under the Award is \$25,000 or more; and

**4.2.** In the preceding fiscal year, Contractor received:

**4.2.1.** 80% or more of its annual gross revenues from Federal procurement contracts and subcontracts and/or Federal financial assistance Awards or Subawards subject to the Transparency Act; and

**4.2.2.** \$25,000,000 or more in annual gross revenues from Federal procurement contracts and subcontracts and/or Federal financial assistance Awards or Subawards subject to the Transparency Act; and

**4.3.** The public does not have access to information about the compensation of such Executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d) or § 6104 of the Internal Revenue Code of 1986.

**5. Reporting.** Contractor shall report data elements to CCR and to the Prime Recipient as required in §7 below if Contractor is a Subrecipient for the Award pursuant to the Transparency Act. No direct payment shall be made to Contractor for providing any reports required under these Supplemental Provisions and the cost of producing such reports shall be included in the Contract price. The reporting requirements in §7 below are based on guidance from the US Office of Management and Budget (OMB), and as such are subject to change at any time by OMB. Any such changes shall be automatically incorporated into this Contract and shall become part of Contractor's obligations under this Contract, as provided in §2 above. The Colorado Office of the State Controller will provide summaries of revised OMB reporting requirements at <http://www.colorado.gov/dpa/dfp/sco/FFATA.htm>.

**6. Effective Date and Dollar Threshold for Reporting.** The effective date of these supplemental provisions apply to new Awards as of October 1, 2010. Reporting requirements in §7 below apply to new Awards as of October 1, 2010, if the initial award is \$25,000 or more. If the initial Award is below \$25,000 but subsequent Award modifications result in a total Award of \$25,000 or more, the Award is subject to the reporting requirements as of the date the Award exceeds \$25,000. If the initial Award is \$25,000 or more, but funding is subsequently de-obligated such that the total award amount falls below \$25,000, the Award shall continue to be subject to the reporting requirements.

**7. Subrecipient Reporting Requirements.** If Contractor is a Subrecipient, Contractor shall report as set forth below.

**7.1 To CCR.** A Subrecipient shall register in CCR and report the following data elements in CCR *for each* Federal Award Identification Number no later than the end of the month following the month in which the Subaward was made:

**7.1.1** Subrecipient DUNS Number;

**7.1.2** Subrecipient DUNS Number + 4 if more than one electronic funds transfer (EFT) account;

**7.1.3** Subrecipient Parent DUNS Number;

**7.1.4** Subrecipient's address, including: Street Address, City, State, Country, Zip + 4, and Congressional District;

**7.1.5** Subrecipient's top 5 most highly compensated Executives if the criteria in §4 above are met; and

**7.1.6** Subrecipient's Total Compensation of top 5 most highly compensated Executives if criteria in §4 above met.

**7.2 To Prime Recipient.** A Subrecipient shall report to its Prime Recipient, upon the effective date of the Contract, the following data elements:

**7.2.1** Subrecipient's DUNS Number as registered in CCR.

**7.2.2** Primary Place of Performance Information, including: Street Address, City, State, Country, Zip code + 4, and Congressional District.

**8. Exemptions.**

**8.1.** These Supplemental Provisions do not apply to an individual who receives an Award as a natural person, unrelated to any business or non-profit organization he or she may own or operate in his or her name.

**8.2** A Contractor with gross income from all sources of less than \$300,000 in the previous tax year is exempt from the requirements to report Subawards and the Total Compensation of its most highly compensated Executives.

**8.3** Effective October 1, 2010, "Award" currently means a grant, cooperative agreement, or other arrangement as defined in Section 1.1 of these Special Provisions. On future dates "Award" may include

other items to be specified by OMB in policy memoranda available at the OMB Web site; Award also will include other types of Awards subject to the Transparency Act.

**8.4** There are no Transparency Act reporting requirements for Vendors.

**9. Event of Default.** Failure to comply with these Supplemental Provisions shall constitute an event of default under the Contract and the State of Colorado may terminate the Contract upon 30 days prior written notice if the default remains uncured five calendar days following the termination of the 30 day notice period. This remedy will be in addition to any other remedy available to the State of Colorado under the Contract, at law or in equity.

Federal Funding Accountability and Transparency Act (FFATA)  
Data Report Form

**Reporting is required for initial awards of \$25,000 or more or award modifications that result in a total award of \$25,000 or more.**

Information Field Definitions can be found in Exhibit C	Response
1. Agency or Jurisdiction DUNS Number:	
2. Subrecipient Name Receiving Award:	
3. Subrecipient Parent DUNS Number: <b>(Report if different from subrecipient number)</b>	
4. Location of Entity Receiving Award: <b>(Full street address)</b>	
5. Primary Location of Performance of the Award: <b>(City, State and Congressional District)</b>	
	Answer True or False
6. In the preceding fiscal year, Contractor received:	
a. \$25,000,000 or more in annual gross revenues from federal procurement contracts/subcontracts and/or federal financial assistance awards or subawards subject to the Transparency Act.	
b. 80% or more of its annual gross revenues from federal procurement contracts/subcontracts and/or federal financial assistance awards or subawards subject to the Transparency Act.	
c. The public does not have access to information about the compensation of its five most highly compensated Executives through periodic reports filed through the Securities Exchange Act of 1934 or the IRS.	

**An answer to question 7 is required ONLY when all answers to questions 6 are true.**

7. Names and total compensation of the five (5) most highly compensated Executives for the preceding fiscal year:

Print Name

Compensation Amount

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

By signing below, I certify the information contained in this report is complete and accurate to the best of my knowledge.

\_\_\_\_\_  
Signature of Responsible Administrator

\_\_\_\_\_  
Date

Phase I Waiver #: \_\_\_\_\_

**Catalog of Federal Domestic Assistance (CFDA) #20.933**

CMS Contract Routing # \_\_\_\_\_ NAA \_\_\_\_\_

Encumbrance # F11TIG11550

Account Code(s): \_\_\_\_\_

**STATE OF COLORADO  
DEPARTMENT OF LOCAL AFFAIRS  
DOT NATIONAL INFRASTRUCTURE INVESTMENTS DISCRETIONARY  
GRANT PROGRAM (TIGER II)  
DIVISION OF LOCAL GOVERNMENT GRANT AGREEMENT  
with  
CITY OF RIFLE**

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## 1. PARTIES

THIS GRANT AGREEMENT (“Grant”) is entered into by and between the City of Rifle (“Grantee”), and the STATE OF COLORADO (the “State”) acting by and through the Colorado Department of Local Affairs (the “Department”) for the benefit of the Division of Local Government (“DLG”).

## 2. EFFECTIVE DATE AND NOTICE OF NONLIABILITY

This Grant shall not be effective or enforceable until approved and signed by the Colorado State Controller or authorized delegate (“Effective Date”), but shall be effective and enforceable thereafter in accordance with its provisions. The Department shall not be obligated to pay or reimburse Grantee for any performance hereunder, including, but not limited to costs or expenses incurred, or be bound by any provision of this Grant prior to (*see checked options below*):

### A. Option

The Effective Date.

### B. Option

The later to occur of the Effective Date or the date of a separate letter issued by the Department (“Release of Funds Letter”) notifying Grantee of the completion of a satisfactory environmental review and authorizing Grantee to obligate or use Grant Funds.

## 3. RECITALS

### A. Authority, Appropriation, And Approval

Authority for this Grant arises from CRS **§24-32-705**. Authority exists in the law and funds have been budgeted, appropriated and otherwise made available and a sufficient unencumbered balance thereof remains available for payment and the required approval, clearance and coordination have been accomplished from and with appropriate agencies.

### B. Grantee

Grantee is an eligible recipient of Grant Funds made available by the Program, as defined below, and awarded by this Grant. Grantee is aware of, willing and able to comply with all provisions specific to the Program, as set forth in **Exhibit A** and to complete the Project described in **Exhibit B**.

### C. Purpose and Department’s Role

The Department administers funds made available to the Department for the purpose as described in **Exhibit B**.

## 4. DEFINITIONS

The following terms as used herein shall be construed and interpreted as follows:

### A. Effective Date

Effective Date means the date this Grant is effective and enforceable in accordance with **§2** above.

### B. Exhibits and Other Attachments

Exhibit means the following are attached hereto and incorporated by reference herein: Exhibit A, Applicable Laws, Exhibit B, Statement of Project, and Exhibit C, Supplemental Provisions for Federal Funding Accountability and Transparency Act of 2006 (FFATA).

### C. Goods

Goods means any physical item produced or manufactured and acquired by Grantee either separately or in conjunction with the Services rendered hereunder that are required by the provisions hereof.

### D. Grant Funds

Grant Funds means the funds available for distribution by the Department to Grantee for use in connection with the Project, as set forth in the Recitals and Statement of Project sections hereof.

### E. Party or Parties

Party or Parties means one or both of the Department and Grantee.

### F. Program

Program means the U.S. Department of Transportation Federal Highway Administration Infrastructure Investments Discretionary Grant Program (Tiger II Discretionary Grants), which provides funding for this Grant.

### G. Project

Project means the Project described in the Recitals and **Exhibit B**.

**H. Project Budget**

Project Budget means the Project Budget described in **Exhibit B**.

**I. Services**

Services means services performed or tangible material produced or delivered in completing the Project and in performance of Grantee’s other obligations hereunder.

**J. Termination Date**

Termination Date means the date this Grant terminates as described in **§5(A)** below.

**K. Work Product**

Work Product means software, research, reports, studies, data, photographs, negatives or other finished or unfinished documents, drawings, models, surveys, maps, materials, or work product of any type, including drafts, prepared by Grantee in completing the Project and in performance of Grantee’s other obligations hereunder.

**5. TERM AND EARLY TERMINATION**

**A. Initial Term-Work Commencement**

The term of this Grant shall commence on the Effective Date and terminate on February 28, 2014, unless terminated earlier as provided below. Grantee’s obligations under this Grant shall be undertaken and performed in the sequence and manner set forth in **Exhibit B**. Performance of this Grant shall commence as soon as practicable after (*see checked option below*):

- i.  the Effective Date; or
- ii.  the later to occur of the Effective Date and the date set forth in a Release of Funds Letter.

**B. Department’s Option to Extend**

The Department, in its sole discretion and upon written notice to Grantee, may unilaterally extend the term of this Grant for a period of up to three months under the same provisions as the original Grant if the Parties are negotiating a replacement contract (and not merely seeking a term extension) at or near the end of any initial term or an extension thereof. This extension shall terminate at the earlier of either the end of the three month period or when a replacement Grant is signed by the Parties and approved by the State Controller or authorized designee. Any other extension of the term of this Grant requires an amendment made in accordance with the Modification subsection of the General Provisions below.

**C. Early Termination**

This Grant is subject to early termination in accordance with the general remedies provisions of **§17** below and as specifically otherwise provided for herein.

**6. STATEMENT OF PROJECT**

Grantee shall complete the Project and perform its other obligations as described herein and in **Exhibit B**. Grantee shall prosecute its obligations hereunder and in **Exhibit B** with due diligence to completion. The Department, in its sole discretion, but in accordance with limitations imposed by the Office of the State Controller, may change budgetary lines in the Project Budget section of **Exhibit B**. The Department shall send notice of such changes within 60 days in accordance with **§18** below.

**7. MATCHING FUNDS**

**A. Amount**

Grantee shall provide matching funds as specified in **Exhibit B** and shall report to the Department regarding the status of such funds as required in **Exhibit B**.

**B. Breach**

Grantee’s failure to keep records, and/or to report may affect its continued participation in the Program under which this Grant operates. In addition, the Department may terminate this Grant under the Termination for Cause subsection of **§17** below if the Department has reasonable evidence that Grantee will be unable to provide such matching funds during the term hereof.

**8. GRANTEE FINANCIAL MANAGEMENT**

**A. Accounts**

Grantee shall maintain properly segregated accounts of Grant funds, matching funds, and other funds associated with the Project and make those records available to the Department on request. All receipts and expenditures associated with the Project shall be documented in a detailed and specific manner, in accordance with the Project Budget set forth in **Exhibit B**.

#### **B. Project Budget Line Item Adjustments**

Regarding budget lines within the Project Budget, Grantee may:

- i.  not adjust individual budget line amounts without approval of the Department. Such approval shall be in the form of:
  - a) a notice issued by the Department in accordance with **§18** below; or
  - b) an amendment in accordance with the Modification subsection of the General Provisions below.
- ii.  adjust individual budget line amounts without the Department's approval if:
  - a) there are no transfers to or between administration budget lines; and
  - b) the cumulative budgetary line item changes do not exceed the lesser of fifteen percent of the total budgeted amount or \$20,000.

### **9. PAYMENTS TO GRANTEE**

Grantee shall be paid in the following amounts and manners, subject to return of any unexpended Grant Funds:

#### **A. Maximum Amount**

The maximum amount payable under this Grant to Grantee by the Department shall be \$395,600, as determined by the Department from available funds. The Department shall reimburse Grantee for costs approved in the Grant budget, set forth in **Exhibit B**. Satisfactory performance under the terms of this Grant shall be a condition precedent to the Department's obligation to reimburse Grantee. The maximum amount of Grant Funds payable as reimbursement under this Grant, and any extension hereof, shall include all Grantee's fees, costs and expenses.

#### **B. Payment**

All payments are subject to the **§17** below.

##### **i. Method and Time**

Grantee periodically shall submit invoices to the Department in the form and manner set forth in **Exhibit B**, and attach timesheets, receipts and other requested documentation in the form and manner approved by the Department. Grantee shall submit request for reimbursements/invoices within 30 days after the end of the period for which payment is requested, and final billings under this Grant shall be received by the Department within 45 days after termination hereof. Untimely requests for payment may be accepted at the sole discretion of the Department.

##### **ii. Electronic Funds Transfer**

Payments shall be made by one of the following methods:

- a) by mutually agreeable method including in-person pickup,
- b) electronic funds transfer (EFT) if Grantee provides written EFT instructions to the Department on a form acceptable to the Department, or
- c) via the U.S. Postal Service or other delivery service addressed as specified by Grantee in the remittance address section of **Exhibit B**.

##### **iii. Erroneous Payments, Unexpended and Excess Funds**

Grantee shall refund payments made by the State in error for any reason, including, but not limited to overpayments or improper payments, within 15 days of discovering or receiving notice of such error. Any funds paid to Grantee hereunder not expended in connection with this Grant by the termination date shall be refunded by Grantee within 15 days of such date. Any funds not required to complete Grantee's obligations hereunder shall be de-obligated by the State. If Grantee receives funds hereunder during any fiscal year in excess of its spending limit for such fiscal year, Grantee shall refund all excess funds to the State within 15 days of the later of of discovering or receiving notice of such excess. Erroneous, unexpended, and excess funds received by Grantee under this Grant shall not be refunded or paid to any party other than the State.

##### **iv. Available Funds-Contingency-Termination**

The Department is prohibited by law from making fiscal commitments beyond the term of the State's current fiscal year. Therefore, Grantee's compensation is contingent upon the continuing availability of State appropriations as provided in §2 of the Colorado Special Provisions, set forth below. If federal funds are used with this Grant in whole or in part, the Department's performance hereunder is contingent upon the continuing availability of such funds. Payments pursuant to this Grant shall be made only from available funds encumbered for this Grant and the Department's liability for such payments shall be limited to the amount remaining of such encumbered funds.

**C. Additional Funds**

Grantee shall provide any additional or matching funds necessary to perform its obligations in accordance with the budget in **Exhibit B**.

**D. Remedies**

If state or federal funds are not appropriated, or otherwise become unavailable to fund this Grant, the State may immediately terminate the Grant in whole or in part without further liability in accordance with §17(B) below. If additional funds under §9(C) are unavailable in whole or part, the State may, in its sole discretion, reduce its total funding commitment hereunder in proportion to the reduction in additional funds. If Grantee fails to refund payments as set forth in §9(B)(iii) above, the State may offset the amount not returned against any other unpaid funds the State owes Grantee under any other grant, agreement, or obligation between the Parties.

**10. REPORTING AND NOTIFICATION**

Reports and analyses required under this section shall be made in accordance with procedures and in such form as prescribed by the Department.

**A. Performance, Progress, Personnel, and Funds**

Grantee shall comply with all reporting requirements set forth in **Exhibit B**.

**B. Litigation**

Within 10 days after being served with any pleading related to this Grant or the Project, in a legal action filed with a court or administrative agency, Grantee shall notify the Department of such action and deliver copies of such pleadings to the Department's principal representative in accordance with §18 below. If a Department principal representative is not then serving, such notice and copies shall be delivered to the Executive Director of the Department.

**C. Noncompliance**

Grantee's failure to provide reports and notify the Department in a timely manner in accordance with this section may result in the delay of payment of funds and/or termination under §17 below.

**11. GRANTEE RECORDS**

Grantee shall make, keep, maintain and allow inspection and monitoring of the following records:

**A. Maintenance**

Grantee shall maintain a complete file of all records, documents, communications, notes and other written materials, electronic media files, and communications, pertaining in any manner to the Project or the delivery of Services (including, but not limited to the operation of programs) or Goods hereunder.

Grantee shall maintain such records (the Record Retention Period) until the last to occur of the following:

- i.** a period of five years after the date this Grant is completed or terminated , or
- ii.** final payment is made hereunder, whichever is later, or
- iii.** for such further period as may be necessary to resolve any pending matters, or
- iv.** if an audit is occurring, or Grantee has received notice that an audit is pending, then until such audit has been completed and its findings have been resolved

**B. Inspection**

Grantee shall permit the State, the federal government or any other duly authorized agent of a governmental agency to audit, inspect, examine, excerpt, copy and/or transcribe Grantee's records related to this Grant during the Records Retention Period to assure compliance with the terms hereof or to evaluate Grantee's performance. The Department reserves the right to inspect the Project at all reasonable times and places during the term of this Grant, including any extension. The provisions §14(E), §16, and/or §17 below shall apply if project performance does not conform to Grant requirements.

**C. Monitoring**

Grantee also shall permit the State, the federal government or any other duly authorized agent of a governmental agency, in the sole discretion of such governmental agency, to monitor all activities conducted by Grantee pursuant to this Grant, using any reasonable procedure, at the discretion of such governmental agency, including, but not limited to: internal evaluation procedures, examination of program data, special analyses, on-site checking, and formal audit examinations. All such monitoring shall be performed in a manner which will not unduly interfere with Grantee’s performance hereunder.

**D. Final Audit Report**

If an audit is performed on Grantee’s records for any fiscal year covering a portion of the term of this Grant, Grantee shall submit one copy of the final audit report to the Department’s principal representative at the address specified in §18 below.

**12. CONFIDENTIAL INFORMATION-STATE RECORDS**

Grantee acknowledges that it may become privy to confidential information in connection with its performance hereunder, including but not limited to State records, personnel records, and information concerning individuals (“Confidential Information”). The following applies if Grantee receives confidential information:

**A. Confidentiality**

Grantee shall keep all Confidential Information confidential at all times and comply with all laws and regulations concerning confidentiality of information to the same extent applicable to the Department. Any request or demand for information in the possession of Grantee made by a third party shall be forwarded immediately to the Department’s principal representative for resolution.

**B. Notification**

Grantee shall notify each of its agents, employees, sub-grantees, subcontractors and assigns (each a “Related Party”) who may come into contact with Confidential Information that such party is subject to the confidentiality requirements set forth herein, and shall provide each Related Party with a written explanation of such requirements before permitting such party to access any information of the Department.

**C. Use, Security, and Retention**

Confidential Information of any kind shall not be distributed or sold to any third party or used by Grantee or a Related Party in any way, except as authorized by this Grant and as approved by the Department. Grantee shall provide and maintain a secure environment that ensures confidentiality of all State records and other Confidential Information wherever located. Confidential Information shall not be retained in any files or otherwise by Grantee or a Related Party, except as set forth in this Grant and approved by the Department.

**D. Disclosure-Liability**

Disclosure of State records or other Confidential Information by Grantee or a Related Party for any reason may be cause for legal action against Grantee or such Related Party by the State or third parties and defense of any such action shall be Grantee’s sole responsibility.

**E. Health Insurance Portability & Accountability Act of 1996 (“HIPAA”)**

This section  shall, or shall not  apply to this Grant. Federal law and regulations governing the privacy of certain health information requires a “Business Associate Contract” between the Department and Grantee. 45 C.F.R. Section 164.504(e). Attached and incorporated herein by reference and agreed to by the Parties is a HIPAA Business Associate Addendum for HIPAA compliance. Terms of the Addendum shall be considered binding upon execution of this Grant and shall remain in effect during the term of this Grant, including any extension.

**13. CONFLICT OF INTEREST**

**A. Definition and Appearance**

Grantee shall not engage in any business or personal activities or practices or maintain any relationships which conflict in any way with the full performance of Grantee’s obligations hereunder. Grantee acknowledges that with respect to this Grant, even the appearance of a conflict of interest is harmful to the Department’s interests. Absent the Department’s prior written approval, Grantee shall refrain from any practices, activities or relationships which reasonably appear to be in conflict with the full

performance of Grantee's obligations to the Department hereunder. Grantee shall comply with the provisions of CRS §18-8-308 and §24-18-101-109.

**B. Specific Prohibitions**

Grantee's and sub-grantee's respective officers, employees, or agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from Grantee's potential subgrantees, or parties to sub-contracts. Grantee's employees, officers, agents or any permitted sub-grantees shall not participate in the selection, award, or administration of this Grant or any sub-grant or sub-contract, if an actual or apparent conflict of interest would occur. Such a conflict would arise when any of the following has a financial or other interest in the firm selected for award:

- i. an employee, officer, agent or board member;
- ii. any member of the employee's immediate family;
- iii. an employee's partner; or
- iv. an organization, which employs, or is about to employ, any of the aforementioned.

**C. Determination by Department - Default**

If Grantee is uncertain as to the existence of a conflict of interest, Grantee shall submit to the Department a disclosure statement setting forth the relevant details for the Department's consideration. Failure to promptly submit a disclosure statement or to follow the Department's direction in regard to the apparent conflict shall be considered a material default of this Grant and grounds for termination under the Termination for Cause subsection of §17 below.

**D. Code of Performance**

Grantee, and sub-grantees and subcontractors, if any, shall maintain a written code of standards governing the performance of their respective employees, agents, and contractors engaged in the award and administration of this Grant, or subcontract or subgrant, if any. Grantee shall provide a copy of such code to the Department within 10 days of the Department's written request therefore.

**14. REPRESENTATIONS AND WARRANTIES**

The Parties make the following specific representations and warranties to each other, upon which each is relying in entering into this Grant.

**A. Standard and Manner of Performance**

Grantee shall perform its obligations hereunder, including in accordance with the highest professional standard of care, skill and diligence. Grantee shall perform its obligations hereunder in the sequence and manner set forth in **Exhibit B**.

**B. Inspection and Verification**

The Department reserves the right to inspect and monitor Grantee's performance hereunder at all reasonable times and places to verify that they conform to the requirements of **Exhibit B**. The provisions §14(E), §16, and/or §17 below shall apply if Grantee's performance does not conform to Grant requirements.

**C. Legal Authority-Grantee and Grantees Signatory**

Grantee warrants that it possesses the legal authority to enter into this Grant and has taken all actions required by its procedures, by-laws, and/or applicable laws to exercise that authority, and to lawfully authorize its undersigned signatory to execute this Grant and to bind Grantee to its terms. The person signing and executing this Grant on behalf of Grantee hereby represents and warrants and guarantees that they have full authorization to do so. If requested by the Department, Grantee shall provide the Department the basis for Grantee's authority to enter into this Grant within 15 days of receiving such request.

**D. Licenses, Permits, Etc**

Grantee represents and warrants that as of the Effective Date it has, and that at all times during the term hereof it will have, at its sole expense, all licenses, certifications, approval, insurance, permits, and other authorization required by law to perform its obligations hereunder. Additionally, all employees of Grantee performing services under this Grant shall hold the required licenses or certifications, if any, to perform their duties, Grantee, if a foreign corporation or other entity transacting business in the State of Colorado, further certifies that it currently has obtained and shall maintain any applicable certificate of authority to transact business in the State of Colorado and has designated a registered agent in Colorado to accept

service of process. Any revocation, withdrawal or non-renewal of licenses, certifications, approvals, insurance, permits or any such similar requirements necessary for Grantee to properly perform this Grant, shall be deemed to be a default by Grantee and grounds for termination under Grant §17(A) below.

**E. Breach**

If the Grantee breaches any of its representations or warranties, the Department may require Grantee to promptly perform its obligations again in conformity with Grant requirements, at no additional cost to the Department. If such breaches cannot be, or are not cured, the Department may, in addition to any other remedies provided for in this Grant, require Grantee to take necessary action to ensure that future performance conforms to the provisions of this Grant; and equitably reduce the payment due to Grantee to reflect the reduced value of the Project. Any reduction, delay or denial of payment under this provision shall not constitute a breach of Grant or default by the Department.

**15. INSURANCE**

Grantee and its sub-grantees and subcontractors shall obtain and maintain insurance as specified in this section at all times during the term of this Grant: All policies evidencing the insurance coverages required hereunder shall be issued by insurance companies satisfactory to Grantee and the State.

**A. Grantee**

**i. Public Entities**

If Grantee is a "public entity" within the meaning of the Colorado Governmental Immunity Act, CRS §24-10-101, et seq., as amended (the Governmental Immunity Act”), then Grantee shall maintain at all times during the term of this Grant such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under such Act. Grantee shall show proof of such insurance satisfactory to the Department, if requested by the Department. Grantee shall require each grant or contract with a sub-grantee or subcontractor which is a public entity, providing Goods or Services in connection with this Grant, to include the insurance requirements necessary to meet sub-grantees liabilities under the Act.

**ii. Non-Public Entities**

If Grantee is not a "public entity" within the meaning of the Governmental Immunity Act, Grantee shall obtain and maintain during the term of this Grant insurance coverage and policies meeting the same requirements set forth in subsection B of this section with respect to sub-grantees and sub-contractors which are not "public entities”.

**B. Sub-grantees and Subcontractors**

Grantee shall require each contract with a sub-grantee or subcontractor, other than those that are public entities, providing Goods or Services in connection with this Grant to include insurance requirements substantially similar to the following:

**i. Worker’s Compensation**

Worker’s Compensation Insurance as required by State statute, and Employer’s Liability Insurance covering all of sub-grantee or subcontractor employees acting within the course and scope of their employment.

**ii. General Liability**

Commercial General Liability Insurance written on ISO occurrence form CG 00 01 10/93 or equivalent, covering premises operations, fire damage, independent contractors, products and completed operations, blanket contractual liability, personal injury, and advertising liability with minimum limits as follows:

- a) \$1,000,000 each occurrence;
- b) \$1,000,000 general aggregate;
- c) \$1,000,000 products and completed operations aggregate; and
- d) \$50,000 any one fire.

If any aggregate limit is reduced below \$1,000,000 because of claims made or paid, sub-grantee or subcontractor shall immediately obtain additional insurance to restore the full aggregate limit and furnish to Grantee a certificate or other document satisfactory to Grantee showing compliance with this provision.

**iii. Automobile Liability**

Automobile Liability Insurance covering any auto (including owned, hired and non-owned autos) with a minimum limit of \$1,000,000 each accident combined single limit.

**iv. Additional Insured**

Grantee and the State shall be named as additional insured on the Commercial General Liability and Automobile Liability Insurance policies (leases and construction contracts require additional insured coverage for completed operations on endorsements CG 2010 11/85, CG 2037, or equivalent).

**v. Primacy of Coverage**

Coverage required of the sub-grantee or subcontractor shall be primary over any insurance or self-insurance program carried by Grantee or the State.

**vi. Cancellation**

The above insurance policies shall include provisions preventing cancellation or non-renewal without at least 45 days prior notice to the Grantee and Grantee shall forward such notice to the State in accordance with §18 (Notices and Representatives) within seven days of Grantee's receipt of such notice.

**vii. Subrogation Waiver**

All insurance policies in any way related to the Grant and secured and maintained by Grantee's sub-grantees or subcontractors as required herein shall include clauses stating that each carrier shall waive all rights of recovery, under subrogation or otherwise, against Grantee or the State, its agencies, institutions, organizations, officers, agents, employees, and volunteers.

**C. Certificates**

Each of Grantee's subcontractors and subgrantees shall provide certificates showing insurance coverage required hereunder to Grantee within seven business days of the Effective Date, but in no event later than the commencement of the Services or delivery of the Goods under the subcontract or subgrant. No later than 15 days prior to the expiration date of any such coverage, each subcontractor or subgrantee shall deliver to Grantee certificates of insurance evidencing renewals thereof upon request by the Department or at any other time during the term of a subcontract or subgrantee, Grantee may request in writing, and the subcontractor or subgrantee shall thereupon within 10 days supply to Grantee, evidence satisfactory to Grantee and the Department of compliance with the provisions of this section.

**16. DEFAULT-BREACH**

**A. Defined**

In addition to any breaches or defaults specified in other sections of this Grant, including, but not limited to the Colorado Special Provisions below, the failure of either Party to perform any of its material obligations hereunder in whole or in part or in a timely or satisfactory manner, constitutes a default or breach. The institution of proceedings under any bankruptcy, insolvency, reorganization or similar legislation, by or against Grantee, or the appointment of a receiver or similar officer for Grantee or any of its property, which is not vacated or fully stayed within 20 days after the institution or occurrence thereof; shall also constitute a default.

**B. Notice and Cure Period**

In the event of a default or breach, notice of such shall be given in writing by the aggrieved Party to the other Party in the manner provided in §18 below. If such default or breach is not cured within 30 days of receipt of written notice or, if a cure cannot be completed within 30 days, cure of the default or breach has not begun within said period and pursued with due diligence, the aggrieved Party may terminate this Grant by providing written notice thereof, as provided for in §18 below, specifying the effective date of the termination. Notwithstanding anything to the contrary herein, the Department, in its sole discretion, need not provide advance notice or a cure period and may immediately terminate this Grant in whole or in part if reasonably necessary to preserve public safety or to prevent immediate public crisis.

**17. REMEDIES**

If Grantee is in default or breach under any provision of this Grant, the Department shall have all of the remedies listed in this section in addition to all other remedies set forth in other sections of this Grant. The Department may exercise any or all of the remedies available to it, in its sole discretion, concurrently or consecutively.

**A. Termination for Cause and/or Default**

If Grantee fails to perform any of its obligations hereunder with such diligence as is required to ensure its completion in accordance with the provisions of this Grant and in a timely manner, the Department may notify Grantee of such non-performance in accordance with the §16 above and §18 below. If Grantee thereafter fails to promptly cure such non-performance within the cure period, the Department, at its option, may terminate this entire Grant or such part of this Grant as to which there has been delay or a failure to properly perform. Exercise by the Department of this right shall not be deemed a breach of its obligations hereunder. Grantee shall continue performance of this Grant to the extent not terminated, if any.

**i. Obligations and Rights**

To the extent specified in the termination notice, Grantee shall not incur further obligations or render further performance hereunder past the effective date of such notice, and shall also terminate outstanding orders and subcontracts with third parties. However, Grantee shall complete and deliver to the Department all Services and Goods not cancelled by the termination notice and may incur obligations as are necessary to do so within the Grant terms. In the sole discretion of the Department, Grantee shall assign to the Department all of Grantee's right, title, and interest under such terminated orders or subcontracts. Upon termination, Grantee shall take timely, reasonable and necessary action to protect and preserve property in the possession of Grantee in which the Department has an interest. All materials owned by the Department in the possession of Grantee shall be immediately returned to the Department. All Work Product, at the option of the Department, shall be delivered by Grantee to the Department and shall become the Department's property.

**ii. Payments**

The Department shall pay Grantee only for accepted performance received up to the date of termination. If, after termination by the Department, it is determined that Grantee was not in default or that Grantee's action or inaction was excusable, such termination shall be treated as a termination in the public interest and the rights and obligations of the Parties shall be the same as if this Grant had been terminated in the public interest, as described in §17(B) below.

**iii. Damages and Withholding**

Notwithstanding any other remedial action by the Department, Grantee also shall remain liable to the Department for any damages sustained by the Department by virtue of any default under this section by Grantee and the Department may withhold any payment to Grantee for the purpose of mitigating the Department's damages, until such time as the exact amount of damages due to the Department from Grantee is determined. Further, the Department may withhold amounts due to Grantee as the Department deems necessary to protect the Department against loss because of outstanding liens or claims of former lien holders and to reimburse the Department for the excess costs incurred in procuring similar goods or services. Grantee shall be liable for excess costs incurred by the Department in procuring from third parties replacement Services or substitute Goods as cover.

**B. Early Termination for the Public Interest**

The Department is entering into this Grant for the purpose of carrying out the public policy of the State of Colorado, as determined by its Governor, General Assembly, and Courts. If this Grant ceases to further the public policy of the State, the Department, in its sole discretion, may terminate this Grant in whole or in part. Exercise by the Department of this right shall not be deemed a breach of the Department's obligations hereunder. This subsection shall not apply to a termination of this Grant by the Department for cause or default by Grantee, which shall be governed by §17(A) above.

**i. Method and Content**

The Department shall notify Grantee of the termination in accordance with §16 above and §18 below specifying the effective date of the termination and whether it affects all or a portion of this Grant.

**ii. Obligations and Rights**

Upon receipt of a termination notice, Grantee shall be subject to and comply with §17(A)(i) above.

**iii. Payments**

If this Grant is terminated by the Department in furtherance of the public interest of the State of Colorado, Grantee shall be paid for satisfactory performance up to the date of termination less payments previously made.

**C. Remedies Not Involving Termination**

The Department, its sole discretion, may exercise one or more of the following remedies in addition to other remedies available to the Department:

**i. Suspend Performance**

Suspend Grantee’s performance with respect to all or any portion of this Grant pending necessary corrective action as specified by the Department without entitling Grantee to an adjustment in price/cost or performance schedule. Grantee shall promptly cease performance and incurring costs in accordance with the Department’s directive and the Department shall not be liable for costs incurred by Grantee after the suspension of performance under this provision.

**ii. Withhold Payment**

Withhold payment to Grantee until corrections in services are satisfactorily completed and /or acceptable goods are provided.

**iii. Deny Payment**

Deny payment for those Services not performed and/or Goods not provided and which due to circumstances caused by the Grantee cannot be performed or provided or, if performed or provided, would be of no value to the Department; provided, that any denial of payment must be reasonably related to the value of work, performance or Goods lost to the Department.

**iv. Removal**

Demand removal of any of Grantee’s employees, agents, or subcontractors whom the Department deems incompetent, careless, insubordinate, unsuitable, or otherwise unacceptable, or whose continued relation to this Grant is deemed to be contrary to the public interest or not in the Department’s best interest. Replacement of any key personnel hereunder shall be done in accordance with the relevant provisions of **Exhibit B**.

**18. NOTICES and REPRESENTATIVES**

Each individual identified below is the principal representatives of the designating Party. All notices required to be given hereunder shall be hand delivered with receipt required or sent by certified or registered mail to such Party’s principal representative at the address set forth below. In addition to, but not in lieu of, hard-copy notice, notice also may be sent by e-mail to the e-mail addresses, if any, set forth below. Either Party may from time to time designate by written notice substitute addresses or persons to whom such notices shall be sent. Unless otherwise provided herein, all notices shall be effective upon receipt.

**A. Department:**

Tony Hernandez, Director of Local Government  
Colorado Department of Local Affairs  
1313 Sherman St., Room 521  
Denver, CO 80203  
Email: tony.hernandez@state.co.us

**B. Grantee:**

Keith Lambert  
City of Rifle  
202 Railroad Ave.  
Rifle, CO 81650  
Email:

**19. GOVERNMENTAL IMMUNITY**

Notwithstanding any other provision to the contrary, nothing herein shall constitute a waiver, express or implied, of any of the immunities, rights, benefits, protection, or other provisions of the Colorado Governmental Immunity Act, §CRS 24-10-101, et seq., as amended. Liability for claims for injuries to persons or property arising from the negligence of the State of Colorado, its departments, institutions, agencies, boards, officials, and employees is controlled and limited by the provisions of the Governmental Immunity Act and the risk management statutes, CRS §24-30-1501, et seq., as amended.

## 20. LEGAL RESIDENT

This section  shall, or shall not  apply to this Grant. Grantee must confirm that any individual natural person eighteen years of age or older is lawfully present in the United States pursuant to CRS §24-76.5-101 et seq. when such individual applies for public benefits provided under this Grant by requiring the following:

### A. Identification:

The applicant shall produce one of the following personal identifications:

- i. A valid Colorado driver's license or a Colorado identification card, issued pursuant to article 2 of title 42, C.R.S.; or
- ii. A United States military card or a military dependent's identification card; or
- iii. A United States Coast Guard Merchant Mariner card; or
- iv. A Native American tribal document.

### B. Affidavit

The applicant shall execute an affidavit herein attached as **Form 1**, Affidavit of Legal Residency, stating:

- i. That **they are** United States citizen or legal permanent resident; or
- ii. That **they are** otherwise lawfully present in the United States pursuant to federal law.

## 21. STATEWIDE CONTRACT MANAGEMENT SYSTEM

[This section shall apply when the maximum amount in §9(A) is \$100,000 or higher]

By entering into this Grant, the Grantee agrees to be governed, and to abide, by the provisions of CRS §24-102-205, §24-102-206, §24-103-601, §24-103.5-101 and §24-105-102 concerning the monitoring of vendor performance on state contracts and inclusion of contract performance information in a statewide contract management system.

The Grantee's performance shall be evaluated in accordance with the terms and conditions of this Grant, State law, including CRS §24-103.5-101, and State Fiscal Rules, Policies and Guidance. Evaluation of the Grantee's performance shall be part of the normal contract administration process and the Grantee's performance will be systematically recorded in the statewide Contract Management System. Areas of review shall include, but shall not be limited to quality, cost and timeliness. Collection of information relevant to the performance of Grantee's obligations under this Grant shall be determined by the specific requirements of such obligations and shall include factors tailored to match the requirements of the Statement of Project of this Grant. Such performance information shall be entered into the statewide Contract Management System at intervals established in the Statement of Project and a final review and rating shall be rendered within 30 days of the end of the Grant term. The Grantee shall be notified following each performance and shall address or correct any identified problem in a timely manner and maintain work progress.

Should the final performance evaluation determine that the Grantee demonstrated a gross failure to meet the performance measures established under the Statement of Project, the Executive Director of the Colorado Department of Personnel and Administration (Executive Director), upon request by the DOLA, and showing of good cause, may debar the Grantee and prohibit the Grantee from bidding on future contracts. The Grantee may contest the final evaluation and result by: (i) filing rebuttal statements, which may result in either removal or correction of the evaluation (CRS §24-105-102(6)); or (ii) under CRS §24-105-102(6), exercising the debarment protest and appeal rights provided in CRS §§24-109-106, 107, 201 or 202, which may result in the reversal of the debarment and reinstatement of the Grantee, by the Executive Director, upon showing of good cause.

## 22. GENERAL PROVISIONS

### A. Assignment

Except as otherwise specifically provided in **Exhibit B**, Grantee's rights and obligations hereunder are personal and may not be transferred, assigned or subcontracted, without the prior, written consent of the State. Any attempt at assignment, transfer, subcontracting without such consent shall be void. All assignments, subcontracts/subcontractors approved by Grantee or the State shall be subject to the provisions hereof. Grantee shall be solely responsible for all aspects of subcontracting arrangements and performance.

### B. Binding Effect

Unless otherwise provided herein, all provisions herein contained, including the benefits and burdens, shall extend to and be binding upon the Parties' respective heirs, legal representatives, successors, and assigns.

**C. Captions**

The captions and headings in this Agreement are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions.

**D. Counterparts**

This Agreement may be executed in multiple identical original counterparts, all of which shall constitute one agreement.

**E. Entire Understanding**

This Agreement represents the complete integration of all understandings between the Parties and all prior representations and understandings, oral or written, are merged herein. Prior or contemporaneous addition, deletion, or other amendment hereto shall not have any force or affect whatsoever, unless embodied herein.

**F. Indemnification**

**i. Intergovernmental Grants**

If this is an intergovernmental Grant, the provisions hereof shall not be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protection, or other provisions, of the Colorado Governmental Immunity Act, CRS §24-10-101 et seq., or the Federal Tort Claims Act, 28 U.S.C. 2671 et seq., as applicable, as now or hereafter amended.

**ii. Non-Intergovernmental Grants**

If this is not an intergovernmental Grant, Grantee shall indemnify, save, and hold harmless the State, its employees and agents, against any and all claims, damages, liability and court awards including costs, expenses, and attorney fees and related costs, incurred as a result of any act or omission by Grantee, or its employees, agents, subcontractors, or assignees pursuant to the terms of this Grant.

**G. Jurisdiction and Venue**

All suits, actions, or proceedings related to this Agreement shall be held in the State of Colorado and the Parties herby agree that venue shall be proper in the City and County of Denver.

**H. List of Selected Applicable Laws**

Grantee at all times during the performance of this Grant shall comply with all applicable Federal and State laws and their implementing regulations, currently in existence and as hereafter amended, including without limitation those set forth on **Exhibit A, Applicable Laws**, attached hereto, which laws and regulations are incorporated herein and made part hereof. Grantee also shall require compliance with such laws and regulations by sub-contractors under sub-contracts permitted by this Grant.

**I. Modification**

**i. By the Parties**

Except as specifically provided in this Agreement, modifications of this Agreement shall not be effective unless agreed to in writing by both parties in an amendment to this Agreement, properly executed and approved in accordance with Colorado State law and State Fiscal Rules.

**ii. By Operation of Law**

This Agreement is subject to such modifications as may be required by changes in Federal or Colorado State law, or their implementing regulations. Any such required modification automatically shall be incorporated into and be part of this Agreement on the effective date of such change, as if fully set forth herein.

**J. Order of Precedence**

The provisions of this Agreement shall govern the relationship of the State and Grantee. In the event of conflicts or inconsistencies between this Agreement and its exhibits and attachments, such conflicts or inconsistencies shall be resolved by reference to the documents in the following order of priority:

- i.** Exhibit C Supplemental Provisions for Federal Funding Accountability and Transparency Act
- ii.** Colorado Special Provisions
- iii.** The provisions of the main body of this Grant

- iv. Exhibit A Applicable Laws
- v. Exhibit B Statement of Project

**K. Severability**

Provided this Agreement can be executed and performance of the obligations of the Parties accomplished within its intent, the provisions hereof are severable and any provision that is declared invalid or becomes inoperable for any reason shall not affect the validity of any other provision hereof.

**L. Survival of Certain Agreement Terms**

Notwithstanding anything herein to the contrary, provisions of this Agreement requiring continued performance, compliance, or effect after termination hereof, shall survive such termination and shall be enforceable by the State if Grantee fails to perform or comply as required.

**M. Third Party Beneficiaries**

Enforcement of this Agreement and all rights and obligations hereunder are reserved solely to the Parties, and not to any third party. Any services or benefits which third parties receive as a result of this Agreement are incidental to the Agreement, and do not create any rights for such third parties.

**N. Waiver**

Waiver of any breach of a term, provision, or requirement of this Agreement or any right or remedy hereunder, whether explicitly or by lack of enforcement, shall not be construed or deemed as a waiver of any subsequent breach of such term, provision or requirement, or of any other term, provision, or requirement.

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## **23. COLORADO SPECIAL PROVISIONS**

These Special Provisions apply to all State contracts except where noted in *italics*.

### **A. 1. CONTROLLER'S APPROVAL. CRS §24-30-202 (1).**

This Grant shall not be deemed valid until it has been approved by the Colorado State Controller or designee.

### **B. 2. FUND AVAILABILITY. CRS §24-30-202(5.5).**

Financial obligations of the State payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.

### **C. 3. GOVERNMENTAL IMMUNITY.**

No term or condition of this Grant shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, of the Colorado Governmental Immunity Act, CRS §24-10-101 et seq., or the Federal Tort Claims Act, 28 U.S.C. §§1346(b) and 2671 et seq., as applicable now or hereafter amended.

### **D. 4. INDEPENDENT CONTRACTOR.**

Grantee shall perform its duties hereunder as an independent contractor and not as an employee. Neither Grantee nor any agent or employee of Grantee shall be or shall be deemed to be an agent or employee of the state. Grantee shall pay when due all required employment taxes and income taxes and local head taxes on any monies paid by the state pursuant to this Grant. Grantee acknowledges that Grantee and its employees are not entitled to unemployment insurance benefits unless Grantee or a third party provides such coverage and that the state does not pay for or otherwise provide such coverage. Grantee shall have no authorization, express or implied, to bind the state to any agreement, liability or understanding, except as expressly set forth herein. Grantee shall provide and keep in force workers' compensation (and provide proof of such insurance when requested by the state) and unemployment compensation insurance in the amounts required by law and shall be solely responsible for its acts and those of its employees and agents.

### **E. 5. COMPLIANCE WITH LAW.**

Grantee shall strictly comply with all applicable federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

### **F. 6. CHOICE OF LAW.**

Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this Grant. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. Any provision incorporated herein by reference which purports to negate this or any other Special Provision in whole or in part shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise. Any provision rendered null and void by the operation of this provision shall not invalidate the remainder of this Grant, to the extent capable of execution.

### **G. 7. BINDING ARBITRATION PROHIBITED.**

The State of Colorado does not agree to binding arbitration by any extra-judicial body or person. Any provision to the contrary in this Grant or incorporated herein by reference shall be null and void.

### **H. 8. SOFTWARE PIRACY PROHIBITION. Governor's Executive Order D 002 00.**

State or other public funds payable under this Grant shall not be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Grantee hereby certifies and warrants that, during the term of this Grant and any extensions, Grantee has and shall maintain in place appropriate systems and controls to prevent such improper use of public funds. If the State determines that Grantee is in violation of this provision, the State may exercise any remedy available at law or in equity or under this Grant, including, without limitation, immediate termination of this Grant and any remedy consistent with federal copyright laws or applicable licensing restrictions.

**I. 9. EMPLOYEE FINANCIAL INTEREST/CONFLICT OF INTEREST. CRS §§24-18-201 and 24-50-507.**

The signatories aver that to their knowledge, no employee of the State has any personal or beneficial interest whatsoever in the service or property described in this Grant. Grantee has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Grantee's services and Grantee shall not employ any person having such known interests.

**J. 10. VENDOR OFFSET. CRS §§24-30-202 (1) and 24-30-202.4. [Not Applicable to intergovernmental agreements]**

Subject to CRS §24-30-202.4 (3.5), the State Controller may withhold payment under the State's vendor offset intercept system for debts owed to State agencies for: (a) unpaid child support debts or child support arrearages; (b) unpaid balances of tax, accrued interest, or other charges specified in CRS §39-21-101, et seq.; (c) unpaid loans due to the Student Loan Division of the Department of Higher Education; (d) amounts required to be paid to the Unemployment Compensation Fund; and (e) other unpaid debts owing to the State as a result of final agency determination or judicial action.

**K. 11. PUBLIC CONTRACTS FOR SERVICES. CRS §8-17.5-101. [Not Applicable to agreements relating to the offer, issuance, or sale of securities, investment advisory services or fund management services, sponsored projects, intergovernmental agreements, or information technology services or products and services]**

Grantee certifies, warrants, and agrees that it does not knowingly employ or contract with an illegal alien who will perform work under this Grant and will confirm the employment eligibility of all employees who are newly hired for employment in the United States to perform work under this Grant, through participation in the E-Verify Program or the Department program established pursuant to CRS §8-17.5-102(5)(c), Grantee shall not knowingly employ or contract with an illegal alien to perform work under this Grant or enter into a contract with a subcontractor that fails to certify to Grantee that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Grant. Grantee (a) shall not use E-Verify Program or Department program procedures to undertake pre-employment screening of job applicants while this Grant is being performed, (b) shall notify the subcontractor and the contracting State agency within three days if Grantee has actual knowledge that a subcontractor is employing or contracting with an illegal alien for work under this Grant, (c) shall terminate the subcontract if a subcontractor does not stop employing or contracting with the illegal alien within three days of receiving the notice, and (d) shall comply with reasonable requests made in the course of an investigation, undertaken pursuant to CRS §8-17.5-102(5), by the Colorado Department of Labor and Employment. If Grantee participates in the Department program, Grantee shall deliver to the contracting State agency, institution of higher education or political subdivision a written, notarized affirmation, affirming that Grantee has examined the legal work status of such employee, and comply with all of the other requirements of the Department program. If Grantee fails to comply with any requirement of this provision or CRS §8-17.5-101 et seq., the contracting State agency, institution of higher education or political subdivision may terminate this Grant for breach and, if so terminated, Grantee shall be liable for damages.

**L. 12. PUBLIC CONTRACTS WITH NATURAL PERSONS. CRS §24-76.5-101.**

Grantee, if a natural person eighteen (18) years of age or older, hereby swears and affirms under penalty of perjury that he or she (a) is a citizen or otherwise lawfully present in the United States pursuant to federal law, (b) shall comply with the provisions of CRS §24-76.5-101 et seq., and (c) has produced one form of identification required by CRS §24-76.5-103 prior to the effective date of this Grant.

Revised 1/1/09

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**24. SIGNATURE PAGE**

**THE PARTIES HERETO HAVE EXECUTED THIS GRANT**

**\* Persons signing for Grantee hereby swear and affirm that they are authorized to act on Grantee’s behalf and acknowledge that the State is relying on their representations to that effect.**

<p style="text-align: center;"><b>GRANTEE</b> City of Rifle , Colorado</p> <p>By: _____ Name of Authorized Individual</p> <p>Title: _____ Official Title of Authorized Individual</p> <p>_____ *Signature</p> <p>Date: _____</p>	<p style="text-align: center;"><b>STATE OF COLORADO</b> John W. Hickenlooper, GOVERNOR</p> <p style="text-align: center;">DEPARTMENT OF LOCAL AFFAIRS</p> <p>By: _____ Reeves Brown, Executive Director</p> <p>Date: _____</p> <hr/> <p style="text-align: center;">PRE-APPROVED FORM CONTRACT REVIEWER</p> <p>By: _____ Teri Davis, Director of Financial Assistance Services</p> <p>Date: _____</p>
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**ALL GRANTS REQUIRE APPROVAL by the STATE CONTROLLER**

**CRS §24-30-202 requires the State Controller to approve all State Grants. This Grant is not valid until signed and dated below by the State Controller or delegate. Grantee is not authorized to begin performance until such time. If Grantee begins performing prior thereto, the State of Colorado is not obligated to pay Grantee for such performance or for any goods and/or services provided hereunder.**

<p><b>STATE CONTROLLER</b> David J. McDermott, CPA</p> <p>By: _____ Barbara M. Casey, Controller Delegate</p> <p>Date: _____</p>
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## EXHIBIT A – APPLICABLE LAWS

Laws, regulations, and authoritative guidance incorporated into this Grant include, without limitation:

1. 29 U.S.C. 201, et seq. - Federal Fair Labor Standards Act
2. 33 U.S.C. 1251, et seq. - Section 404 of the Clean Water Act as amended.
3. P.L. 93-205, - Section 7 of the Endangered Species Act.
4. 21 U.S.C. 1101, et seq. - Drug Abuse Office and Treatment Act of 1972 as amended
5. 42 U.S.C. 4151, et seq. - Architectural Barriers Act of 1968
6. 33 U.S.C. 1251 - 1376 - Federal Water Pollution Control Act, as amended.
7. 31 U.S.C. 7501, et seq. - Single Audit Act of 1984
8. 24 C.F.R. Part 58, Environmental Review Procedures For Entities Assuming HUD Environmental Responsibilities
9. 40 C.F.R. 1500-1508, as amended, Council on Environmental Quality Regulations Implementing NEPA
10. 42 U.S.C. 12101, et seq. - Americans with Disabilities Act of 1990
11. 20 U.S.C. 1681 through 1683 and 1685 - 1687 - Title IX of the Education Amendments of 1972, as amended.
12. 29 U.S.C. 794 - Section 504 of the Rehabilitation Act of 1973
13. 42 U.S.C. 2000d, et seq. - Title VI of the Civil Rights Act of 1964
14. 31 U.S.C. 1352 - Limitation on Use of Appropriated Funds to Influence Certain Federal Contracting and Financial Transactions
15. 5 U.S.C. 552, as amended - Freedom of Information Act.
16. P.L. 109-282, as amended by P.L. 110-252, Section 6202 - Federal Funding Transparency and Accountability Act of 2006, as amended.
17. Executive Order 11246 - Equal Employment Opportunity
18. Executive Order 12372 - Intergovernmental Review of Federal Programs
19. Executive Order 12549 - Debarment and Suspension
20. Executive Order 12898 - Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations
21. Executive Order 13166 - Improving Access to Services for Persons with Limited English Proficiency.
22. Executive Order 13513 - Federal Leadership on Reducing Text Messaging While Driving
23. 49 C.F.R. 18 - Uniform Administrative Requirements for Grants and Agreements
24. 2 C.F.R. Part 225 - Cost Principles for State and Local Governments
25. 2 C.F.R. Part 1200 - Non-procurement Suspensions and Debarment
26. 41 C.F.R. Parts 60, et seq. - Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and federally assisted contracting requirements)
27. 49 C.F.R. Part 20 - New Restrictions on Lobbying
28. 49 C.F.R. Part 21 - Nondiscrimination in Federally Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964
29. 49 C.F.R. Part 24, as amended - Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970
30. 49 C.F.R. Part 25 - Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance.
31. 49 C.F.R. Part 27 - Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance.
32. 49 C.F.R. Part 28 - Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities Conducted by the Department of Transportation.
33. 49 C.F.R. Part 32 - Government-wide Requirements for Drug-Free Workplace (Financial Assistance)
34. 49 C.F.R. Parts 27 and 38 - DOT's implementing ADA regulations, including the ADA Accessibility Guidelines in Part 37, Appendix A.
35. 49 C.F.R. Part 26 - Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs.
36. A-87 Cost Principles Applicable to Grants and Contracts with State and Local Governments.
37. A-102 Grants and Agreements with State and Local Governments
38. A-133 Audits of States, Local Governments, and Non-Profit Organizations
39. C.R.S. 24-75-601 et seq., as amended, Legal Investment of Public Funds

(Department of Local Affairs, as the Recipient of this TIGER II grant, requires the City of Rife, as the Grantee, also comply with the following certifications and assurances A-1 thru A-4)

**EXHIBIT A 1**

**TITLE VI ASSURANCE  
(Implementing Title VI of the Civil Rights Act of 1964, as amended)**

**ASSURANCE CONCERNING NONDISCRIMINATION IN FEDERALLY-ASSISTED PROGRAMS AND  
ACTIVITIES RECEIVING OR BENEFITING FROM FEDERAL FINANCIAL ASSISTANCE**

(Implementing the Rehabilitation Act of 1973, as amended, and the Americans With Disabilities Act, as amended)

49 C.F.R. Parts 21, 25, 27, 37 and 38

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By signing and submitting the Technical Application and by entering into the Agreement under the TIGER II Discretionary Grant program, the Recipient hereby agrees that:

1. As a condition to receiving any Federal financial assistance from the U.S. Department of Transportation, Recipient will comply with: Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. 2000d--42 U.S.C. 2000d-4; all requirements imposed by or pursuant to: Title 49, Code of Federal Regulations, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation--Effectuation of Title VI of the Civil Rights Act of 1964; and other pertinent directives so that no person in the United States shall, on the grounds of race, color, national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Recipient receives Federal financial assistance from the Department of Transportation. This assurance is required by Title 49, Code of Federal Regulations, Section 21.7(a).
2. As a condition to receiving any Federal financial assistance from the U.S. Department of Transportation, Recipient will comply with: Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. 1681 through 1683, and 1685 through 1687, and U.S. DOT regulations, "Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance," 49 C.F.R. part 25, which prohibit discrimination on the basis of sex. As a condition to receiving any Federal financial assistance from the U.S. Department of Transportation, it will comply with: the Age Discrimination Act of 1975, as amended (42 U.S.C. 6101 et seq.), the Drug Abuse Office and Treatment Act of 1972, as amended (21 U.S.C. 1101 et seq.), the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, as amended (42 U.S.C. 4541 et seq.); and any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance was made; and the requirements of any other nondiscrimination statute(s) which may apply to the Recipient.
3. As a condition to receiving any Federal financial assistance from the Department of Transportation, it will comply with: section 504 of the Rehabilitation Act of 1973, as amended, (29 U.S.C. 794); and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Part 27, Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance; and Part 37, Transportation Services for Individuals With Disabilities; and Part 38, Americans With Disabilities Act – Accessibility Specifications for Transportation Vehicles; and other pertinent directives so that no otherwise qualified person with a disability, be excluded from participation in, be denied the benefits of, be discriminated against by reason of such handicap, or otherwise be subjected to discrimination under any program for which the Recipient receives Federal financial assistance from the Department of Transportation. This assurance is required by Title 49, Code of Federal Regulations, Section 27.9.
4. The Recipient will promptly take any measures necessary to effectuate this Agreement. The Recipient further agrees that it shall take reasonable actions to guarantee that it, its contractors and subcontractors subject to the Department of Transportation regulations cited above, transferees, and successors in interest will comply with all requirements imposed or pursuant to the statutes and Department of Transportation regulations cited above, other pertinent directives, and the above assurances.
5. These assurances obligate the Recipient for the period during which Federal financial assistance is extended. The Recipient agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the statutes and Department of Transportation regulations cited above, other pertinent directives, and the above assurances.

6. These assurances are given for the purpose of obtaining Federal grant assistance under the TIGER II Discretionary Grant Program and are binding on the Recipient, contractors, subcontractors, transferees, successors in interest, and all other participants receiving Federal grant assistance in the TIGER II Discretionary Grant Program. The person or persons whose signatures appear below are authorized to sign this Agreement on behalf of the Recipient.

7. In addition to these assurances, the Recipient agrees to file: a summary of all complaints filed against it within the past year that allege violation(s) by the Recipient of Title VI of the Civil Rights Act of 1964, as amended, section 504 of the Rehabilitation Act of 1973, as amended; or a statement that there have been no complaints filed against it. The summary should include the date the complaint was filed, the nature of the complaint, the status or outcome of the complaint (*i.e.*, whether it is still pending or how it was resolved).

**EXHIBIT A 2**

**DISCLOSURE OF LOBBYING ACTIVITIES**

Certification for Contracts, Grants, Loans,  
and Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement or grant agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, cooperative agreement, or grant agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, cooperative agreement, or grant agreement, the undersigned shall complete and submit Standard Form-LLL (Rev. 7-97), "Disclosure of Lobbying Activities," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, cooperative agreements and grant agreements) and that all subRecipients shall certify and disclose accordingly.
4. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

**EXHIBIT A 3**

**CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS IN THE PERFORMANCE OF THE TIGER II DISCRETIONARY GRANT PROGRAM**

The Recipient certifies that it will, or will continue, to provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Recipient's workplace, and specifying the actions that will be taken against employees for violation of such prohibition.
2. Establishing an ongoing drug-free awareness program to inform employees about:
  - (a) The dangers of drug abuse in the workplace;
  - (b) The Recipient's policy of maintaining a drug-free workplace;
  - (c) Any available drug counseling, rehabilitation, and employee assistance programs; and,
  - (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
3. Making it a requirement that each employee to be engaged in the performance of work supported by the grant award be given a copy of the statement required by paragraph 1.
4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment supported by the grant award, the employee will:
  - (a) Abide by the terms of the statement; and
  - (b) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction.
5. Notifying the agency in writing, within ten calendar days after receiving notice under paragraph (d)(2) from an employee or otherwise receiving actual notice of conviction. Employers of convicted employees must provide notice, including position title, to the Department. Notice shall include the order number of the grant award.
6. Taking one of the following actions, within 30 days of receiving notice under paragraph 4(b), with respect to any employee who is so convicted:
  - (a) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended, or
  - (b) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State or local health, law enforcement, or other appropriate agency.
7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).
8. The Recipient *may*, but is not required to, provide the site for the performance of work done in connection with the specific grant. For the provision of services pursuant to the Agreement, workplaces include outstations, maintenance sites, headquarters office locations, training sites and any other worksites where work is performed that is supported by the grant award. If the Recipient does so, please insert in Section 4 of the Agreement the following information from subsection (a) below:
  - (a) Identify the Places of Performance by listing the street address, city, county, state, zip code. Also identify if there are workplaces on file that are not identified in this section of the Agreement.

**EXHIBIT A 4**

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS --  
PRIMARY COVERED TRANSACTIONS**

**2 C.F.R. Part 1200, 49 C.F.R. Part 32**

By signing and submitting the Technical Application and by entering into the Agreement under the TIGER II Discretionary Grant program, the Recipient is providing the assurance and certification set out below.

1. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
2. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.
3. The prospective primary participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. See Nonprocurement Suspension and Debarment (2 C.F.R. Part 1200) and Government wide Requirements for Drug-Free Workplace Grants (49 C.F.R. Part 32). The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 C.F.R. part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.
5. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -- Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
6. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 C.F.R. part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Non-procurement Programs.
7. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
8. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 C.F.R. part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

**Certification Regarding Debarment, Suspension, and Other Responsibility Matters -- Primary Covered Transactions**

1. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
  - (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;
  - (b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or

performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

2. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

**Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -- Lower Tier Covered Transactions**

By signing and submitting the Technical Application and by entering into the Agreement under the TIGER II Discretionary Grant program, the Recipient is providing the assurance and certification set out below.

1. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
2. The prospective lower tier participant shall provide immediate written notice to the person to whom this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
3. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
4. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 C.F.R. part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
5. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -- Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
6. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 C.F.R. part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Non-procurement Programs.
7. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
8. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 C.F.R. part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

**Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -- Lower Tier Covered Transactions**

By signing and submitting the Technical Application and by entering into the Agreement under the TIGER II Discretionary Grant program, the Recipient is providing the assurance and certification set out below.

TIG #11-550 – Rifle Downtown Transit Oriented Design and Planning, Colorado Sustainable Main Streets

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

**EXHIBIT B – STATEMENT OF PROJECT (SOP)**  
**Tiger II Discretionary Grants for Planning - Colorado Sustainable Main Streets**

**1. GENERAL DESCRIPTION OF THE PROJECT(S).**

**1.1. Project Description.** The City of Rifle’s primary outcome for this project is the development of a Transit Oriented Development (TOD) Strategic Plan for downtown Rifle. The City of Rifle has undertaken several planning efforts that serve as a foundation for this project, including a downtown master plan, a gateway study, and property redevelopment planning, alongside multiple other downtown initiatives. The purpose of this project is to organize efforts into a TOD concept; fill in missing planning components such as multi-modal infrastructure design, transit planning, market analysis, site design, and energy planning; cultivate partners to invest in the downtown; and integrate the pieces into an overall Strategic Plan.

This project is interrelated to a separate contract, utilizing HUD Challenge funds.

DOT TIGER II funds will be used to complete the following planning components (conceptual only) utilizing a multi-disciplinary consultant team.

**1. TOD Strategic Plan.** (TIGER II—\$186,618)

**a. TOD Analysis and Transit Planning.** (TIGER II Funds—\$86,618) The transit planning element will assess the feasibility of the downtown as a TOD within the regional transit system; identify and evaluate redevelopment site opportunities; evaluate pedestrian access to the TOD; identify potential transit center locations; identify infrastructure needs and costs of the transit center; identify phasing of transit improvements in conjunction with Gateway Design; evaluate other traffic demand management strategies; communicate the link between transit and economic development; and coordinate with the Roaring Fork Transit Authority (RFTA). All design shall remain conceptual and below 30% of the final design. Planning and Environmental Linkages (PEL) will be incorporated where appropriate. Completed March 2013.

*Conceptual Multi-Modal Transportation Infrastructure Design* (TIGER II Funds—\$100,000) The design team will develop concepts for pedestrian, bike, and street infrastructure design in the downtown through a public workshop and walking audit. Visualizations will be created and design concepts identified. Design shall be less than 30% of final design at this stage. Phasing of priority infrastructure will be identified. Costs of NEPA review will be identified. Planning and Environmental Linkages (PEL) will be incorporated where appropriate. Completed March 2013.

**2. Multi-Modal Infrastructure Design and Environmental Review.** (TIGER II Funds--\$200,000) This task will develop preliminary designs for priority infrastructure projects. The conceptual designs for these pedestrian, bike, and street infrastructure are developed during the TOD Strategic planning process (see above). Projects that proceed to preliminary design using TIGER II funds will be chosen based on their feasibility to go through a NEPA review, with time constraints and review costs taken into account. Potential preliminary design projects (resulting from the TOD strategic planning process that occurs earlier in the project) may include: pedestrian improvements throughout the downtown, the extension of Park Avenue to intersect with Highway 6 & 24, the Rifle Creek Trail extension, West Second Street between Railroad Avenue and West Avenue, and/or the redesign of Hwy 6 & 24/Highway 13 as identified in the Gateway Plan. Priorities for Infrastructure Design will be identified by the TOD Strategic Plan process, with the RFP released by month 12 (March 2012) and design accomplished by month 30 (September 2013). All work is preliminary design with no final design or construction elements. This task will conduct NEPA analysis. Completed February 2014.

Grantee agrees to acknowledge the Department of Local Affairs and Federal Highway Administration (FHWA) in any and all final work products generated by the Project, including all materials or events designed to promote or educate the public about the Project. An acknowledgement of FHWA support and a disclaimer must appear in any publication of any material, whether copyrighted or not, based on or developed under the Agreement, in the following terms:

“This material is based upon work supported by the FHWA under TDGII-P-22, Cooperative Agreement No. DTFH61-11-H-00005.”

All materials must also contain the following:

“Any opinions, findings, and conclusions or recommendations expressed in this publication are those of the Author(s) and do not necessarily reflect the view of FHWA.”

**1.2. Eligible expenses** include consultants, legal, and administrative.

**1.3.** Cost Savings derived while completing the Project shall be:

**1.3.1.**  divided equally between the State and Grantee

**1.3.2.**  split on a pro-rata basis between the State and Grantee

**1.3.3.**  returned to the State

**1.4. Matching Funds.** Unless authorized in writing by the State, Grantee shall be responsible for meeting the required total matching funds for this Project, as identified under the “Other Funds” column of §7 below, during the term of this Grant.

**1.5. Federal Funding Accountability and Transparency Act of 2006, (Pub. L. 109-282) (Transparency Act also known as FFATA).** Grantee and subgrantees are required to report award information on the government Website and register with U.S. Government Central Contract Registration (CCR) at <http://www.bbn.gov/ccr>. See Attachment C - Supplemental Provisions for Federally Funded Contracts, Grants, and Purchase Orders Subject to The Federal Funding Accountability and Transparency Act of 2006 (FFATA), As Amended, As of 10-15-10 for specific information.

**1.6. Preserving Rights and Powers.** Grantee will not take or permit any action that would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in the Agreement without the written approval of the Government, and will act promptly to acquire, extinguish, or modify any outstanding rights or claims of right of others that would interfere with such performance by the Grantee. The Grantee agrees that this will be done in a manner acceptable to the Government.

## 2. DEFINITIONS

None

## 3. DELIVERABLES

**3.1. Outcome.** The final outcome of this project is to provide sustainability by completing a Transit Oriented Design plan for downtown Rifle. The TOD Plan will include transit planning, conceptual multi-modal infrastructure design, residential and commercial market analysis, energy and sustainability in order to help in creating a suitable living environment.

**3.2. Service Area.** The performance of the services described within this Grant shall be located in Rifle, Colorado and adjacent portions of Garfield County as applicable.

**3.3. In-Kind and Leverage Commitments.** Documentation verifying in-kind and other match.

**3.4. All Interim and Final Reports.** Quarterly Financial and Program Reports as well as a Final Report.

## 4. PERSONNEL

**4.1. Responsible Administrator.** Grantee’s performance hereunder shall be under the direct supervision of Matt Sturgeon, an employee or agent of Grantee, who is hereby designated as the responsible administrator of this project.

**4.2. DLG Regional Manager.** Elyse Ackerman Casselberry, 222 S. 6<sup>th</sup> #409, Grand Junction, CO 81501.

**4.3. Replacement.** Grantee shall immediately notify DLG if any key personnel cease to serve. If Grantee wishes to replace its key personnel, it shall notify DLG and seek its approval, which shall be at DLG’s sole discretion, as DLG issued this Grant in part reliance on Grantee’s representations regarding its Key Personnel. Such notice shall specify why the change is necessary, who the proposed replacement is, what their qualification are, and when the change will take effect. Anytime key personnel cease to serve, DLG, in its sole discretion, may direct Grantee to suspend work on the Project until such time as their replacements are approved. All notices sent under this subsection shall be sent in accordance with §18 of the Grant.

**5. PAYMENT**

Payments shall be made in accordance with the provisions set forth in §9 of the Grant.

**5.1. Payment Schedule.** Grantee shall disburse Grant Funds received from the State within fifteen days of receipt. Excess funds shall be returned to the Department.

Payment	Amount	
<b>Interim Payment(s)</b>	<b>\$375,820</b>	Paid upon receipt of actual expense documentation and written requests from the Grantee for reimbursement of eligible program activities authorized by the Department.
<b>Final Payment</b>	<b>\$ 19,780</b>	Paid upon substantial completion of the Project, provided that the Grantee has submitted, and the Department has approved, all required reports.
<b>Total</b>	<b>\$395,600</b>	

**5.2. Remittance Address.** If mailed, payments shall be remitted to the following address unless changed in accordance with §18 of the Grant:

City of Rifle  
 202 Railroad Ave.  
 Rifle, CO 81650

**5.3. Interest.** Grantee may keep interest earned from federal funds up to \$100 per year for administrative expenses..Excess interest income shall be returned to DLG.

**6. ADMINISTRATIVE REQUIREMENTS**

**6.1. Reporting.** Grantee shall submit the following reports to the Department using the state-provided forms. The Department may withhold payment(s) if such reports are not submitted timely.

- 6.1.1. Financial Status Reports.** One copy of the quarterly Financial Status Report shall be submitted within 15 calendar days of the end of each calendar quarter.
- 6.1.2. Narrative Performance Reports.** One copy of the quarterly Narrative Performance Report shall be submitted within 15 calendar days of the end of each calendar quarter.
- 6.1.3. Final Reports.** Within 15 days after the completion of the Project or the final draw, whichever is later, Grantee shall submit a Final Narrative Performance Report, and a final Financial Status Report to the Department.
- 6.1.4. Single Audit Report.** If Grantee is required to have a single audit, Grantee shall submit a copy of its audit report to DLG within 180 days of its fiscal year-end.

**6.2. Monitoring.**

- 6.2.1. Grantee.** Grantee shall notify DLG at least 30 days in advance of Project being completed. DLG shall perform on-site monitoring, prior to project close-out.
- 6.2.2. Subgrantee.** Grantee shall monitor its subgrantees, if any, at least once during the term of this project. Results of such monitoring shall be maintained on file.

**6.3. Contract.**

**6.3.1.** Any and all contracts entered into by the Grantee or any of its subcontractors shall comply with all applicable federal and state laws and shall be governed by the laws of the State of Colorado.

**6.3.2.** Copies of any and all contracts, Intergovernmental Agreements, Requests for Proposals and/or Memorandums of Understanding entered into by Grantee in order to accomplish this Projects shall be submitted to the DLG Regional Manager (and possibly FHWA) for review prior to execution.

**6.4. Environmental Requirements.** Grantee shall comply with all DOT environmental requirements and shall not obligate Grant funds prior to receipt of the written release of funds from the State.

**6.5. Procurement Standard.** Grantee shall follow appropriate procurement standards as required by the state, including the selection and payment of contractors, consultants, architects, engineers, and purchase of materials necessary for the completion of the Project.

**6.6. Debarment and Suspension Requirements.** Grantee shall comply with 2 C.F.R. Part 180 entitled, “OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Nonprocurement).” DOT specific guidance can be found at 2 C.F.R. Part 1200 entitled, “Nonprocurement Suspension and Debarment.”

**6.7. Financial Assistance Policy to Ban Text Messaging While Driving.**

**6.7.1.** Definitions. The following definitions are intended to be consistent with the definitions in Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving, October 1, 2009, and DOT Order 3902.10. For clarification purposes, they may expand upon the definitions in the E.O.

**6.7.1.1.** “Driving” - (1) Means operating a motor vehicle on a roadway, including while temporarily stationary because of traffic, a traffic light, stop sign, or otherwise. (2) It does not include being in your vehicle (with or without the motor running) in a location off the roadway where it is safe and legal to remain stationary.

**6.7.1.2.** “Text Messaging” means reading from or entering data into any handheld or other electronic device, including for the purpose of short message service texting, e-mailing, instant messaging, obtaining navigational information, or engaging in any other form of electronic data retrieval or electronic data communication. The term does not include the use of a cell phone or other electronic device for the limited purpose of entering a telephone number to make an outgoing call or answer an incoming call, unless the practice is prohibited by State or local law.

**6.7.2.** In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving, October 1, 2009, and DOT Order 3902.10, Text Messaging While Driving, December 30, 2009, financial assistance recipients and subrecipients of grants and cooperative Agreements are encouraged to:

**6.7.2.1.** Adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies to ban text messaging while driving--

**6.7.2.1.1.** Company-owned or -rented vehicles or Government-owned, leased or rented vehicles; or

**6.7.2.1.2.** Privately-owned vehicles when on official Government business or when performing any work for or on behalf of the Government.

**6.7.2.2.** Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as -

**6.7.2.2.1.** Establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving; and

**6.7.2.2.2.** Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.

**6.7.3.** All recipients and subrecipients of financial assistance to include: grants, cooperative Agreements, loans and other types of assistance, shall insert the substance of this clause, including this paragraph (6.7.3) in all assistance awards.

**6.8. Recordkeeping.** Grantee shall maintain records in accordance with recordkeeping requirements as outlined in 11.A of the main body of this Contract.

**7. PROJECT BUDGET**

Project Activities	Total Cost	Tiger II Funds	Other Funds	Other Fund Source
Administrative- Personnel	\$ 8,342	\$ 8,342		
Fringe	\$ 640	\$ 640		
Consultants- Task 1 – TOD plan	\$186,618	\$186,618		
Task 2 – Infrastructure design and review	\$200,000	\$200,000		
<b>Total</b>	<b>\$395,600</b>	<b>\$395,600</b>		

## EXHIBIT C – Supplemental Provisions for FFATA

### State of Colorado Supplemental Provisions for Federally Funded Contracts, Grants, and Purchase Orders Subject to The Federal Funding Accountability and Transparency Act of 2006 (FFATA), As Amended As of 10-15-10

The contract, grant, or purchase order to which these Supplemental Provisions are attached has been funded, in whole or in part, with an Award of Federal funds. In the event of a conflict between the provisions of these Supplemental Provisions, the Special Provisions, the contract or any attachments or exhibits incorporated into and made a part of the contract, the provisions of these Supplemental Provisions shall control.

**1. Definitions.** For the purposes of these Supplemental Provisions, the following terms shall have the meanings ascribed to them below.

**1.1. “Award”** means an award of Federal financial assistance that a non-Federal Entity receives or administers in the form of:

- 1.1.1. Grants;
- 1.1.2. Contracts;
- 1.1.3. Cooperative agreements, which do not include cooperative research and development agreements (CRDA) pursuant to the Federal Technology Transfer Act of 1986, as amended (15 U.S.C. 3710);
- 1.1.4. Loans;
- 1.1.5. Loan Guarantees;
- 1.1.6. Subsidies;
- 1.1.7. Insurance;
- 1.1.8. Food commodities;
- 1.1.9. Direct appropriations;
- 1.1.10. Assessed and voluntary contributions; and
- 1.1.11. Other financial assistance transactions that authorize the expenditure of Federal funds by non-Federal Entities.

Award **does not** include:

- 1.1.12. Technical assistance, which provides services in lieu of money;
- 1.1.13. A transfer of title to Federally-owned property provided in lieu of money; even if the award is called a grant;
- 1.1.14. Any award classified for security purposes; or
- 1.1.15. Any award funded in whole or in part with Recovery funds, as defined in section 1512 of the American Recovery and Reinvestment Act (ARRA) of 2009 (Public Law 111-5).

**1.2. “Central Contractor Registration (CCR)”** means the Federal repository into which an Entity must enter the information required under the Transparency Act, which may be found at <http://www.bpn.gov/ccr>.

**1.3. “Contract”** means the contract to which these Supplemental Provisions are attached and includes all Award types in §1.1.1 through 1.1.11 above.

**1.4. “Contractor”** means the party or parties to a Contract funded, in whole or in part, with Federal financial assistance, other than the Prime Recipient, and includes grantees, subgrantees, Subrecipients, and borrowers. For purposes of Transparency Act reporting, Contractor does not include Vendors.

**1.5. “Data Universal Numbering System (DUNS) Number”** means the nine-digit number established and assigned by Dun and Bradstreet, Inc. to uniquely identify a business entity. Dun and Bradstreet’s website may be found at: <http://fedgov.dnb.com/webform>.

**1.6. “Entity”** means all of the following as defined at 2 CFR part 25, subpart C;

- 1.6.1. A governmental organization, which is a State, local government, or Indian Tribe;
- 1.6.2. A foreign public entity;
- 1.6.3. A domestic or foreign non-profit organization;
- 1.6.4. A domestic or foreign for-profit organization; and

**1.6.5.** A Federal agency, but only a Subrecipient under an Award or Sub award to a non- Federal entity.

**1.7. “Executive”** means an officer, managing partner or any other employee in a management position.

**1.8. “Federal Award Identification Number (FAIN)”** means an Award number assigned by a Federal agency to a Prime Recipient.

**1.9. “FFATA”** means the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282), as amended by §6202 of Public Law 110-252. FFATA, as amended, also is referred to as the “Transparency Act.”

**1.10. “Prime Recipient”** means a Colorado State agency or institution of higher education that receives an Award.

**1.11. “Subaward”** means a legal instrument pursuant to which a Prime Recipient of Award funds awards all or a portion of such funds to a Subrecipient, in exchange for the Subrecipient’s support in the performance of all or any portion of the substantive project or program for which the Award was granted.

**1.12. “Subrecipient”** means a non-Federal Entity (or a Federal agency under an Award or Subaward to a non-Federal Entity) receiving Federal funds through a Prime Recipient to support the performance of the Federal project or program for which the Federal funds were awarded. A Subrecipient is subject to the terms and conditions of the Federal Award to the Prime Recipient, including program compliance requirements. The term “Subrecipient” includes and may be referred to as Subgrantee.

**1.13. “Subrecipient Parent DUNS Number”** means the subrecipient parent organization’s 9-digit Data Universal Numbering System (DUNS) number that appears in the subrecipient’s Central Contractor Registration (CCR) profile, if applicable.

**1.14. “Supplemental Provisions”** means these Supplemental Provisions for Federally Funded Contracts, Grants, and Purchase Orders subject to the Federal Funding Accountability and Transparency Act of 2006, As Amended, as may be revised pursuant to ongoing guidance from the relevant Federal or State of Colorado agency or institution of higher education.

**1.15. “Total Compensation”** means the cash and noncash dollar value earned by an Executive during the Prime Recipient’s or Subrecipient’s preceding fiscal year and includes the following:

**1.15.1.** Salary and bonus;

**1.15.2.** Awards of stock, stock options, and stock appreciation rights, using the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2005) (FAS 123R), Shared Based Payments;

**1.15.3.** Earnings for services under non-equity incentive plans, not including group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of Executives and are available generally to all salaried employees;

**1.15.4.** Change in present value of defined benefit and actuarial pension plans;

**1.15.5.** Above-market earnings on deferred compensation which is not tax-qualified;

**1.15.6.** Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the Executive exceeds \$10,000.

**1.16. “Transparency Act”** means the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282), as amended by §6202 of Public Law 110-252. The Transparency Act also is referred to as FFATA.

**1.17 “Vendor”** means a dealer, distributor, merchant or other seller providing property or services required for a project or program funded by an Award. A Vendor is not a Prime Recipient or a Subrecipient and is not subject to the terms and conditions of the Federal award. Program compliance requirements do not pass through to a Vendor.

**2. Compliance.** Contractor shall comply with all applicable provisions of the Transparency Act and the regulations issued pursuant thereto, including but not limited to these Supplemental Provisions. Any revisions to such provisions or regulations shall automatically become a part of these Supplemental Provisions, without the necessity of either party executing any further instrument. The State of Colorado may provide written notification to Contractor of such revisions, but such notice shall not be a condition precedent to the effectiveness of such revisions.

**3. Central Contractor Registration (CCR) and Data Universal Numbering System (DUNS) Requirements.**

**3.1. CCR.** Contractor shall maintain the currency of its information in the CCR until the Contractor submits the final financial report required under the Award or receives final payment, whichever is later. Contractor shall review and update the CCR information at least annually after the initial registration, and more frequently if required by changes in its information.

**3.2. DUNS.** Contractor shall provide its DUNS number to its Prime Recipient, and shall update Contractor's information in Dun & Bradstreet, Inc. at least annually after the initial registration, and more frequently if required by changes in Contractor's information.

**4. Total Compensation.** Contractor shall include Total Compensation in CCR for each of its five most highly compensated Executives for the preceding fiscal year if:

**4.1.** The total Federal funding authorized to date under the Award is \$25,000 or more; and

**4.2.** In the preceding fiscal year, Contractor received:

**4.2.1.** 80% or more of its annual gross revenues from Federal procurement contracts and subcontracts and/or Federal financial assistance Awards or Subawards subject to the Transparency Act; and

**4.2.2.** \$25,000,000 or more in annual gross revenues from Federal procurement contracts and subcontracts and/or Federal financial assistance Awards or Subawards subject to the Transparency Act; and

**4.3.** The public does not have access to information about the compensation of such Executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d) or § 6104 of the Internal Revenue Code of 1986.

**5. Reporting.** Contractor shall report data elements to CCR and to the Prime Recipient as required in §7 below if Contractor is a Subrecipient for the Award pursuant to the Transparency Act. No direct payment shall be made to Contractor for providing any reports required under these Supplemental Provisions and the cost of producing such reports shall be included in the Contract price. The reporting requirements in §7 below are based on guidance from the US Office of Management and Budget (OMB), and as such are subject to change at any time by OMB. Any such changes shall be automatically incorporated into this Contract and shall become part of Contractor's obligations under this Contract, as provided in §2 above. The Colorado Office of the State Controller will provide summaries of revised OMB reporting requirements at <http://www.colorado.gov/dpa/dfp/sco/FFATA.htm>.

**6. Effective Date and Dollar Threshold for Reporting.** The effective date of these supplemental provisions apply to new Awards as of October 1, 2010. Reporting requirements in §7 below apply to new Awards as of October 1, 2010, if the initial award is \$25,000 or more. If the initial Award is below \$25,000 but subsequent Award modifications result in a total Award of \$25,000 or more, the Award is subject to the reporting requirements as of the date the Award exceeds \$25,000. If the initial Award is \$25,000 or more, but funding is subsequently de-obligated such that the total award amount falls below \$25,000, the Award shall continue to be subject to the reporting requirements.

**7. Subrecipient Reporting Requirements.** If Contractor is a Subrecipient, Contractor shall report as set forth below.

**7.1 To CCR.** A Subrecipient shall register in CCR and report the following data elements in CCR *for each* Federal Award Identification Number no later than the end of the month following the month in which the Subaward was made:

**7.1.1** Subrecipient DUNS Number;

**7.1.2** Subrecipient DUNS Number + 4 if more than one electronic funds transfer (EFT) account;

**7.1.3** Subrecipient Parent DUNS Number;

**7.1.4** Subrecipient's address, including: Street Address, City, State, Country, Zip + 4, and Congressional District;

**7.1.5** Subrecipient's top 5 most highly compensated Executives if the criteria in §4 above are met; and

**7.1.6** Subrecipient's Total Compensation of top 5 most highly compensated Executives if criteria in §4 above met.

**7.2 To Prime Recipient.** A Subrecipient shall report to its Prime Recipient, upon the effective date of the Contract, the following data elements:

**7.2.1** Subrecipient's DUNS Number as registered in CCR.

**7.2.2** Primary Place of Performance Information, including: Street Address, City, State, Country, Zip code + 4, and Congressional District.

**8. Exemptions.**

**8.1.** These Supplemental Provisions do not apply to an individual who receives an Award as a natural person, unrelated to any business or non-profit organization he or she may own or operate in his or her name.

**8.2.** A Contractor with gross income from all sources of less than \$300,000 in the previous tax year is exempt from the requirements to report Subawards and the Total Compensation of its most highly compensated Executives.

**8.3.** Effective October 1, 2010, "Award" currently means a grant, cooperative agreement, or other arrangement as defined in Section 1.1 of these Special Provisions. On future dates "Award" may include

other items to be specified by OMB in policy memoranda available at the OMB Web site; Award also will include other types of Awards subject to the Transparency Act.

**8.4.** There are no Transparency Act reporting requirements for Vendors.

**9. Event of Default.** Failure to comply with these Supplemental Provisions shall constitute an event of default under the Contract and the State of Colorado may terminate the Contract upon 30 days prior written notice if the default remains uncured five calendar days following the termination of the 30 day notice period. This remedy will be in addition to any other remedy available to the State of Colorado under the Contract, at law or in equity.

Federal Funding Accountability and Transparency Act (FFATA)  
Data Report Form

**Reporting is required for initial awards of \$25,000 or more or award modifications that result in a total award of \$25,000 or more.**

Information Field Definitions can be found in Exhibit C	Response
1. Agency or Jurisdiction DUNS Number:	
2. Subrecipient Name Receiving Award:	
3. Subrecipient Parent DUNS Number: <b>(Report if different from subrecipient number)</b>	
4. Location of Entity Receiving Award: <b>(Full street address)</b>	
5. Primary Location of Performance of the Award: <b>(City, State and Congressional District)</b>	
	Answer True or False
6. In the preceding fiscal year, Contractor received:	
a. \$25,000,000 or more in annual gross revenues from federal procurement contracts/subcontracts and/or federal financial assistance awards or subawards subject to the Transparency Act.	
b. 80% or more of its annual gross revenues from federal procurement contracts/subcontracts and/or federal financial assistance awards or subawards subject to the Transparency Act.	
c. The public does not have access to information about the compensation of its five most highly compensated Executives through periodic reports filed through the Securities Exchange Act of 1934 or the IRS.	

**An answer to question 7 is required ONLY when all answers to questions 6 are true.**

7. Names and total compensation of the five (5) most highly compensated Executives for the preceding fiscal year:

Print Name

Compensation Amount

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

By signing below, I certify the information contained in this report is complete and accurate to the best of my knowledge.

\_\_\_\_\_  
Signature of Responsible Administrator

\_\_\_\_\_  
Date



MEMORANDUM

TO: John Hier, City Manager

FROM: Matt Sturgeon, Assistant City Manager

DATE: May 24, 2011

SUBJECT: Amending Section 18-9-30 RMC

Staff placed an Ordinance on the June 1 City Council agenda that would amend Section 18-9-30 RMC (**Exhibit A**) to only require buildings located in the Central Business District or in attached buildings with multiple ownership interests to comply with the standards established by said section. All other buildings would need to comply with the 2003 International Fire Code (IFC).

This amendment is proposed because there is no demonstrated reason justifying the current amendment to the 2003 IFC; however, to protect the more densely constructed historic core and other environments where there are attached structures with multiple ownership interests, staff recommends the amendment be kept for these specific situations.



(7) The first paragraph of Section 508.2 is hereby amended as follows:

**"508.2 Type of water supply.** A water supply shall consist of reservoirs, pressurized tanks, elevated tanks, water mains, tanker shuttles or other approved systems capable of providing the required fire flow."

(8) Subsection 903.2, "Automatic Sprinkler Systems - Where required," is hereby amended to read as follows:

**"903.2 Where required.** Approved automatic sprinkler systems in new buildings and structures shall be provided in the locations described in this section.

"1. In every story of all buildings three stories or more in height.

"2. In every story, basement and mezzanine of any building where total floor area (including basement and mezzanine) exceeds the limits shown in Table A below.

"3. Whenever any addition to an existing building causes the total floor area of the building to exceed the limits set forth in the preceding item number 2, the entire building shall be provided with an approved automatic sprinkler system, or a firewall conforming to Section 705 of the International Building Code (IBC) must be installed. Openings in these walls shall conform to the IBC and be controlled by actuation of a smoke detector. When the automatic-closing fire assembly is installed in a building with an approved fire detection system, the fire assembly actuating the smoke detectors shall be made a part of the fire detection.

"4. Existing structures and facilities. When in any 24-month period the floor area of an alteration, remodel or modification to any existing building exceeds 40% of the floor area of the building being improved, the entire building shall be made to comply with the requirements of Chapter 9 of the 2003 IBC, and the 2003 International Fire Code, as amended and adopted by the City of Rifle.

"Exception: Spaces or areas in telecommunications buildings used exclusively for telecommunications equipment, associated electrical power distribution equipment, batteries and standby engines, provided those spaces or areas are equipped throughout with an automatic fire alarm system and are separated from the remainder of the building by a wall with a fire-resistance rating of not less than one hour and floor/ceiling assembly with a fire-resistance rating of not less than two hours.

"Exception: Parking garages classified as S Division 2 occupancies, open on three or more sides.

"TABLE A	
<i>Building Type</i>	<i>Maximum Floor Area</i>
II-B*, III-B, V-B	7,500
V-A*	9,000
II-A, III-A, IV-H.T.*	12,000
I-A or B, II-A	15,000
* A-Protected/B-Protected (per Table 601 2003 IBC) H.T. – Heavy Timber	

(9) Section 907, "Fire Alarm and Detection Systems," is amended by the addition of a new Subsection 907.1.3, to read as follows:

**"907.1.3. Installation.** All fire alarm systems installations shall be supervised by a NICET Level 2 or higher in fire alarm installation.

"Exception: When the fire alarm installer has the equivalent of a NICET Level 2 training, all certificates and documents shall be presented for compliance."

(10) Section 907.4 is amended by deletion of the Exception paragraph. (Ord. 31 §3, 2006)

**Sec. 18-9-40. Penalties.**

Section 109.3 of the *International Fire Code*, 2003 Edition, which contains a penalty clause, is amended to read as follows:

**"Section 109.3 Violation penalties.** Any person who violates a provision of this code or fails to comply with any of the requirements thereof or who erects, constructs, alters or repairs work in violation of the approved construction documents or directive of the building official, or of a permit or certificate issued under the provisions of this code, shall be guilty of a separate offense for each and every day or portion thereof during which any violation of any provision of this code is committed, continued or permitted and, upon a conviction of any violation, such person, firm or corporation shall be punished by a fine of not more than one thousand dollars (\$1,000.00) or by imprisonment for not more than ninety (90) days, or both. Any criminal offense under this section shall be one of strict liability."

(Ord. 31 §3, 2006)

**ARTICLE X**

**Energy Conservation Code**

**Sec. 18-10-10. Adoption.**

Pursuant to the power and authority conferred by Section 31-16-201 et seq., C.R.S., there is adopted by reference thereto the *International Energy Conservation Code*, 2003 Edition, and all appendices thereto, promulgated by the International Code Council, Inc., 4051 West Flossmoor Road, Country Club

**CITY OF RIFLE, COLORADO  
ORDINANCE NO. 5  
SERIES OF 2011**

AN ORDINANCE OF THE CITY OF RIFLE, COLORADO, AMENDING  
SECTION 18-9-30 OF THE RIFLE MUNICIPAL CODE REGARDING  
REQUIRED AUTOMATIC SPRINKLER SYSTEMS.

WHEREAS, pursuant to C.R.S. §31-16-201, *et seq.*, the City of Rifle has adopted by reference at Chapter 18, Article IX of the Rifle Municipal Code the International Fire Code (“IFC”), 2003 Edition, as amended, as the official fire code of the City; and

WHEREAS, Section 18-9-30 of the Rifle Municipal Code amends the standard terms of the IFC, and subsection (8) addresses requirements for automatic sprinkler systems in the City; and

WHEREAS, after working with the IFC automatic sprinkler system amendments for several years, the Building and Planning Department recommends amending the requirements added to Section 903.2 of the IFC to apply only to new buildings and structures in the City’s Central Business District and to new buildings and structures divided into separate ownership interests; and

WHEREAS, the Rifle City Council wishes to adopt the following amendments to Section 18-9-30(8) of the Rifle Municipal Code accordingly.

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

Section 1. The foregoing recitals are incorporated herein as if set forth in full.

Section 2. Subsection (8) of Section 18-9-30 of the Rifle Municipal Code is hereby amended to read as follows, with additions shown in bold, double underlined text and deletions in strike-through text.

18-9-30.

(8) Subsection 903.2, "Automatic Sprinkler Systems - Where required," is hereby amended to read as follows:

903.2 Where required. ~~Approved automatic sprinkler systems in new buildings and structures~~ **In all new buildings and structures and for those remodels described in subsection (4) which are: (a) located in the City’s Central Business District; or (b) divided into separate ownership interests, approved automatic sprinkler systems** shall be provided ~~in the locations~~ **as** described in this section.

INTRODUCED on June 1, 2011, read by title, passed on first reading, and ordered published by title as required by the Charter.

INTRODUCED a second time at a regular meeting of the Council of the City of Rifle, Colorado, held on June 15, 2011, passed without amendment, approved, and ordered published in full as required by the Charter.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2011.

CITY OF RIFLE, COLORADO

BY \_\_\_\_\_

Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

CITY OF RIFLE, COLORADO  
ORDINANCE NO. 3  
SERIES OF 2011

AN ORDINANCE OF THE CITY OF RIFLE, COLORADO AMENDING  
CHAPTER 6, ARTICLE VIII OF THE RIFLE MUNICIPAL CODE TO  
ESTABLISH A MEDICAL MARIJUANA LOCAL LICENSING AUTHORITY  
AND DECLARING A TEMPORARY MORATORIUM ON THE TRANSFER  
OF LICENSED MEDICAL MARIJUANA BUSINESSES INTO THE CITY  
THROUGH JUNE 30, 2012.

WHEREAS, on November 7, 2000, the voters of the State of Colorado approved Amendment 20 that added Section 14 of Article 18 to the Colorado Constitution and created a limited exception from criminal liability under Colorado law for persons who are in need of marijuana for specified medical purposes and who obtain and use medical marijuana under specified circumstances described in Amendment 20; and

WHEREAS, the City of Rifle has responded with the adoption of Ordinance No. 33, Series of 2009, and Ordinance No. 9, Series of 2010, which ordinances created permitting regimes for medical marijuana dispensaries; and

WHEREAS, by passage of House Bill 10-1284, the Colorado legislature adopted the Colorado Medical Marijuana Code at §§12-43.3-101, *et seq.*, C.R.S. (“CMMC”) and amendments to the fee collection and patient registry provisions at §25-1.5-106, C.R.S., among other items; and

WHEREAS, the CMMC adopts a state licensing regime for medical marijuana and provides for dual state and local licensing of medical marijuana effective July 1, 2011 for those local governments adopting licensing regulations prior to that date; and

WHEREAS, the City Council finds that there are significant benefits to local licensing and regulation of medical marijuana related to enforcement, fee and penalty collection, and general oversight of the industry in the interest of the public, health and safety of the citizens of Rifle; and

WHEREAS, the passage of the CMMC and related legislation and rulemakings also creates a need to update Rifle’s existing medical marijuana regulations to match the terminology and processes used by the state; and

WHEREAS, by the adoption of House Bill 11-1043, the Colorado legislature adopted amendments to the CMMC including a revised §12-43.3-103(2)(d)(III) that permits existing medical marijuana licensees who have lost their location due to a ban to apply for a new license in a different jurisdiction prior to the termination of the extended statewide moratorium on new licenses; and

WHEREAS, to avoid the impacts of an influx of medical marijuana businesses from

nearby municipalities and counties that have banned such operations, the City wishes to enact a temporary moratorium on the acceptance, processing, and approval of any application for the transfer of a medical marijuana center, optional premises cultivation operation, or infused products manufacturing license from a location outside of the City into the City through June 30, 2012; and

WHEREAS, the Rifle City Council finds and determined that Chapter 6, Article VIII of the Rifle Municipal Code should be amended to comply with the CMMC accordingly.

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

Section 1. The aforementioned recitals are hereby fully incorporated herein.

Section 2. Article VIII of Chapter 6 of the Rifle Municipal Code is hereby amended to read as follows, with additions shown in underlined text and deletions in strike-through text.

## **Chapter 6 Business Licenses**

### Article VIII

Medical Marijuana ~~Dispensaries and Cultivation Operations~~

6-8-10. Definitions.

(a) Definitions relevant to this Article are incorporated herein as follows:

*Amendment 20* means a voter-initiated amendment to the Colorado Constitution adopted November 7, 2000 adding §14 of Article 18 to the Colorado Constitution.

*Colorado Medical Marijuana Code* means Article 43.3 of Title 12, C.R.S., as may be amended.

*Cultivation* means the process by which a person promotes the germination and growth of a seed to a mature marijuana plant.

*Good cause* (for the purpose of refusing or denying a permitlicense renewal under this Article) means: (1) the permitteelicensee has violated, does not meet, or has failed to comply with any of the terms, conditions or provisions of this Article and any rule and regulation promulgated pursuant to this Article; (2) the permitteelicensee has failed to comply with any special terms or conditions that were placed on its permitlicense at the time the permitlicense was issued, or that were placed on its permitlicense in prior disciplinary proceedings or that arose in the context of potential disciplinary proceedings; or (3) the permitteelicensee's medical marijuana dispensarycenter, cultivation operation,

or infused products manufacturer premises has been operated in a manner that adversely affects the public health, welfare or safety of the immediate neighborhood in which the medical marijuana dispensarycenter, cultivation operation, or infused products manufacturer premises is located. Evidence to support a finding of good cause may include: (i) a continuing pattern of offenses against the public peace, as defined in Chapter 10 of this Code; (ii) a continuing pattern of drug-related criminal conduct within the premises of the medical marijuana dispensarycenter, cultivation operation, or infused products manufacturer or in the immediate area surrounding the medical marijuana dispensarycenter, cultivation operation, or infused products manufacturer; or (iii) a continuing pattern of criminal conduct directly related to or arising from the operation of the medical marijuana dispensarycenter, cultivation operation, or infused products manufacturer.

~~*Medical marijuana business means any medical marijuana dispensary, medical marijuana cultivation operation, or medical marijuana infused products manufacturing operation, as each are defined herein.*~~

~~*Medical marijuana dispensary or dispensary means to distribute, transmit, give, dispense or otherwise provide marijuana in any manner to patients or primary care givers in accordance with Amendment 20, and the implementing state statutes and administrative regulations, as they may be amended.*~~

*Local license means a license granted by the local licensing authority pursuant to this Article and in accordance with state law.*

*Licensee means a person licensed pursuant to this Article.*

*Local Licensing Authority means the City Manager.*

*Marijuana shall have the same meaning as “usable form of marijuana” as set forth in Amendment 20, or as may be more fully defined in any applicable law or regulation.*

*Medical marijuana center shall have the same meaning as set forth at C.R.S. §12-43.3.-104(8), as may be amended.*

*Medical marijuana infused products shall have the same meaning as set forth at C.R.S. §12-43.3.-104(9), as may be amended.*

*Medical marijuana infused products manufacturer shall have the same meaning as set forth at C.R.S. §12-43.3.-104(10) for medical marijuana infused products manufacturer, as may be amended.*

*Medical use shall have the same meaning as is set forth in Article XVIII, Sec. 14(1)(b) of the Colorado Constitution, or as may be more full defined in any applicable state law or*

regulation.

Optional premises shall have the same meaning as set forth at C.R.S. §12-43.3-104(11), as may be amended.

Optional premises cultivation operation or cultivation operation means the growing, cultivation, or processing of medical marijuana in excess of six (6) plants allowed by Amendment 20.

Medical marijuana infused products manufacturing operation means the manufacture of products infused with medical marijuana that are intended for use or consumption other than by smoking, including but not limited to edible products, ointments, and tinctures shall have the same meaning as set forth at C.R.S. §12-43.3-104(12), as may be amended.

Patient has the meaning provided in Amendment 20, or as may be more fully defined in any applicable state law or regulation.

Permit means a permit to operate a medical marijuana dispensary or cultivation operation issued by the City pursuant to this Article.

Permittee means the person to whom a permit has been issued pursuant to this Article.

Primary Caregiver/caregiver has the meaning provided in Amendment 20.

City Manager means the City Manager of the City, or as may be more fully defined in any applicable state law or designee regulation.

(b) In addition to the definitions provided in subsection (a) of this Section, the other defined terms in Amendment 20 and C.R.S. §12-43.3-104 are incorporated into this Article by reference.

6-8-20. **Permit Required.** Applicability of Provisions.

No person shall operate a medical marijuana business within the City without a valid permit issued in accordance with this Article.

6-8-30. — In addition to any other rules or laws which may be applicable, this Article shall govern all licensing proceedings before the Medical Marijuana Enforcement Division. Unless superseded by this Article, the provisions of §§12-43.3-101, et seq., 25-1.5-106, 25-5-403, 16-2.5-121, 16-2.5-124.5, 24-72-202(6)(b), and 39-26-726, C.R.S., as may be amended, and 1 C.C.R. §212, as may be amended, shall apply to medical marijuana licenses. A violation of any of the state regulations incorporated herein shall be deemed a violation of this Article subject to the penalty provisions of Section 6-8-180 of this Code.

6-8-30. Designation of Local Licensing Authority.

(a) For purposes of this Article, the Local Licensing Authority for the City shall be the City Manager.

(b) The City Clerk shall assist the Local Licensing Authority by receiving all applications, coordinating with other City officers and departments when relevant, scheduling required public hearings and exercising his or her discretion in forwarding renewals, change of ownership and employment notices, and other licensing related requests to the Local Licensing Authority.

6-8-40. Application for ~~Permit~~License.

(a) A person seeking to obtain a ~~permit~~license pursuant to this Article shall file an application with the ~~City Manager~~Local Licensing Authority. The form of the application shall be provided by the ~~City Manager~~Local Licensing Authority.

(b) An application for a ~~permit~~local license under this Article shall contain the following information:

- (1) The name, address, telephone number, date of birth and social security number of all owners of the medical marijuana ~~business~~center, ~~optional premises cultivation operation, or infused products manufacturer~~, or if it is a business entity, the names of each natural person who owns any ownership interest in the entity;
- (2) The street address, and unit number, if applicable, of the proposed medical marijuana ~~business~~center, ~~optional premises cultivation operation, or infused products manufacturer~~ and a complete description including sketch diagram of the site for which the ~~permit~~license is being obtained;
- (3) If the applicant is not the owner of the proposed location of the medical marijuana ~~business~~center, ~~optional premises cultivation operation, or infused products manufacturer~~, a statement from the owner of such property on a City-approved form authorizing the submission of the application;
- (4) A completed set of the applicant's fingerprints;
- (5) A statement to be initialed by the applicant that the City accepts no legal liability in connection with the approval and subsequent operation of the medical marijuana ~~business~~center, ~~optional premises cultivation operation, or infused products manufacturer~~.

- (6) A consent and acknowledgment that the City will conduct a background investigation of each owner;
  - (7) For a ~~medical marijuana~~optional premises cultivation operation, the applicant must provide evidence that the structure has an adequate electrical supply safely installed for the operation certified by a Colorado licensed electrician, proper filtered ventilation and odor control measures installed so that no odors leave the premises, irrigation and plumbing plan, chemical storage and disposal plan, mitigation measures for air-borne fungi and related pests; and
  - (8) Any additional information that the ~~City Manager~~Local Licensing Authority reasonably determines to be necessary in connection with the investigation and review of the application.
- (c) Applications deemed complete shall be processed by the ~~City Manager~~Local Licensing Authority in order of receipt and incomplete applications will be rejected.

~~6-8-40.50.~~ Application Fee.

An applicant shall pay to the City a non-refundable application fee to pick up an application and to file the application to cover the administrative costs of producing and processing the application. The amount of the application fees are set forth in Appendix A and may be amended by resolution of the City Council. An applicant shall further pay for the required background investigation as set forth in Appendix A and the actual cost of being fingerprinted and any outside professional costs incurred by the City related to the application.

~~6-8-50.60.~~ Location Requirements.

No medical marijuana ~~businesscenter, optional premises cultivation operation, or infused products manufacturer~~ shall be established except in accordance with the following location requirements:

- (1) Each medical marijuana ~~businesscenter~~ shall be operated from a permanent and fixed location. No medical marijuana ~~businesscenter~~ shall be located in a movable, mobile or transitory location. Nothing herein shall prevent the physical delivery of medical marijuana to a patient or the patient's primary caregiver at a location off of the premises of the ~~permittee's/licensee's~~ medical marijuana ~~dispensarycenter~~.
- (2) ~~Medical marijuana dispensary.~~
  - ~~a.~~ A medical marijuana ~~dispensarycenter~~ may only be located within the

Central Business District, Community Service Business District or the Tourist Commercial District and are prohibited in all other zone districts. Medical marijuana ~~dispensaries~~centers shall not be operated as a home occupation as set forth in Section 16-3-280.

~~b.~~(3) To preserve the economic diversity and character of the downtown and to prevent an over-concentration of ~~dispensaries~~centers, no more than four (4) medical marijuana ~~dispensaries~~centers may be located in ground level street front locations in the Central Business District on a first come, first served basis.

~~e.~~(4) Except in the Central Business District, no medical marijuana ~~dispensary~~center shall be located within 500 feet of another medical marijuana ~~dispensary~~center.

~~(3)~~ ~~center. Distance shall be calculated using the standard established in the Colorado Medical marijuana~~Marijuana Code.

~~(5)~~ ~~An optional premises cultivation operation. A medical marijuana cultivation operation or infused products manufacturer~~ may only be located in the Light Industrial Zone district and are prohibited in all other zone districts. Prior to receiving a ~~permit~~license pursuant to this Article, ~~a medical marijuana~~an optional premises cultivation operation or infused products manufacturer must receive a conditional use permit from the City pursuant to Section 16-3-80 for the proposed location.

~~(4)~~ ~~Medical marijuana-infused products manufacturing operation.~~

~~a.~~ ~~A medical marijuana-infused products manufacturing operation may be located within the Central Business District, Community Service Business District, Tourist Commercial District, or Light Industrial District and are prohibited in all other zone districts. Medical marijuana-infused products manufacturing operations must comply with all zone district requirements set forth in the Code and shall not be operated as a home occupation as set forth in Section 16-3-280.~~

~~b.~~ ~~Medical marijuana-infused products shall be prepared on a permitted premises that is used exclusively for the manufacture and preparation of medical marijuana-infused products and using equipment that is used exclusively for the manufacture and preparation of medical marijuana-infused products. The premises shall be adequately ventilated so that adjacent properties are not impacted by odors and if medical marijuana is stored on the premises during non-operating hours, the permittee shall comply with the operational requirements set forth in Section 6-8-150(h).~~

~~(6)~~ ~~No medical marijuana center, optional premises cultivation operation, or~~

infused products manufacturer shall be located within 1,000 feet of a school, an alcohol or drug treatment facility, or a residential child care facility. Distance shall be calculated using the standard established in the Colorado Medical Marijuana Code. The provisions of this subsection (6) shall not affect the renewal or re-issuance of a license once granted.

6-8-~~6070~~. Denial of ~~Permit~~License.

(a) The ~~City Manager~~Local Licensing Authority shall deny an application for a ~~permit~~license under this Article, if the ~~City Manager~~Local Licensing Authority determines that:

(1) Information contained in the application or supplemental information requested from the applicant is found to be false in any material respect; or

(2) The application fails to meet any of the standards set forth in Section 6-8-~~5060~~.

(b) The ~~City Manager~~Local Licensing Authority may deny an application if the applicant or any owner of an applicant business has previously been convicted of a felony violation within the past five years.

(c) If an application is denied, the application fee shall not be refunded.

6-8-~~7080~~. Decision by ~~City Manager~~Local Licensing Authority.

(a) The ~~City Manager~~Local Licensing Authority shall approve, deny, or conditionally approve an application within forty five (45) days of the receipt of the completed application, unless, by written notice to the applicant, the decision period is extended for an additional ten (10) days if necessary for the ~~City Manager~~Local Licensing Authority to complete the review of the application or other such time to complete the background investigation.

(b) If an applicant is denied, the ~~City Manager~~Local Licensing Authority shall clearly set forth in writing the grounds for denial.

(c) The ~~City Manager~~Local Licensing Authority shall have the authority to impose such reasonable terms and conditions on a ~~permit~~license as may be necessary to protect the public health, safety and welfare, and to obtain compliance with the requirements of this Article and applicable law. In the event an application is conditionally approved, the ~~City Manager~~Local Licensing Authority shall clearly set forth in writing the conditions of approval.

6-8-~~8090~~. Notice of Decision.

The ~~City Manager~~Local Licensing Authority shall notify the applicant of the decision on the application by mailing a copy of the City Manger's decision to the applicant by regular mail, postage prepaid, at the address shown in the application. Notice is deemed to have been properly

given upon mailing.

6-8-~~90-100~~. Appeal of Permit License Decision.

(a) An applicant has the right to appeal the City Manager Local Licensing Authority's denial or conditional approval of an application to the City Council by filing a written request with the City Manager Clerk within twenty (20) days of the date of the notice of the decision described in Section 6-8-~~80100~~ of this Code. An appealing applicant shall pay the appeal fee set forth in Appendix A and reimburse the City for any outside professional costs incurred by the City related to the appeal.

(b) The applicant shall be provided with not less than ten (10) days' prior written notice of an appeal hearing to be held by the City Council.

(c) The burden of proof in an appeal filed under this Section shall be on the applicant.

(d) Any decision made by the City Council pursuant to this Section shall be a final decision and may be appealed to the district court pursuant to Rule 106(a)(4) of the Colorado Rules of Civil Procedure. The applicant's failure to timely appeal the decision shall be a waiver of the applicant's right to contest the denial or conditional approval of the application.

6-8-~~100~~. ~~Permit~~110. License.

(a) A permit license shall contain the following information:

(1) The name of the permittee licensee;

(2) The date of the issuance of the permit license;

(3) The address at which the permittee licensee is authorized to operate the medical marijuana business center, optional premises cultivation operation, or infused products manufacturer;

(4) Any special conditions of approval imposed upon the permit license by the City Manager Local Licensing Authority, pursuant to Section 6-8-~~7090~~; and

(5) The date of the expiration of the license.

(b) A permit license must be signed by both the applicant and the City Manager Local Licensing Authority to be valid.

(c) A permit license is non-assignable and any attempt to assign a permit license voids the permit license.

(d) A permitlicense may only be transferred to a different location following the payment of the permitlicense transfer fee set forth in Appendix A, submitting the application materials and complying with the requirements relevant to location and structures contained in this Article, and approval of the permitlicense transfer by the City-ManagerLocal Licensing Authority following the application process set forth in this Article.

(e) A permitlicense shall be continuously posted in a conspicuous location at the medical ~~medical~~-marijuana businesscenter, cultivation operation, or infused products manufacturer.

6-8-~~110~~120. Duration of PermitLicense; Renewal.

(a) Each permitlicense issued pursuant to this Article shall be valid for one (1) year from the -date of issuance, and may be renewed as provided in this Section.

(b) An application for the renewal of an existing permitlicense shall be made to the City-ManagerLocal Licensing Authority not less than forty five (45) days prior to the date of expiration. No application for renewal shall be accepted by the City-ManagerLocal Licensing Authority after such date.

(c) The provisions of Sections 6-8-~~3040~~ through 6-8-~~90~~100, inclusive, shall apply to the processing of an application to renew a permitlicense unless specifically waived by the City-ManagerLocal Licensing Authority based upon no changed circumstances. The timely filing of a renewal application shall extend the current permitlicense until a final decision is made on the renewal application, including any appeal of the City-ManagerLocal Licensing Authority's decision to the City Council.

(d) The applicant shall at the time of an application to renew a permitlicense not be delinquent on any applicable City's fees or taxes.

(e) At the time of the filing of an application for the renewal of an existing permitlicense the applicant shall pay a renewal fee in an amount set forth in Appendix A which may be amended by resolution of the City Council.

(f) If an applicant holding a valid permitlicense in the Central Business District wishing to renew the permitlicense submits a timely renewal application, that applicant shall receive first review and approval priority regardless of other submitted applications for that district under the limitations set forth in Section 6-8-~~50~~60(3). If the applicant allows the permitlicense to expire before submitting a renewal application or the renewal application is denied, that permitlicense shall be open to new applicants on a first come, first served basis

(g) The City-ManagerLocal Licensing Authority may refuse to renew a permitlicense for good cause.

6-8-~~120~~130. Duties of ~~Permittee~~Licensee.

It is the duty and obligation of each ~~permittee~~licensee to do the following:

- (1) Comply with all of the terms and conditions of the ~~permit~~license, and any special conditions on the ~~permit~~license imposed by the ~~City Manager~~Local Licensing Authority, pursuant to Section 6-8-~~70~~80.
- (2) Comply with all of the requirements of this Article;
- (3) Comply with all other applicable City ordinances;
- (4) Comply with all state laws and administrative regulations pertaining to the medical use of marijuana, including, but not limited to, Amendment 20; Section 18-18-406.3, C.R.S.; and the administrative regulations issued by the Colorado Department of Public Health and Environment found at 5 CCR 1006-2, all as amended from time to time.
- (5) Permit inspection of its records and operation by the ~~City Manager~~Local Licensing Authority for the purpose of determining the ~~permittee~~licensee's compliance with the terms and conditions of the ~~permit~~license and this Article; provided, however, that confidentiality of patient records shall be maintained pursuant to state law.

6-8-~~130~~140. Suspension or Revocation of ~~Permit~~License.

(a) A ~~permit~~license issued pursuant to this Article may be suspended or revoked by the ~~City Manager~~Local Licensing Authority for the following reasons:

- (1) Fraud, misrepresentation, or a false statement of material fact contained in the ~~permit~~license application;
- (2) A violation of any City, state, or federal law or regulation, other than a federal law or regulation concerning the possession, sale or distribution of marijuana that conflicts with Amendment 20;
- (3) A violation of any of the terms and conditions of the ~~permit~~license, including any special conditions of approval imposed upon the ~~permit~~license by the ~~City Manager~~Local Licensing Authority pursuant to Section 6-8-~~70~~80;
- (4) A violation of any of the provisions of this Article;
- (5) Operations have ceased at the medical marijuana ~~business center~~, optional premises cultivation operation, or infused products manufacturer for more than

thirty (30) days, including during a change of ownership of the dispensarycenter, cultivation operation, or infused products manufacturer; or

(6) Ownership of the medical marijuana businesscenter, cultivation operation, or infused products manufacturer has been transferred without the new owner obtaining a permitlicense pursuant to this Article.

(b) In connection with the suspension of a permitlicense, the City-ManagerLocal Licensing Authority may impose reasonable conditions.

(c) The City-ManagerLocal Licensing Authority shall notify the permitteelicensee of the decision to suspend or revoke the permitlicense within three (3) business days of rendering the decision. Notice shall be given pursuant to the procedure established in Section 6-8-~~8090~~.

(d) No suspension or revocation shall be final until the permitteelicensee has been given the ——— opportunity for a hearing to address the suspension or revocation. The permitteelicensee has the right to appeal the City Manger's suspension or revocation to the City Council by filing a written request with the City-ManagerLocal Licensing Authority within twenty (20) days of the date of the Notice of Decision issued by the City-ManagerLocal Licensing Authority, as described in Section 6-8-~~8090~~ above. The process for appeal of a suspension or revocation shall be as set forth in Section 6-8-~~90100~~ of this Code.

6-8-150. Operation of medical marijuana dispensarycenter.

(a) No marijuana may be sold, given away or transferred at a medical marijuana dispensarycenter, except to patients and to primary caregivers.

(b) A medical marijuana dispensarycenter may open no earlier than 7:00 a.m. and shall close no later than 7:00 p.m. the same day. A medical marijuana dispensarycenter may be open seven (7) days a week.

(c) All signage for a medical marijuana dispensarycenter shall comply with the requirements of Chapter 16, Article VIII of this Code. No signage associated with medical marijuana dispensariescenters shall use the word "marijuana," "cannabis" or any other word or phrase commonly understood to refer to marijuana unless such word or phrase is immediately preceded by the word "medical."

(d) The growing, cultivation or processing of marijuana on or within the premises of a medical marijuana dispensarycenter is prohibited.

(e) The sale or consumption of an alcoholic beverage within a medical marijuana dispensarycenter is prohibited.

(f) No person under the age of eighteen (18) shall be allowed in any portion of a medical marijuana dispensarycenter.

(g) Each permittedlicensee shall maintain an accurate and complete record of all marijuana sold or dispensed at the medical marijuana dispensarycenter with the following information, and which shall be made available to the City upon demand:

- (1) The quantity of medical marijuana dispensed in each transaction;
- (2) The date and time the marijuana was sold or dispensed; and
- (3) The total amount paid per transaction for all goods and services provided.

(h) A permittedlicensee shall provide adequate security on the premises of a medical marijuana dispensarycenter including, but not limited to, the following:

- (1) A locking safe or secure vault permanently affixed to or built into the premises that is suitable for storage of all of the saleable inventory of marijuana;
- (2) Security surveillance cameras with back-up power operating at all times installed to monitor the main entrance to discourage and to facilitate the reporting of criminal acts and nuisance activities occurring at the premises;
- (3) Burglar alarm systems professionally monitored and maintained in good working condition.

(i) The medical marijuana dispensarycenter premises shall be adequately ventilated so that adjacent properties are not impacted by odors.

(j) No vending machines, drive-ups or unsupervised sales.

(k) No onsite consumption of marijuana shall be permittedlicensed on the premises.

(l) Only merchandise related to the medical marijuana dispensarycenter and the provision of care to patients is allowed to be sold in a medical marijuana dispensarycenter.

6-8-160. Operation of medical marijuana optional premises cultivation operation.

(a) No retail sale of marijuana may occur at a medical marijuana optional premises cultivation operation.

(b) Any signage for a medical marijuana optional premises cultivation operation shall comply with the requirements of Chapter 16, Article VIII of this Code. No signage shall use the word "marijuana," "cannabis" or any other word or phrase commonly understood to refer to

marijuana unless such word or phrase is immediately preceded by the word “medical.” In addition, no sign shall contain a graphic/image of any portion of a marijuana plant.

(c) A medical marijuana optional premises cultivation operation must occur indoors and be equipped with a proper ventilation system that filters out the odor of marijuana so that the odor is not capable of being detected by a person with a normal sense of smell at the exterior of the cultivation operation or any adjoining business, parcel or tract of real property.

(d) A medical marijuana optional premises cultivation operation shall be required to have waste, chemical, and bioproduct storage and disposal measures as determined reasonably necessary by the ~~City Manager~~Local Licensing Authority.

6-8-170. Taxes.

Each ~~permitter~~licensee shall comply in full with the payment of City sales tax pursuant to Chapter 4 of this Code.

6-8-180. Penalties; Injunctive Relief.

(a) It is a Class A Misdemeanor offense for any person to violate any provision of this Article. Any person convicted of having violated any provision of this Article shall be punished as set forth in Chapter 1, Article IV of this Code.

(b) The operation of a medical marijuana ~~businesscenter, cultivation operation, or infused products manufacturer~~ without a valid ~~permit~~license issued pursuant to this Article may be enjoined by the City in an action brought in a court of competent jurisdiction. In any case in which the City prevails in a civil action initiated pursuant to this ~~section~~Section, the City may recover its reasonable attorney fees plus costs of the proceeding.

(c) The remedies provided in this Article VIII are in addition to any other remedy provided by applicable law.

6-8-190. Rules and Regulations.

The ~~City Manager~~Local Licensing Authority shall have the authority from time to time to adopt, amend, alter and repeal administrative rules and regulations as may be necessary for the proper administration of this Article.

6-8-200. Existing Medical Marijuana ~~Dispensaries~~Centers.

Any medical marijuana ~~dispensarycenter or cultivation operation~~ having filed for an application for and received a business license and sales tax license as of November 4, 2009, shall be exempt from the location limitations in Section 6-8-~~5060~~, but shall otherwise comply with all provisions of this Article within thirty (30) days of adoption of this Ordinance.

Section 3. There is hereby imposed a temporary moratorium on the acceptance, processing, and approval of any application for the transfer of a medical marijuana center, optional premises cultivation operation, or infused products manufacturer from a location outside of the City into the City. Such temporary moratorium shall be effective as of the effective date of this Ordinance and terminate on June 30, 2012.

Section 34. If any provision, clause, sentence or paragraph of this Ordinance or the application thereof to any person or circumstances shall be held invalid, such invalidity shall not affect the other provisions of this Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are declared to be severable.

Section 45. Appendix A of the Rifle Municipal Code shall be amended to include the following fee schedule:

Code §	Description	Fee
6-8- <del>4050</del>	Medical marijuana <del>businesscenter, cultivation operation, or infused products manufacturer</del> packet fee	\$50.00
6-8- <del>4050</del>	Medical marijuana <del>businesscenter, cultivation operation, or infused products manufacturer</del> application filing fee	\$1,000.00 per permit
6-8- <del>4050</del>	Background investigation fee per person	\$100.00
6-8- <del>90100</del>	Appeal fee	\$250.00
6-8- <del>100110</del> (d)	<del>Permit</del> License transfer fee	\$500.00 per permit
6-8- <del>110120</del>	Medical marijuana <del>businesscenter, cultivation operation, or infused products manufacturer</del> renewal application filing fee	\$850.00 per permit

INTRODUCED on the 18<sup>th</sup> day of May, 2011, read by title, passed on first reading, and ordered published as required by the Charter.

INTRODUCED a second time at a regular meeting of the Council of the City of Rifle,  
Colorado, held on the 1<sup>st</sup> day of June, 2011, passed with **out** amendments, approved, and ordered  
published in full as required by the Charter.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2011.

CITY OF RIFLE, COLORADO

By \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

**CITY OF RIFLE, COLORADO  
ORDINANCE NO. 4  
SERIES OF 2011**

AN ORDINANCE OF THE CITY OF RIFLE, COLORADO, AMENDING  
SECTION 2-1-10 OF THE RIFLE MUNICIPAL CODE REGARDING MAIL  
BALLOT ELECTIONS.

WHEREAS, Section 2.1 of the Rifle Home Rule Charter states that City elections shall be governed by the Colorado Municipal Election Law except as otherwise provided in the Charter or by ordinance; and

WHEREAS, Section 2-1-10 of the Rifle Municipal Code (“RMC”) provides that all elections shall be held and conducted in accordance with the provisions of Article II of the Charter; and

WHEREAS, the Colorado Municipal Election Code at C.R.S. §31-10-102.7 permits any municipality to provide by ordinance or resolution that it will utilize the requirements of the Uniform Election Code of 1992, articles 1 to 13 of title 1, C.R.S., in lieu of the Municipal Election Code, with respect to any election; and

WHEREAS, the Colorado Uniform Election Code at C.R.S. §1-7.5-104 authorizes the governing body of any political subdivision to determine that an election shall be conducted by mail ballot; and

WHEREAS, voting by mail ballot has become increasingly popular since the adoption of the Rifle Home Rule Charter and RMC election provisions, and the City of Rifle wishes to recognize the convenience and economy of holding an exclusively mail ballot election rather than a mixed mail ballot and polling place election by following the Colorado Mail Ballot Election Act at C.R.S. §1-7.5-101, *et seq.*; and

WHEREAS, the Rifle City Council finds and determines the best interests of the citizens of Rifle will be served by adopting the following amendments to Section 2-1-10 of the RMC accordingly.

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

Section 1. The foregoing recitals are incorporated herein as if set forth in full.

Section 2. Section 2-1-10 of the Rifle Municipal Code is hereby amended to read as follows, with additions shown in bold, double-underlined text.

**2-1-10. Conduct of elections.**

(a) All elections shall be held and conducted in accordance with the provisions of Article II of the Charter; **provided, however, that any municipal election of the City may be**

**conducted by mail ballot as provided below.**

**(b) Upon the call of a mail ballot election by resolution of the City Council, the City Clerk is authorized to conduct elections by mail ballot.**

**(c) Unless provided otherwise by the Charter or this Code, such elections shall be conducted pursuant to the requirements of Article 7.5 of Title 1, C.R.S., the Colorado Mail Ballot Election Act, as it may be amended from time to time, except the following provisions thereof:**

**(1) Section 1-7.5-107.3, C.R.S. regarding county coordinated elections;**

**(2) Section 1-7.5-109, C.R.S. regarding write-in candidate affidavits; and**

**(3) Any provisions of the Act that the City determines are inconsistent with the City's authority over its elections pursuant to Article XX of the Colorado Constitution.**

**(d) To the extent that the Colorado Mail Ballot Election Act does not control specific provisions relevant to the conduct of a municipal election conducted by mail ballot, the provisions of the Colorado Municipal Election Code shall apply.**

**(e) Notwithstanding the provisions of Sections 31-10-302 and 31-10-305, C.R.S., with respect to nomination petitions for candidates for municipal office in a mail ballot election, such nomination petitions shall be circulated no earlier than ninety-one (91) days and no later than seventy-one (71) days prior to the day of the election. Any nomination petition may be amended to correct or replace signatures at any time prior to sixty-eight (68) days prior to the date of the election. Any nomination petition may be amended to cure any other defect at any time prior to sixty-three (63) days prior to the date of the election.**

INTRODUCED on May 18, 2011, read by title, passed on first reading, and ordered published by title as required by the Charter.

INTRODUCED a second time at a regular meeting of the Council of the City of Rifle, Colorado, held on June 1, 2011, passed without amendment, approved, and ordered published in full as required by the Charter.

Dated this \_\_\_ day of \_\_\_\_\_, 2011.

CITY OF RIFLE, COLORADO

BY \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

# Manager's Report

May 12, 2011

## ***Solid Waste Privatization***

The staff and I have been preparing an outline of a contract on solid waste and recycling services. When the outline is complete, we will meet with the waste hauler MRI to begin negotiations. We have attempted to address all of the services outlined in the original RFP.

However, there are many additional issues that have been brought to our attention that we will inject into the discussions. Some of these include:

1. A comprehensive public education program for recycling.
2. Cleanliness and upkeep of vehicles.
3. Responding to complaints.
4. Special pickups.
5. Recycle containers of various sizes, colors, and options of containers on wheels.
6. Performance standards are being developed.
7. Customer service standards are being included.
8. Penalties for spills, etc., will be included.



This will be a very comprehensive package and for that reason the process is moving slowly. However, we hope to be able to discuss it with Council in the near future.

## ***Utility Director***

The recruitment for this position is proceeding. We have received several new resumes. As qualified applicants apply, I intend to initiate interviews with the review committee. We will keep the process open and continue interviews until a suitable candidate is found.

## ***Sewer Cleaning***

The City Engineer advises that the televising and cleaning of City sewer lines will be delayed until next week. As previously noted, the work will begin in the Palomino subdivision addition and proceed to other areas from there.

## ***Waste Water Plant Issues***

There have been a number of minor issues mainly involving mechanical parts at the Waste Water Treatment Plant, which need to be repaired. Some of these parts may have failed due to faulty installation or due to the manner in which they operate. In any case, virtually all items are under warranty. The warranty period extends until August 2011. Staff has compiled a list of “warranty” items which must be addressed either by the manufacturer or the contractor. SGM Engineers will assist to get these issues resolved by August.



Additionally there have been some odor problems recently associated with the new plant. These appear to emanate from the operation of the “Cannibal” System Interchange Tank, and have to do with the manner in which the tank is aerated. These processes have been changed in conjunction with the manufacturer’s suggestions and we believe the odor problem is being resolved.

### ***CML Conference***

This is a reminder that the Colorado Municipal League conference is scheduled for June 21<sup>st</sup> through June 24<sup>th</sup>. It is not too late to attend if you wish. The program schedule is available on the CML website.

### ***Community Survey***

During my annual evaluation, Council directed that we conduct a community survey to assess how well the residents believe the City is performing. Mike Braaten has been preparing a survey instrument and it is included in this packet with his report.

Following Council comments, we can develop a cost estimate and proceed with the survey if Council desires.

### ***Retreat***

The City’s annual retreat is scheduled for June 3<sup>rd</sup> and 4<sup>th</sup>. Gary Suiter has met with staff to solicit their input. He will be contacting Council members soon to elicit your input and expectations of the retreat.

As always please contact me with your questions or comments.

Thanks,

John Hier  
City Manager





**HB 1043:** Modifications to last year's **medical marijuana** laws

As of 5/23, this bill is on the Governor's desk awaiting signature and it is anticipated he will sign it shortly. The following is a brief summary of the pertinent points of the bill:

- Extends moratorium 1 year, to June 30, 2012.
- Requires owners to be Colorado residents for 2 years.
- Permits a licensee of a facility who has lost their location due to a vote/ban to transfer to a new location.
- State MMJ (medical marijuana) patient information is available to law enforcement.
- Location of grow operations no longer exempt from open records law/public notice.
- Local Licensing Authority has access to CBI background checks and may submit fingerprints to CBI.
- MMJ Centers may sell up to six immature plants to a patient, more with physician approval.
- MMJ Centers may sell immature plants to a primary care giver, another MMJ Center, or an infused product manufacturer pursuant to state rules.
- An MMJ Center may sell more than 30 plants to another licensee if granted a waiver from the state, due to a catastrophic event affecting inventory or a new center needs short-term inventory (90 days).
- Establishes a process for employee at an MMJ Center to accept an application for MMJ patient status that has been documented by certified mail return receipt from CDPHE within the preceding 35 days and a valid picture ID.
- Allows for sale of MMJ or infused product by vending machine in a restricted access area of an MMJ center if the machine complies with state rules.
- Allows an MMJ center to donate or sell below cost MMJ or up to six plants (more with physician approval) or MMJ infused-products to a state designated indigent person or a person in hospice care.
- Allows grow-operations to be combined and grown for more than one center or infused product manufacturer (IPM) if the holder of the cultivation license is also a common owner of each center or IPM to which the MMJ is being provided.
- An infused product manufacturer may not have more than 500 plants on its premises unless granted a waiver from the state for specific reasons.
- State and local agencies are not required to cultivate or care for seized MMJ.
- Expressly prohibits state or local agencies from selling marijuana, medical or otherwise.
- Allows for destruction of MMJ through state or local licensing authority disciplinary action order after 15 days of issuing the final order. Allows a licensee to petition for a stay of the order, and if destruction is delayed due to a court order, the court may set

forth terms and conditions for the licensee to tend to/maintain the seized MMJ or infused products.

- Makes it illegal to burn or destroy MMJ or a substance containing MMJ for the purpose of evading investigation or preventing seizure.
- Make it illegal to abandon licensed premises or cease operation without 48 hour notice to state and local licensing authorities and without accounting for and forfeiting to the state all MMJ or MMJ containing products (for destruction).
- Makes it illegal for a peace officer or law enforcement agency to use MMJ patient information to make traffic stops (for driving under the influence of a controlled substance).
- Makes MMJ patient records/information not subject to open records laws.
- Requires care-givers to register the location of their cultivation operation with the state and provide their patients' ID numbers.
- Requires all (care-giver) cultivation operations to comply with local laws, rules and regulations.
- Specifies that property used solely for MMJ cultivation shall not be classified as agricultural land.
- Makes it a class 1 misdemeanor for an owner, officer or employee of a licensed MMJ business, the state or local licensing authorities to release or make public patient's records or information. MMJ patient data shall be treated as medical records.



## MEMORANDUM

**TO:** John Hier, City Manager  
**FROM:** Matt Sturgeon, Assistant City Manager  
**DATE:** May 26, 2011  
**SUBJECT:** May 2011 Administrative Report

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### **RIFLE CREEK PLAZA**

The project continues proceeding as planned. The City crew will complete the water line infrastructure next week, weather permitting. The line was to be complete this week but the rain caused delay. The building permit application was received May 25 from Brenden Theatres and immediately forwarded for plan review. Brenden's bid package, as written, would require the contractor to be complete no later than December 1.

There continues to be miss information in the community regarding this project. Some still believe the City is building—and even operating—the movie cinema. Also, the Country Attic owners told the RREDC they have had people approach them asking why they sold to the City. Sales are down, and they are attributing the loss of sales to this rumor.

### **2009 INTERNATIONAL BUILDING CODES**

Staff is sending requests to all contractors known to do business in the City and requesting said contractors offer comments, concerns, and/or propose amendments to the on or before July 29. Staff will then tabulate the received information and, if necessary, hold a meeting or series of meetings to discuss concerns. Staffs' goal is to request City Council adopt 2009 codes during the month of September. Garfield County and other surrounding jurisdictions have moved to the 2009 codes and this will create a more consistent operating environment for contractors, architects, engineers, and other trades involved in construction.

### **ROARING FORK LEADERSHIP**

Nathan will be participating in the Roaring Fork Leadership program this fall. The Rifle Chamber of Commerce Young Professionals is considering covering 50-percent of Nathan's tuition and formalizing a program that would continue helping fund other Rifle young professionals.





## MEMORANDUM

**To:** John Hier, City Manager  
**From:** Mike Braaten, Government Affairs Coordinator  
**Re:** Results of legislation followed by the City  
**Date:** May 23, 2011

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The following is a brief summary of the bills followed by the City during the 2011 Colorado General Assembly. Once the Governor has taken action on the remaining bills, staff will alert the appropriate city department if changes in operations will be required.

**Note: Strikethrough means bill is dead/postponed indefinitely**

~~HB 1223: Would modify the composition of the COGCC, returning it to its pre-2007 composition by adding more industry representatives and eliminating the local government representative and eliminating the ex-officio members including the Executive Directors of DNR and CDPHE. Rep. Scott/Sen. King  
POSITION: Oppose~~

~~SCR 001: modifies the initiative process and related signature requirements. Refers to the voters in 2012 a question to increase the percentage of votes needed to pass a constitutional initiative to 60%, statutory changes would require a 2/3 vote of the legislature to amend in the first three years of being after being adopted, requires 5% of signatures to come from each of Colorado's congressional districts (often referred to as "Son of Ref O").  
POSITION: Support~~

~~SB 35 and HB 1123, Sen. Roberts/Rep. Coram, Prohibit Severance Tax and FML Revenues Transfers to the General Fund. POSITION: Support~~

HB 1115, Rep. Priola/Sen. Tochtrop, Reduction in Retainage for Public Construction Projects. Allows public entities to retain 5% of the entire project (formerly 10% of the first 50% of the project) and requires release of the retainage within 60 days of the completion of the job.  
BEFORE GOVERNOR

~~HB 1116, Rep. Szabo, Local Government Waste Service Changes Require a Vote.  
Position: Oppose~~

SB 40: Would require coaches of youth sports to take "concussion recognition training".  
SIGNED BY THE GOVERNOR. EFFECTIVE Jan. 1. 2012.

SB 66: Localize the process for issuing special event alcohol permits and ease related regulation. Opt-in required. BEFORE GOVERNOR

~~SB 63: Encourages local governments to plan for health/health care in their master plans~~

~~SB 64: Prohibits CDOT from requiring a private land owner from paying costs to improve a roadway in order to be granted an access permit — unless the affected local government agrees with CDOT.~~

~~SB 97: Allows government to post public notices on their website if it is deemed more affordable and will reach a wider audience.~~

~~SB 112: Prohibits Collected Bargaining by government entities.~~

~~SB 130: Requires disclosure of energy use for all commercial building sales after 2013.~~

SB 164: Transfers various cash funds to the State general fund to balance the budget, including local government impact grant funds totaling \$85M. Holds harmless direct distribution funds. SIGNED BY GOVERNOR 3/18

SB 209: Long Bill/State Budget, SIGNED BY GOVERNOR

SJR 05: A Senate Resolution proposing a prohibition on unfunded mandates to state and local governments. Supported by all local government associations. ADOPTED

HB 1043: Modifications to last year's medical marijuana laws. See attached for a brief summary of the bill. BEFORE GOVERNOR

~~HB 1059: As Amended: Prohibits DENVER URBAN local governments from imposing a NON-RESIDENT fee or seeking reimbursement for costs incurred by first responders in connection with a motor vehicle accident.~~

HB 1072: requires petitioners of statewide ballot initiatives to affirm they are familiar with the laws governing the initiative process, participate in person on initiative hearings and file expenditure reports regarding petition activity within 10 days of filing petitions, among other provisions. BEFORE GOVERNOR

HB 1113: Requires local governments that collect development impact fees to report annually on the amount collected, interest earned and use and publish the information on their website. SIGNED BY GOVERNOR 3/11

~~HB 1052: State Pay as you go requirements~~

~~HB 1170: Extend income tax credit for construction of alternative fuel (CNG) fueling stations.~~

~~HB 1172: COGCC and CDPHE to review EPA Frac'ing Study and reenacts law requiring the COGCC to report to the General Assembly complaints relating to water quality and oil and gas development.~~

~~HB 1092: Prohibits local governments from prohibiting bicycles on streets unless an alternate route is provided and a traffic study has been conducted and the findings warrant the prohibition.~~

HB 1199: Extends the limitation that mandates municipalities to charge \$500 for residential or \$1000 for a commercial solar installation building permit to 2018 and states no additional charges fees for plan review, permit, etc. may be charged unless the proposed array is greater than 2MW – then actual costs may be charged. BEFORE GOVERNOR

HB 1202: Public Entity must have an approved appropriation prior to approving a change order in a contract for a public improvement. SIGNED BY GOVERNOR 3/21

~~HB 1205: Allow concealed carry of a hand gun without a permit.~~

~~HB 1207: AS AMENDED starting July 2011, ESTABLISHES a VOLUNTARY DONATION PROGRAM on all movie tickets sold in the state for an incentive fund for film production in Colorado.~~

HB 1210: requires CDOT to make short-term recommendations to the Legislature to improve mobility on the I-70 Mountain Corridor by February 2012 for improvements that can be completed by 2017. SIGNED BY GOVERNOR

HB 1218: Allows the creation of a County FML district to receive all FML revenues from DOLA (as a way to not diminish County PILT – FML currently reduces County PILT revenues) and allows municipalities from the County to join and have their FML allocations dedicated to the fund. SIGNED BY GOVERNOR

~~HB 1246: Solid Waste Collection Road Fee – allows counties or municipalities to charge a road maintenance fee on each load of solid waste brought to a landfill to be used to improve and maintain roads leading directly to the facility.~~

~~HB 1261: Establishes a DUI threshold for THC (Marijuana) of 5 nanograms or more.~~

~~HB 1264: Would permit ATVs to travel on city streets with a max. speed of 45 MPH as long as they meet certain safety requirements and are licensed. Municipalities could prohibit on paved streets, but not unpaved streets.~~

HB 1275: Sets a statewide limit on commercial diesel truck idling at 5 minutes. BEFORE GOVERNOR.

~~HB 1284: with some exceptions, eliminates 3.2 beer sales...allowing full strength beer at convenience and groceries.~~

~~HB 1308: Distribute Anvil Points Clean up Funding to Garfield, Rio Blanco, Mesa and Moffat Counties.~~

HJR 1025: Concerning the adoption of cost-effective nutrient control regulations for Colorado Waters. ADOPTED



## ***ENGINEERING / PUBLIC WORKS / UTILITIES***

PROJECT STATUS REPORT as of: 6/1/11

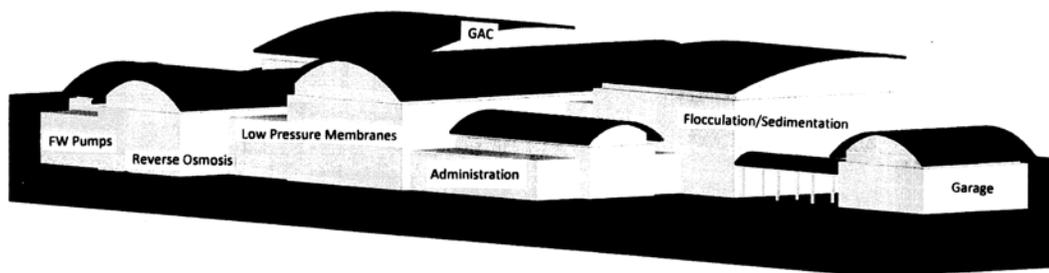
**Bold Text = New Information**

### **Capital Improvement Projects**

#### **Water Treatment Plant Design**

The Basis of Design Report (BODR) and drawings have been submitted for Staff review, comments made and returned to the consultant. **The BODR was prepared under the consultant's scope of work to meet CDPHE and SRF requirements. However, under USDA requirements, additional work is necessary. Our consultant is determining the additional man hours to perform this work.**

**A preliminary architectural presentation of the proposed water treatment facility building has been made and approved by Staff.**



Rifle Regional Water Purification Facility

South Elevation

The Membrane Process Equipment System was awarded to General Electric (Zenon Environmental Corporation) which included shop drawings of the membrane system, a demonstration pilot test, and purchase of the units. **The shop drawings for the membrane system have been delivered and are under review. The pilot demonstration test is underway at the GMWTP**

and appears to meet the design criteria proposed. The test will be continued for another 30 days at increased rates.



Zenon Membrane Pilot Plant

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. **The Corps will wait on issuing the permit to see if additional comments are generated from the public. The ER should be delivered this month after receiving FWS comments.**

CDOT has issued an access permit for an entrance to the plant site from U.S. 6. Plans are being prepared for the entrance. A preliminary grading plan for the plant site is underway.

A preliminary draft of the raw water pipeline alignment has been submitted and reviewed by Staff.

## **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 and a bore across U.S. 6 for a future raw water pipeline to the new Water Treatment facility. **A permit from CDOT has been received and forwarded to the contractor for compliance to their provisions. Water in the pond has been lowered to allow grading of the bottom to proceed. Pipe is scheduled for delivery in July.**

## Playground at Centennial Park

A playground north of the great bowl in Centennial Park in an undeveloped area is being planned by our consultant. Staff has reviewed and approved the Master Plan layout.

## Deerfield Park

A cost for Phase 1 construction has been developed and design plans are being prepared for review. Staff has reviewed the 60% submittal and design is proceeding on final documents.

## 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](http://www.riflegateway.com). Staff has authorized design of several phases included in the original contract.

Plans (Phase 1) are being prepared for CDOT review which includes changes to S.H. 13 south of Centennial Parkway which includes reducing two lanes to one to allow Whiteriver traffic to merge with Railroad Avenue traffic safely before the bridge over the river. Notification was received last week that the project, Phase 1, has been placed on the STIP. CDOT has reviewed and approved the preliminary design and final engineering drawings are underway. **A final office review with CDOT has been set for 6 June. Any comments from this meeting will be incorporated into the drawings and then a final field walkthrough will be required before bidding, hopefully next month.**

## 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 have now been completed as well as the final punch list items.

## Biosolids Removal at the North Wastewater Plant

The third lagoon has been drained and sludge is ready for composting at the site. The second lagoon has also been drained. The first lagoon will be

emptied and the work completed this year. The contractor is back on site and water (rain and snow melt accumulated during the winter) is being removed.

## Water Sales Building

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

## Valley Lumber Infrastructure Design

The design of improvements including grading, water mains, drainage, shallow utilities, landscaping and concrete work is nearing completion. A traffic report has been submitted to the City and to CDOT. The installation of the 18 inch trunk sewer, 10 inch sewer in the alley south of 3<sup>rd</sup> Street and a service lateral to Country Attic have been completed. The water main and trail adjacent to Rifle Creek are under construction. **The water main is nearing completion. The remaining trail construction will wait until final grading is completed. Conduit will be installed for a future fiber optic cable. Rough grading is continuing. Design for electrical service has been completed.**



Brenden Theater Site Trail



Brenden Theater Site Water Line

## Expansion of O&M Service Center

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. Approvals from CDPHE and DOE have been obtained to build the addition. **Staff has reviewed and approved the site and building plans. The foundations for the building and the concrete paving slab have been completed. Steel columns and beams are starting shortly.**



Foundation for Extension

## Energy Process Audit

The purpose of this work is to investigate the operations and **process** equipment of the Rifle Regional Wastewater Reclamation Facility to determine if savings in energy cost can be realized. The Contractor, Active Energies & Tetra Tech, is reviewing the past energy usage from Xcel and Sun Edison at the plant and operational procedures. The treatment process presently in use is also being reviewed to determine if it can be modified to reduce electrical use. **The Phase 1 Report to establish a baseline of energy use at the Facility has been delivered and is under review by staff.**

## Banner Pole Replacement/Addition

Staff and DDA are reviewing several types of poles, bases and fittings to be placed on either side of Railroad Avenue and 3<sup>rd</sup> Street at about five locations. These will be placed back-of-sidewalk. Providing electricity at four locations is being considered. Locations for the poles have been determined. A foundation design has now been detailed and Staff is finalizing a cost estimate.

## Relocate/Replace Street Lights at Roundabouts

Xcel prepared plans for replacement of one pole and relocation of three street lights on the west side between the eastbound off ramp roundabout and the Airport Road roundabout to reduce the possibility of being hit by vehicles. The new pole and fixtures have now been delivered **and installed. City staff removed and replaced sections of sidewalks.**



New pole locations

## Boat Ramp

We have initiated meetings with CDOT regarding access to the Colorado River from the rest area. They have supplied a lease agreement for our review. A preliminary layout of the access, parking, ramp and picnic areas has been completed. The next stage involves preparation of an environmental report for CDOT and obtaining a permit from the Corps of Engineers. Staff prepared a RFP for use by the VIF. **A wetlands delineation report and a cultural evaluation have been delivered. These reports will be given to CDOT for their evaluation to determine if a lease to the City can be provided for the boat ramp. A nationwide general permit from the Corps is all that is apparently necessary.**

## UPS System for Traffic Signals

A Request for Proposals for a battery backup system for the traffic signals along Railroad Avenue has been advertised and bids are due May 6<sup>th</sup>. This would eliminate signal light outages due to power failures and increase the safety of the traveling public. **Only one bidder submitted a cost for the work, which was larger than the amount remaining in the budget. Regardless, this is an important improvement and we will be requesting approval at the Council meeting.**

## 2011 Street Improvements

Our consultant has been awarded the design work to overlay 7<sup>th</sup> Street from Whiteriver Avenue to Birch Avenue as well as Aspen Avenue from 5<sup>th</sup> to 7<sup>th</sup> Streets. Also included in the design work is reconstruction of 8<sup>th</sup> Street from

Railroad Avenue to East Avenue. Improvements to the drainage system at 7<sup>th</sup> Street and Birch Avenue and repairing Whiteriver Avenue at 1<sup>st</sup> Street will be included as Alternates. A survey of 8<sup>th</sup> Street has been completed. **A preliminary design will be submitted at the end of this month. Staff is contacting property owners along 8<sup>th</sup> Street to discuss the improvements.**

## **North Railroad Avenue and S.H. 13 Improvements**

CDOT has issued a contract for safety improvements to this intersection. It will look similar to the existing layout except the roadway will be super elevated by lowering the ground level along the north edge. Additional islands will be installed as well as a pedestrian crossing at the north end of Railroad Avenue. Staff will be approving the Traffic Control plan, inspecting the connection to City streets, storm drains and any water main or sewer disruption. Construction has begun and was scheduled for completion in 60 days until a delay because of groundwater occurred, which will move completion back about 2 weeks. 21<sup>st</sup> Street has been closed at S.H. 13 for the duration of the project. A detour of vehicles (except for large trucks) down Whiteriver Avenue will be for a few weeks during a phase of the work. **The water main crossing the construction has been relocated, the sewer manhole brought to grade and the storm drain work is nearing completion. The westbound lane has been completed.**



State Highway 13 Improvements at Railroad Avenue

## **Acacia Avenue Water Main Extension**

Our consultants have completed the survey and are preparing designs for a water main extending from the south end of Acacia avenue to Whiteriver Avenue along the existing trail. **A 90% design has been prepared and reviewed by Staff.** This will provide a loop to guarantee water service to residents of Deerfield and Rimrock subdivisions during periods when the 3 mg tank is off the system. **Presently, this work is scheduled for next year but we may decide to proceed with this main if the supplemental water**

**treatment plant (budgeted for this year) is not needed at GMWTP this summer to meet peak demands.**

## **Cleaning and Televising Sewer Mains**

Agreement, bonds and insurance have been provided by the contractor. **A kickoff meeting was held with the contractor and staff and work should begin near 1 June.** The project description has been placed in the newspaper notifying homeowners and businesses that the work will be in their neighborhoods. Notification will appear on Channel 10 in the near future and door hangers have been printed.

## **Street Lights for Farmers Market**

**Staff requested Xcel to install lights on East Avenue from 2<sup>nd</sup> to 3<sup>rd</sup> Streets for the proposed location for the Farmers Market this year. Xcel submitted a cost for this installation of zero dollars. They will of course, charge us for electricity.**

## **Street Light at Service Center**

Xcel will install a light at the entrance to the Service Center off of U.S. 6 during the month of May. Employees when called out at night to obtain vehicles for plowing or water main breaks, for instance, have difficulty in seeing the entrance and unlocking the gate and the light will also improve safety and security.

## **Fairway Avenue/State Highway 13 Interchange**

Work has begun on this interchange which is being inspected by the local consultant employed by the Queen's Crown developer and CDOT. City staff is reviewing the traffic control plan and underground water, sewer and storm drainage facilities.



Fairway Avenue Connection to State Highway 13

## **Irrigation System Audits**

An RFP has been advertised for contractors to conduct irrigation system audits in Rifle for various citizens, who request the audit. The audits would be free to the homeowners (contractor paid by from a grant to the City). Recommended improvements by the contractor, if requested by the homeowners, would receive a rebate of \$100, \$200 or \$300 depending upon the required improvement. **A recommendation for awarding the work to a contractor is on the agenda for the meeting of 18<sup>th</sup> May.**

## **U.S. 6 Culvert**

CDOT will be replacing a 36 inch CMP culvert under U.S. at mile post 93.3 (near the proposed water treatment facility) with a 60x36 inch RCP. In order to construct this improvement, they require a permanent easement and a temporary (construction) easement. **The easement documents have been signed and delivered to CDOT.** Construction will be by open trench, across the roadway.

## **Northeast Pump Station**

An additional pump and motor/switchgear is to be installed to meet demand from the Northeast Pressure Zone. An electrical design has been prepared and costs are being obtained from pump suppliers.

## **Wall along Trail back of City Market**

**The wall has been repaired and is open for pedestrians. The soil beneath the wall foundation was discovered to be organic material and wet (possibly from the flood experienced last year) resulting in settlement. The area was missed during testing (we do not test except at about every 50 feet at the bottom of the wall foundation, which meets CDOT specifications). We excavated another 3 feet below the wall, filled the excavation with flowfill (low strength concrete) and placed the concrete blocks on top of this foundation, placed a concrete curb section in front of the block on the flowfill, rip rapped the creek side of the bank, replaced backfill behind the wall, poured a new sidewalk portion over the compacted backfill and replaced handrail.**



Rifle Creek Trail Wall Failure



Rifle Creek Trail Wall Repaired

## **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 <sup>th</sup> 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)
- Creskide Townhomes (punch list items)
- NUTS sidewalk demolition
- North Pasture Commercial
- Senior Center Air Conditioning

**Projects in progress through Planning/Engineering are:**

- Kum & Go at Centennial Parkway and Railroad Avenue
- Kum & Go at 26<sup>th</sup> Street
- Kum & Go at 14<sup>th</sup> Street
- Queen's Crown
- Roan View Industrial Park
- Rimrock
- Trapper Hollow
- Rifle Airpark
- Burgess Dental Office
- Mor Storage Lot
- Blacktail Drive Improvements

## Right-of-Way Permits

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

Scupper installation at New Ute Theater  
**703 W. 3<sup>rd</sup> Street-power pole replacement**  
**236 Fairway Avenue-pole replacement**  
**140 10<sup>th</sup> Street power pole replacement**  
**801 Summit Drive power pole replacement**

## 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 (which the County says they will do with the next Airport project) and the as-builts 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. **The majority of the items have been completed.**

# City of Rifle 2011 Community Survey DRAFT

Dear Rifle Resident,

The City of Rifle is very interested in your input regarding City services and programs, perceptions of the community and priorities moving forward. Please answer this survey and return it to the City in the *[postage paid envelope?]* or by dropping it off *[in the Finance Department]* at City Hall. All responses remain confidential.

As an incentive for residents to fill out the survey, the City will be providing [\_\_\_\_a number\_\_\_\_] lucky survey respondents with [ \_\_and incentive to be determined\_\_]. To be entered in the drawing, you must provide your name and contact information at the end of the survey. Again, all responses will be kept confidential.

PLEASE RESPOND BY [\_\_\_\_a date to be determined\_\_\_\_]!

1. Please rate the following City programs, services and facilities based upon the following scale from poor to excellent. If you are unfamiliar with the program or service, please mark N/A.

Program/Service/Facility	Excellent	Good	Fair	Poor	N/A
Police Services					
Water Services					
Wastewater/Sewer					
Sidewalks					
Parks and Trails					
Recreation Programs					
Economic Development					
Code Enforcement					
Building Dept./Permitting					
Snow Removal					
Street Maintenance					
Art Dauge Public Pool and Waterslide					
Traffic Enforcement					
Cable Channel 10					
Public Parking					
Interaction with City staff in general					
Senior Center/Services					
Public Information					
Animal Control					
Trash Collection					
City's Website: <a href="http://www.rifleco.org">www.rifleco.org</a>					
Recycling					
Rifle Mountain Park					
Public Landscaping					
City-sponsored special events					
In general, rate your overall satisfaction with the programs, services and facilities provided by the City of Rifle					

(over)

2. The City Council annually reviews and sets a mission statement for the City of Rifle. The current mission statement includes the following elements – please prioritize each based upon your feelings :

Mission Statement	High Priority	Average Priority	Low Priority
Enhance sense of community			
Promote economic vitality			
Preserve our natural assets			
Promote cultural, educational, and recreational opportunities			
Provide quality services to residents			

3. How would you rate your quality of life in Rifle (quality of life meaning economic, social, and environmental health and well-being and vitality of the community)?

Very Good \_\_\_\_\_ Good \_\_\_\_\_ Average \_\_\_\_\_ Not so good \_\_\_\_\_ Poor \_\_\_\_\_ Don't know \_\_\_\_\_

4. Do you feel the City of Rifle is heading in the right direction \_\_\_\_\_ or wrong direction \_\_\_\_\_?

5. What do you feel the City is doing right? \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

6. What is the City currently doing that could be improved? \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

7. If you have had interaction with City employees, was your experience:  
 Positive \_\_\_\_\_ Negative \_\_\_\_\_ Neither positive or negative \_\_\_\_\_

8. How can the City best communicate with you? Circle your top three preferences:
- a. Social Media (Facebook, Twitter)
  - b. E-mail
  - c. City Website
  - d. Rifle Citizen Telegram Newspaper
  - e. Glenwood Springs Post Independent Newspaper
  - f. Cable Channel 10
  - g. Utility bill inserts
  - h. Other \_\_\_\_\_

9. Gender? Female \_\_\_\_\_ Male \_\_\_\_\_

10. Age? 18-25 \_\_\_\_\_ 26-35 \_\_\_\_\_ 36-45 \_\_\_\_\_ 46-55 \_\_\_\_\_ 56-65 \_\_\_\_\_ 66 or older \_\_\_\_\_

11. How long have you lived in Rifle, in years? \_\_\_\_\_

12. Any other additional comments? \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

13. To be eligible for the drawing for [ TBD ], please provide your name and phone number. Again, all responses on the survey are kept confidential. Name: \_\_\_\_\_ Ph: \_\_\_\_\_

Thank you for your participation. Please return all surveys to the City by [DATE TO BE DETERMINED].



## MEMORANDUM

**To:** John Hier, City Manager

**From:** Mike Braaten, Government Affairs Coordinator

**Re:** Draft Community Survey

**Date:** May 26, 2011

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At your request, I have been researching community surveys completed by other cities and towns throughout the state and nation for sample questions. After meeting recently with Mayor Lambert and discussing his interest in conducting a community survey, he suggested I develop a draft questionnaire for review by you and City Council. The draft community survey questionnaire follows.

Please review the draft survey and provide comments, concerns, and questions to me by Friday, June 25<sup>th</sup>. I am also requesting input from City Council to determine if this draft is in-line with their thoughts and expectations.

Thanks.



May 20, 2011

Mr. Mike Braaten  
Government Affairs and Energy Coordinator  
City of Rifle  
202 Railroad Avenue  
Rifle, CO. 81650

Re: Council Questions Regarding Energy Performance Project

Dear Mr. Braaten:

Here are the Ennovate responses to the City Council Questions you forwarded to us in your email dated May 19, 2011.

1. Question: Percent of local contractors versus out-of region contractors anticipated to be used on the project ...or an explanation of how you plan to seek local contractors to do the work.

Response: Ennovate has solicited budget pricing bids from both local contractors and out-of-region contractors for some of the mechanical work and the controls work. Once the City and Ennovate have executed the energy performance contract (EPC), we will prepare design documents and solicit bids from both local contractors and out-of-region contractors for the complete project. We will place advertisements in local papers to solicit interest in bidding from local contractors. Also, we do have a list of local mechanical and local electrical contractors that we will contact to request bids. The final decision in selecting the contractors will be based on both the contractors' qualifications and the price, as well as the responsiveness of the contractor's bid. Also, we will review the list of bidders with the applicable City staff as part of the selection process. As a note, we are in the middle of an energy performance project for the Town of Carbondale and all of the contractors are local for that project.

2. Question: Re-explain how the guarantee savings work.

Response: The guaranteed energy savings will use the standard Measurement and Verification (M&V) procedure "Option A: Retrofit Isolation with Key Parameter Measurement". This means that the Ennovate M&V engineers will evaluate each of the installed energy conservation measures (ECM) to determine that it was installed as designed and is performing as proposed. For example, the new boilers will have a combustion efficiency test to determine that the boilers are operating at or better than the efficiency rates that are proposed and used in the engineering analysis. Another example is the lighting will be verified that the installed fixtures are the



proposed fixtures and the industry standard rating for these fixtures were used in the engineering analysis. (The details of the specific M&V for each ECM is defined in the TEA Report). The guaranteed energy savings will be established as the calculated energy savings determined with the engineering models and engineering spreadsheets for each of the ECMs, and will be agreed to be met as long as the M&V process determines that each ECM is operating and performing as designed and calculated.

3. What is the process after contracting ...explain how the improvement will be made and the expected timing.

Response: Once the City and Ennovate have executed the EPC, Ennovate will proceed with the detailed engineering design for the ECMs and the process of identifying contractors for bidding, as noted in Question 1 above. This will most likely be about one month in duration. The next step will be to solicit firm bids from the contractors, which will include an on-site walk through for the contractors. This will most likely be about three to four weeks to obtain the bids, select the contractors, and then initiate subcontracts with the selected contractors. Then the actual construction process will start with an Ennovate Construction Manager overseeing and managing the contractors as the construction implementation progresses. The Ennovate Construction Manager will be the key contact with the applicable City staff to update and coordinate with the City during construction. This typically is about a six month time frame for a project this size. As the actual construction is being completed, the Ennovate Commissioning Engineer(s) will then be commissioning the new installed systems, performing retro-commissioning for the existing systems as noted in the TEA Report, and performing the applicable M&V for the ECMs as defined in the TEA Report. This will result in a detailed commissioning report for the City with final sign off and acceptance by the applicable City staff. This final step will typically be a two month duration with the early steps overlapping the end of the construction duration. The complete process from execution of the EPC to the final completion and acceptance will most likely be about nine months in duration.

I trust that this provides the additional explanations that the City Council is requesting. Please let us know if you have any more questions or need further clarification.

Sincerely,

Alan L. Hill, PE, CEM  
Lead/Senior Energy Engineer