

- 7:11 p.m. 4. Action, if any, on Workshop Items (Mayor Lambert)
- 7:15 p.m. 5. Administer oaths of office to Police Officers Max Bowen and Jeremy Muxlow (Mayor Lambert, Daryl Meisner, Lisa Cain)
- 7:25 p.m. 6. Consider amending Section 18 – 9 – 30 of the Rifle Municipal Code (2003 IFC Amendment) – Ordinance No. 5, Series of 2011 (Second Reading) (Matt Sturgeon)
- 7:35 p.m. 7. Consider approving 14th Street Marketplace PUD and Plat Amendment (Sally Potvin/Nathan Lindquist)
 - A. Ordinance No. 6, Series of 2011 (First Reading)
 - B. Ordinance No. 7, Series of 2011 (First Reading)
- 7:45 p.m. 8. Consider approving license to encroach into the right-of-way near intersection of Railroad Avenue and 5th Street (Nathan Lindquist)
- 7:55 p.m. 9. Consider approving property exchange with Ed and Annette Arnold (Michael Langhorne)
- 8:05 p.m. 10. Consider amending Sections 16-3-90 and 16-5-150 of Rifle Municipal Code regarding temporary uses/mobile vending – Ordinance No. 8, Series of 2011 (First Reading) (Nathan Lindquist)
- 8:15 p.m. 11. Consider adopting supplemental rules and regulations for mobile vending in city parks – Resolution No. 9, Series of 2011 (Aleks Briedis)
- 8:25 p.m. 12. Administrative Reports
 - A. City Manager Report
 - B. Other Reports
- 8:35 p.m. 13. Comments from Mayor and Council

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

Next Regular Meeting of Council: July 6, 2011 at 7:00 p.m.



RIFLE CITY COUNCIL MEETING

Wednesday, June 1, 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 Alan Lambert, Jay Miller, Jen Sanborn, Jeanette Thompson, Randy Winkler, and Mayor Keith Lambert.

Councilor Winkler moved to excuse Councilor Jonathan Rice from attending tonight's meeting; seconded by Councilor A. Lambert.

Roll Call: Yes – A. Lambert, Miller, 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, Channel 10 Manager; Michael Churchill, Channel 10 Assistant Manager; Mike Braaten, Government Affairs Coordinator; Daryl Meisner, Police Chief; Charles Kelty, Finance Director; Nathan Lindquist, City Planner; Mike Braaten, Government Affairs Coordinator; Michael Langhorne; Marge Gerloff; Kathy Trapp; Tim Mayberry; Gil Frontella; Mark Sills; Keith Wood.

CONSENT AGENDA - APPROVE 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

Councilor Miller moved to approve Consent Agenda Items A, B, C, D, E, F, and G; seconded by Councilor Winkler.

Roll Call: Yes – A. Lambert (abstaining as to Item A), Miller (abstaining as to Item A), Sanborn, Thompson, Winkler, K. Lambert

With respect to Item H, Council discussed its options resulting from WingNutz Bar & Grill's admission that in October 2010, it failed a compliance check by the State Liquor Enforcement Division by selling an alcohol beverage to an underage purchaser. Based upon this licensee's lack of previous violations, and the cost to conduct a hearing, staff recommended that Council not impose sanctions on WingNutz Bar & Grill and that Council approve Item H.

Councilor Miller moved to approve Consent Agenda Item H; seconded by Councilor A. Lambert.

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

CITIZEN COMMENTS AND LIVE CALL-IN

John Scalzo requested that the City improve the intersection of Railroad Avenue and 16th Street to make it easier to turn from the City Market parking lot to northbound Railroad Avenue when there is southbound Railroad Avenue traffic waiting to enter the City Market parking lot.

Rifle Regional Economic Development Corporation President Michael Langhorne and Country Attic owners Marge Gerloff and Kathy Trapp informed the public that the Country Attic is not closed nor will it close as a result of the Rifle Creek Plaza project.

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

CONSIDER ACCEPTING AUDIT OF 2010 FINANCIAL RECORDS

Finance Director Charles Kelty and Tim Mayberry, representing Johnson, Holscher & Company, P.C., presented a draft audit of the City's 2010 financial records. They will present the final audit for Council action at a future meeting.

Councilor Winkler left the Council chambers.

CONSIDER PROPOSAL FOR THE CONSULTING AND DESIGN SERVICES OF ACOUSTICAL AND AUDIOVISUAL FOR THE NEW UTE THEATRE

City Manager John Hier said that the New Ute Theatre Society solicited proposals for consulting and design of acoustical and audio visual systems for the proposed theater renovation. Johnson-Carter Architects analyzed the proposals and recommended that the City award the contract to D. L. Adams Associates for an amount not to exceed \$41,200.

Councilor Miller moved to award a contract for consulting and design services of acoustical and audio visual systems for the New Ute Theatre to D. L. Adams Associates in an amount not to exceed \$41,200; seconded by Councilor A. Lambert.

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

Councilor Winkler returned to the Council chambers.

CONSIDER APPROVING BLACK TAIL MINOR SUBDIVISION FINAL PLAT AND SUBDIVISION IMPROVEMENTS AGREEMENT - RESOLUTION NO. 8, SERIES OF 2011

City Planner Nathan Lindquist explained that the applicant, Mark Sills of Rifle HR, LLC seeks Final Plan approval for a minor subdivision at 2455 Airport Road. The 10-acre parcel is proposed to be subdivided into four lots to be zoned Light Industrial. This parcel is currently occupied by a modular housing unit and a garage near Airport Road. The remainder of the property is vacant. Staff recommended approval of Resolution No. 8, Series of 2011.

Councilor A. Lambert moved to approve Resolution No. 8, Series of 2011, approving the Final Plat of the Blacktail Minor Subdivision; seconded by Councilor Sanborn.

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

CONSIDER AUTHORIZING DISTRIBUTION OF DISCOUNT PRESCRIPTION CARDS

Keith Wood, Broker, Mountain Insurance Solutions, requested the City's assistance in distributing discount prescription cards to the public. Council's consensus was that staff should analyze this proposal and report its findings to Council.

CONSIDER ADOPTING POLICIES FOR RIFLE COMMUNITY TELEVISION - RESOLUTION NO. 7, SERIES OF 2011

Rifle Community Television Channel 10 (RCT) Manager Jim Bell recommended that Council approve Resolution No. 7, Series of 2011 adopting the RCT Government Access Channel Policy.

Councilor A. Lambert moved to approve Resolution No. 7, Series of 2011 adopting the Rifle Community Television Government Access Channel Policy; seconded by Councilor Thompson.

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

CONSIDER AWARDING CONTRACT FOR IRRIGATION AUDITS

City Engineer Dick Deussen and Government Affairs Coordinator Mike Braaten recommended that Council award the contract to provide irrigation system audits and improvement services for the Rebates and Audits for Irrigation Networks (RAIN) Program to Oasis Irrigation Company in an amount not to exceed \$22,489. Funds are available from a grant from Colorado Water Conservation Board.

Councilor Winkler moved to award the contract to provide irrigation system audits and improvement services for the Rebates and Audits for Irrigation Networks Program to Oasis Irrigation Company in an amount not to exceed \$22,489; seconded by Councilor Miller.

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

CONSIDER AWARD OF CONTRACT FOR UNINTERRUPTIBLE POWER SYSTEM FOR RAILROAD AVENUE TRAFFIC SIGNALS

Mr. Deussen requested that Council award a contract to construct an Uninterruptible Power System (UPS) for Railroad Avenue traffic signals to Rifle Electric, Inc. in the amount of \$69,640. Funds are available from the Street Improvement Capital Fund. The work includes installing battery backup systems at signals on Railroad Avenue at 3rd, 5th, 7th (Middle School Crossing), 9th, 14th and 16th Streets. This will eliminate non-operational traffic signals upon power failures up to 4 hours in length.

Councilor Miller moved to award a contract to construct an Uninterruptible Power System (UPS) for Railroad Avenue traffic signals to Rifle Electric, Inc. in the amount of \$69,640; seconded by Councilor A. Lambert.

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

CONSIDER PARTICIPATING AS A COOPERATIVE AGENCY FOR THE BLM'S OIL SHALE AND TAR SANDS PROGRAMMATIC ENVIRONMENTAL IMPACT STATEMENT

Mr. Braaten explained that the Bureau of Land Management (BLM) is preparing a new Programmatic Environmental Impact Statement (PEIS) for tar sands and oil shale. 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. The City of Rifle has participated in the past as a cooperating agency on the subject of oil shale regulations. Mr. Braaten recommended that Council approve the City's participation as a cooperating agency in the Bureau of Land Management's development of the new tar sands and oil shale PEIS.

Councilor A. Lambert moved to approve the City's participation as a cooperating agency in the Bureau of Land Management's development of the new tar sands and oil shale Programmatic Environmental Impact Statement; seconded by Councilor Miller.

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

CONSIDER ACCEPTANCE OF DOLA HUD AND TIGER II GRANT AGREEMENTS

Assistant City Manager / Director of Planning Matt Sturgeon recommended that Council authorize the Mayor to sign two Department of Local Affairs (DOLA) Grant Agreements related to Rifle's participation in the Colorado Sustainable Main Street Program. The Department of Housing and Urban Development Community Challenge Planning Grant of \$420,000 and US Department of Transportation National Infrastructure Investments Discretionary (Tiger II) Grant of \$395,600 were awarded to fund a Transit Oriented Development (TOD) Strategic Plan for the Central Business District. 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.

Councilor Sanborn moved to authorize the Mayor to sign 2 DOLA Grant Agreements related to Rifle's participation in the Colorado Sustainable Main Street Program; seconded by Councilor Thompson.

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

CONSIDER AMENDING SECTION 18-9-30 OF THE RIFLE MUNICIPAL CODE (2003 IFC AMENDMENT) – ORDINANCE NO. 5, SERIES OF 2011 (FIRST READING)

Mr. Hier and Mr. Sturgeon explained that proposed Ordinance 5 would amend Rifle Municipal Code Section 18-9-30 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.

Councilor A. Lambert moved to approve Ordinance No. 5, Series of 2011, on first reading as presented and to order it to be published by title as required by Charter; seconded by Councilor Sanborn.

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

CONSIDER AMENDING MUNICIPAL CODE REGARDING MEDICAL MARIJUANA BUSINESS LICENSING, AND DECLARING MORATORIUM ON TRANSFER OF LICENSED MEDICAL MARIJUANA BUSINESSES INTO THE CITY – ORDINANCE NO. 3, SERIES OF 2011 (SECOND READING)

Mr. Neu reminded Council that 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 (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. 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 an additional 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 Ordinance No. 3 includes 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.

Councilor Winkler moved to approve Ordinance No. 3, Series of 2011, on second reading as presented and to order it to be published in full as required by Charter; seconded by Councilor Miller.

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

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

Mr. Neu 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 Miller moved to approve Ordinance No. 4, Series of 2011, on second reading as presented and to order it to be published in full as required by Charter; seconded by Councilor Sanborn.

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

ADMINISTRATIVE REPORTS

Mr. Hier reported to Council on the following issues: privatization of solid waste collection services; staff shortages; wastewater collection and treatment issues; Colorado Municipal League annual conference; upcoming community survey; strategic planning retreat; Hyland Enterprises proposal; and planning for flooding from runoff.

Council's consensus was not to meet in workshop session on June 8.

Mr. Sturgeon dispelled the rumor that the City will be building, owning, and operating the theater at Rifle Creek Plaza; the private sector will perform these actions. He reported on the following: progress at Rifle Creek Plaza; 2009 International Building Codes; and Mr. Lindquist's acceptance into the Roaring Fork Leadership Program.

Mr. Braaten informed Council about the upcoming community survey; Ennovate energy performance contract; and legislative update.

Police Chief Daryl Meisner reported on the library burglary; American National Bank robbery; and the need for residents to be aware of flooding hazards.

COMMENTS FROM MAYOR AND COUNCIL

Council Members emphasized that downtown merchants must have 2 to 4 weeks' notice of street closures for special events.

Councilor A. Lambert pointed out how much paper the Council was saving by using iPads to view their meeting packets.

Councilor Thompson expressed appreciation for Centennial Park's water play feature.

EXECUTIVE SESSION

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

Councilor Miller moved to adjourn to executive session to discuss personnel matters; seconded by Councilor A. Lambert (9:20 p.m.).

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

Councilor Sanborn moved to adjourn from Executive Session; seconded by Councilor A. Lambert (9:59 p.m.).

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

COMMENTS FROM MAYOR AND COUNCIL

Councilor Miller will ask staff for information about Rifle events for the senior newsletter.

Council received an update on code enforcement actions.

Councilor Sanborn noted that other countries are considering a ban on hydraulic fracturing (“fracking”).

Meeting adjourned at 10:07 p.m.

Lisa H. Cain
City Clerk

Keith Lambert
Mayor



To: Honorable Mayor and Rifle City Council; John Hier, City Manager
From: Lisa Cain, City Clerk
Date: Thursday, June 09, 2011
Subject: Application to Transfer Ownership of Liquor License – Base Camp Café

Little Paws LLC has filed an application to transfer ownership of the Hotel and Restaurant Liquor License held by Base Camp Café LLC at 120 East 3rd Street.

Pursuant to Rifle Municipal Code Section 6-5-80(b), the Police Department conducted background checks on the 5 shareholders:

- 1) John A Elkins (also the LLC's President)
- 2) Nancy Elkins (also the LLC's Vice President)
- 3) Heather Jones (also the LLC's Secretary and Treasurer, and the on-site manager)
- 4) Michael Jones
- 5) John R Elkins

The background checks revealed no Colorado or FBI criminal records, except on Michael Jones. In 1996, he was convicted of a misdemeanor DUI in Laramie, WY. Please see the attached memorandum from the Police Department.

Council's options are:

- 1) Approve the transfer application on its consent agenda for June 15; or
- 2) Schedule a public hearing for July 6 to consider the applicant's character.

Pursuant to Code Section 6-5-80(c), **I recommend that Council approve the transfer**, based on the following:

- 1) Michael Jones' conviction was over 15 years ago; it was a misdemeanor; and there is no evidence of subsequent convictions.
- 2) Little Paws LLC's operating agreement says Michael Jones will have no responsibilities regarding the operation of the café.

Please note that Little Paws LLC is operating under a Temporary Alcoholic Beverage Permit that will expire July 6. Regardless of whether Council chooses to approve the transfer application or to schedule a public hearing, **staff recommends that Council extend the validity of the Temporary Permit beyond July 6**. This would allow the state sufficient time to process the transfer application, if approved by Council. If Council did not approve the transfer application, the temporary permit would become invalid by its terms. Council has the discretion to extend the validity of the permit for up to 60 additional days. Temporary Alcoholic Beverage Permits normally need not be extended, but it took longer than normal to receive background information, due to the number of shareholders and the fact that some of them reside outside of Colorado.



RIFLE POLICE DEPARTMENT

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

Memorandum

To: Lisa Cain, City Clerk
From: Valerie Shanahan, Office Manager 
Date: 05-10-2011
Re: Liquor License Transfer: Base Camp Café to Little Paws

Fingerprint search results have been received as follows regarding the Base Camp Café liquor license to Little Paws, LLC:

Heather Janelle Jones No Colorado or FBI criminal records found.

John Alvin Elkins No Colorado or FBI criminal records found.

Nancy Elkins No Colorado or FBI criminal records found.

John Robert Elkins No Colorado or FBI criminal records found.

Michael Louis Jones
04-23-1996
DUI
Laramie, WY, Police Department
Convicted, misdemeanor

/vms



6. Is the applicant (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation) or manager under the age of twenty-one years? Yes No

7. Has the applicant (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation) or manager ever (in Colorado or any other state):
 (a) been denied an alcohol beverage license?
 (b) had an alcohol beverage license suspended or revoked?
 (c) had interest in another entity that had an alcohol beverage license suspended or revoked?
 If you answered yes to 7a, b or c, explain in detail on a separate sheet.

8. Has a liquor license application (same license class), that was located within 500 feet of the proposed premises, been denied within the preceding two years? If "yes," explain in detail.

9. Are the premises to be licensed within 500 feet of any public or private school that meets compulsory education requirements of Colorado law, or the principal campus of any college, university or seminary?

10. Has a liquor or beer license ever been issued to the applicant (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation)? If yes, identify the name of the business and list any current or former financial interest in said business including any loans to or from a licensee.

11. Does the Applicant, as listed on line 2 of this application, have legal possession of the premises by virtue of ownership, lease or other arrangement?
 Ownership Lease Other (Explain in Detail) _____

a. If leased, list name of landlord and tenant, and date of expiration, EXACTLY as they appear on the lease:

Landlord <i>Michael Moskine</i>	Tenant <i>Little Arrows LLC</i>	Expires <i>3/1/12</i>
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Attach a diagram and outline or designate the area to be licensed (including dimensions) which shows the bars, brewery, walls, partitions, entrances, exits and what each room shall be utilized for in this business. This diagram should be no larger than 8 1/2" X 11". (Doesn't have to be to scale)

12. Who, besides the owners listed in this application (including persons, firms, partnerships, corporations, limited liability companies), will loan or give money, inventory, furniture or equipment to or for use in this business; or who will receive money from this business. Attach a separate sheet if necessary.

NAME	DATE OF BIRTH	FEIN OR SSN	INTEREST

Attach copies of all notes and security instruments, and any written agreement, or details of any oral agreement, by which any person (including partnerships, corporations, limited liability companies, etc.) will share in the profit or gross proceeds of this establishment, and any agreement relating to the business which is contingent or conditional in any way by volume, profit, sales, giving of advice or consultation.

13. Optional Premises or Hotel and Restaurant Licenses with Optional Premises
 Has a local ordinance or resolution authorizing optional premises been adopted? Yes No

Number of separate Optional Premises areas requested. _____ (See License Fee Chart)

14. Liquor Licensed Drug Store applicants, answer the following:
 (a) Does the applicant for a Liquor Licensed Drug Store have a license issued by the Colorado Board of Pharmacy? COPY MUST BE ATTACHED. Yes No

15. Club Liquor License applicants answer the following and attach:
 (a) Is the applicant organization operated solely for a national, social, fraternal, patriotic, political or athletic purpose and not for pecuniary gain? Yes No
 (b) Is the applicant organization a regularly chartered branch, lodge or chapter of a national organization which is operated solely for the object of a patriotic or fraternal organization or society, but not for pecuniary gain?
 (c) How long has the club been incorporated? _____ (d) Has applicant occupied an establishment for three years that was operated solely for the reasons stated above?
 (Three years required)

16. Brew-Pub License or Vintner Restaurant Applicants answer the following:
 (a) Has the applicant received or applied for a Federal Permit? Yes No
 (Copy of permit or application must be attached)

17a. Name of Manager (for all on-premises applicants) *Heather Jones* (if this is an application for a Hotel, Restaurant or Tavern License, the manager must also submit an Individual History Record (DR 8404-1). Date of Birth, _____

17b. Does this manager act as the manager of, or have a financial interest in, any other liquor licensed establishment in the State of Colorado? If yes, provide name, type of license and account number. Yes No

18. Tax Distraint Information. Does the applicant or any other person listed on this application and including its partners, officers, directors, stockholders, members (LLC) or managing members (LLC) and any other persons with a 10% or greater financial interest in the applicant currently have an outstanding tax distraint issued to them by the Colorado Department of Revenue? If yes, provide an explanation and include copies of any payment agreements. Yes No

19. If applicant is a corporation, partnership, association or limited liability company, applicant must list ALL OFFICERS, DIRECTORS, GENERAL PARTNERS, AND MANAGING MEMBERS. In addition applicant must list any stockholders, partners, or members with OWNERSHIP OF 10% OR MORE IN THE APPLICANT. ALL PERSONS LISTED BELOW must also attach form DR 8404-1 (Individual History record), and submit finger print cards to their local licensing authority.

NAME	HOME ADDRESS, CITY & STATE	DOB	POSITION	% OWNED
Heather Jones			Secretary	
			Treasurer	16.6%
MICHAEL JONES				16.6%
Nancy Elkins			Vice president	16.6%
John A. Elkins			president	16.4%
John R Elkins				33% 16.6%

*If total ownership percentage disclosed here does not total 100% applicant must check this box

Applicant affirms that no individual other than these disclosed herein, owns 10% or more of the applicant

Additional Documents to be submitted by type of entity

- CORPORATION Cert. of Incorp. Cert. of Good Standing (if more than 2 yrs. old) Cert. of Auth. (if a foreign corp.)
 PARTNERSHIP Partnership Agreement (General or Limited) Husband and Wife partnership (no written agreement)
 LIMITED LIABILITY COMPANY Articles of Organization Cert. of Authority (if foreign company) Operating Agrmt.
 ASSOCIATION OR OTHER Attach copy of agreements creating association or relationship between the parties

Registered Agent (if applicable)

Address for Service

Heather Jones

~~21~~ 21 Raptor Ct Battlement Mesa CO 81636

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. I also acknowledge that it is my responsibility and the responsibility of my agents and employees to comply with the provisions of the Colorado Liquor or Beer Code which affect my license.

Authorized Signature

Title

Date

Heather Jones

manager

2-23-11

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

Date application filed with local authority

Date of local authority hearing (for new license applicants; cannot be less than 30 days from date of application 12-47-311 (1)) C.R.S.

3-7-2011

THE LOCAL LICENSING AUTHORITY HEREBY AFFIRMS:

That each person required to file DR 8404-1 (Individual History Record) has:

Yes No

- Been fingerprinted Yes No
 Been subject to background investigation, including NCIC/CCIC check for outstanding warrants Yes No

That the local authority has conducted, or intends to conduct, an inspection of the proposed premises to ensure that the applicant is in compliance with, and aware of, liquor code provisions affecting their class of license Yes No

(Check One)

- Date of inspection or Anticipated Date _____
 Upon approval of state licensing authority.

The foregoing application has been examined, and the premises, business to be conducted, and character of the applicant are satisfactory. We do report [ha] such license, if granted, will meet the reasonable requirements of [he neighborhood and] the desires of [he adult] inhabitants, and will comply with [he provisions of] Title 12, Article 46 or 47, C.R.S. THEREFORE, THIS APPLICATION IS APPROVED.

Local Licensing Authority for

Telephone Number

- TOWN, CITY
 COUNTY

Signature

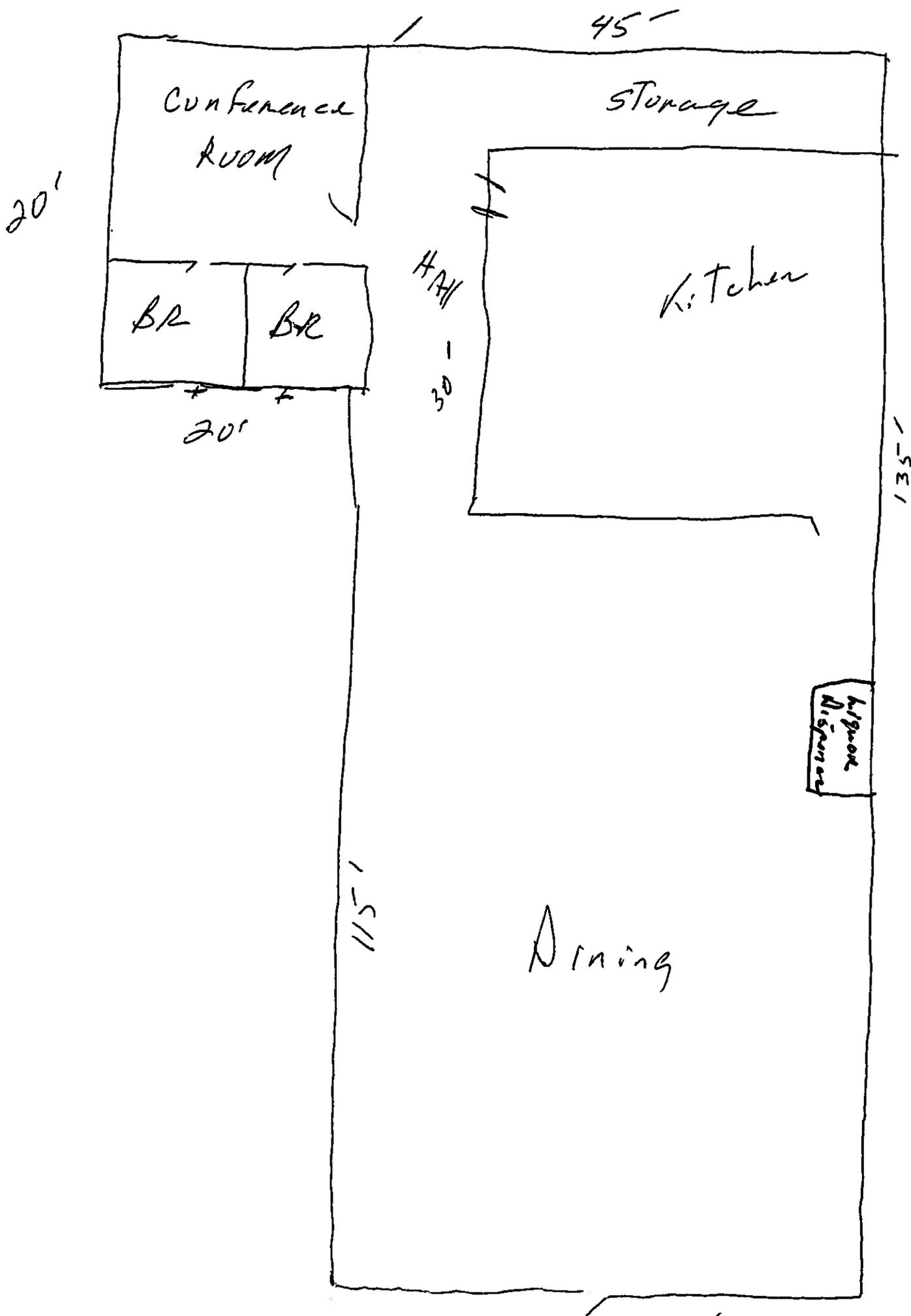
Title

Date

Signature (attest)

Title

Date



COMMERCIAL LEASE

This Commercial Lease (the "Lease") is made on February 24, 2011 and is entered into by and between Landlord (as defined below) and Tenant (as defined below). In consideration of the payment of the Rent (as defined below); and the performance of the promises by Tenant set forth below, Landlord hereby leases to Tenant, and Tenant hereby accepts, the Premises (as defined below), subject to the terms and provisions set forth in the Lease.

PARTIES, PREMISES, AND DEFINED TERMS

1. **Landlord:** Meskin Enterprises, LLC (the "Landlord").
2. **Tenant:** Little Paws, LLC (the "Tenant").
3. **Premises:** Landlord hereby leases and demises to Tenant the following real property: 120 East Third Street, Suite C, Rifle, Colorado (the "Premises").
4. **Term:** Landlord leases the Premises to Tenant from twelve o'clock noon on the 1st day of March, 2011 and until 11:59 p.m. on the 29th day of February, 2016 (the "Term"). Subject to Tenant's performance of all obligations under the Lease, including, without limitation, payment of Rent and Additional Rent, Tenant shall enjoy quiet possession of the Premises.
5. **Rent:** The rental payment is Three Thousand Four Hundred and 00/100 Dollars (\$3,400.00) payable in advance to Landlord on the first day of each calendar month for that month's rental before twelve o'clock noon, without notice (the "Rent"). Unless otherwise provided in the Lease, all payments due under the Lease, including Additional Rent, shall be mailed, or delivered to Landlord at the following address: 0255 Coyote Trail, Rifle, Colorado 81650 or at such other place designated by written notice from Landlord. If the Term does not begin on the first day of the month, the Rent shall be prorated accordingly.
6. **Option:** Tenant shall have the option to extend the Term, pursuant to the terms and conditions contained herein, for an additional five year period (the "Option"). In the event Tenant desires to exercise the Option, Tenant shall, at least ninety days before expiration of the Term, provide Landlord with written notice of its intent to exercise the Option. Rent shall be payable as follows: Each rental payment shall be \$3,400.00 per month. The option shall only be exercisable provided that no Tenant Defaults currently exist and that no Tenant Defaults have occurred over the Term of the Lease which have not been cured by Tenant as provided by the Lease.
7. **Security Deposit:** Tenant shall not pay a security deposit to Landlord. Upon signing this Lease, Tenant shall pay Landlord the Rent for the first month and the last month of the Lease Term. Tenant shall not be entitled to the return of either payment or any portion thereof.
8. **Use:** The Premises shall be used for a full service restaurant, provided this use conforms with applicable zoning regulations. Tenant shall not, without the prior written consent of Landlord, permit the Premises to be used for any other purpose.
9. **Utilities:** Landlord shall pay water and sewer. Tenant shall pay all gas, electricity, telephone and other services and utilities used by Tenant on leased premises. In the event that Tenant fails to pay any utility bills in a timely manner, Landlord may, at its sole discretion, pay the utility bills in order to protect the Premises. All amounts paid by Landlord on Tenants behalf shall be immediately reimbursed by Tenant to Landlord.
10. **Repairs and Maintenance of the Premises:** The Landlord shall maintain the foundation, exterior walls, HVAC, hot water heater and roof of the Premises in good repair. The Tenant agrees to keep all the other improvements (including plate glass and other windows, window frames, and doors) upon the Premises repaired and maintained in good order as described in the Lease. The Tenant shall keep all sidewalks on the Premises free and clear of ice and snow.
11. **Condition of Premises and Representations:** Tenant is familiar with the physical condition of the Premises. Except as may otherwise be provided in the Lease, Landlord makes no representations, or warranties

as to the physical condition of the Premises, or its suitability for Tenant's intended use. The Premises are rented "as is," in current condition, and all warranties are hereby expressly disclaimed. Tenant understands and agrees that in the event actions, alterations, or improvements are required in order to bring the Premises into compliance with any local, state, or federal laws and regulations because of Tenant's intended use, Tenant shall be solely responsible for any and all associated costs and expenses relative thereto. Tenant further indemnifies and agrees to hold Landlord harmless from any and all claims and liabilities that may arise by virtue of Tenant's use of the Premises in violation of any local, state, or federal laws and regulations.

12. Use of Premises: Tenant, in consideration of the leasing of the Premises, agrees as follows:

a. **Signage:** Tenant shall be permitted to erect a sign or signs upon the Premises, provided all signage is in compliance with any local or state laws and regulations

b. **Prohibitions:** Tenant shall not act in any manner that would interfere with, or be a nuisance to adjacent property owners, or adjacent tenants, or that would interfere with those other parties' quiet enjoyment of their premises. Said prohibition includes, but is not limited to, loud noises, loud music, noxious or unpleasant odors, and disruptive behavior or actions. Tenant shall not permit any portion of the Premises to be used in a manner that may endanger the person or property of Landlord or co-tenants. Tenant shall keep all portions of the Premises in a clean, safe, sanitary, and habitable condition.

c. **Hazardous Material Prohibited:** Tenant shall not cause or permit any hazardous material to be brought upon, kept or used in, or about the Premises by Tenant, its agents, employees, contractors, or invitees. If Tenant breaches the obligations stated in the preceding sentence, or if the presence of hazardous material on the Premises caused, or permitted by Tenant results in contamination of the Premises, or if contamination of the Premises by hazardous material otherwise occurs for which Tenant is responsible to Landlord for resulting damage, then Tenant shall indemnify, defend, and hold Landlord harmless from any and all resulting claims, judgments, damages, penalties, fines, costs, liabilities, or losses.

13. Subletting or Assignment: Tenant shall not sublet the Premises or any part thereof, nor assign the Lease or any interest therein, without the prior written consent of Landlord. Such consent shall be at the sole discretion of Landlord. In the event an assignment or sublease is permitted, all payments from assignee or sublessee shall be made directly by said party to Landlord, and not through Tenant. Landlord shall be entitled to assign the Lease at Landlord's sole discretion.

14. Surrender of Premises: Tenant will return the Premises to Landlord at the expiration of the Term in as good order and repair as when Tenant took possession, normal wear and tear excepted.

15. Removal of Fixtures/Redelivery: Tenant shall remove, at the termination of the Lease, provided Tenant is not in Default, Tenant's moveable trade fixtures and other items of personal property that are not permanently affixed to the Premises. Any personal property of Tenant not removed within five (5) days following such termination shall, at Landlord's option, become the property of Landlord.

16. No Offset: Tenant shall have no right to withhold or set off any Rent or Additional Rent due Landlord.

17. Joint and Several Obligations of Tenant: In the event more than one person comprises Tenant, it is expressly understood and agreed that each person comprising Tenant is jointly and severally liable for any and all obligations of Tenant in the Lease.

18. Default: If Tenant is in arrears in the payment of any installment of Rent, or any portion thereof, or is in violation of any other covenants or agreements set forth in the Lease (a "Default") and the Default remains uncorrected for a period of three (3) days after Landlord has given written notice thereof pursuant to applicable law, then Landlord may, at Landlord's option, undertake any remedy or series of remedies authorized by Colorado law.

19. Liability Indemnification/Insurance: Tenant shall hold Landlord, Landlord's agents, and their respective successors and assigns, harmless and indemnified from all injury, loss, claims, or damage to any person or property while on the Premises, or any other part of landlord's property, or arising in any way out of Tenant's business, which is occasioned by a negligent, intentional, or reckless act, or omission of Tenant, its employees,

agents, invitees, licensees, or contractors. Tenant shall maintain public liability insurance insuring Landlord and Landlord's agents, as their interest may appear, against all claims, demands, or actions for injury to or death arising out of any one occurrence, made by, or on behalf of any person, firm, or corporation, arising from, related to, or connected with the conduct and operation of Tenant's business, including, but not limited to, events on the Premises and anywhere upon landlord's property.

20. **Fire/Casualty Insurance:** Tenant shall maintain plate glass insurance covering all exterior plate glass in the Premises, fire, extended coverage, vandalism, and malicious mischief insurance and such other insurance as Tenant may deem prudent, covering all of Tenant's stock in trade, fixtures, furniture, furnishings, floor coverings, and equipment in the Premises.

21. **Insurance Requirements:** Tenant and Landlord shall, each at its own expense, maintain a policy or policies of comprehensive general liability insurance with respect to the respective activities of each in the Building with the premiums thereon fully paid on or before due date, issued by and binding upon some insurance company approved by Landlord, such insurance to afford minimum protection of not less than \$1,000,000 combined single limit coverage of bodily injury, property damage or combination thereof. Landlord shall be listed as an additional insured on Tenant's policy or policies of comprehensive general liability insurance, and Tenant shall provide Landlord with current Certificates of Insurance evidencing Tenant's compliance with this Paragraph. Tenant shall obtain the agreement of Tenant's insurers to notify Landlord that a policy is due to expire at least thirty (30) days prior to such expiration. Landlord shall not be required to maintain insurance against thefts within the Leased Premises or the Building.

22. **Waiver of Liability:** Landlord and Landlord's agents and employees shall not be liable for, and Tenant waives all claims for, damage to property sustained by Tenant, employees, agents or contractors, or any other person claiming through Tenant, resulting from any accident in or upon the Premises or the property of which they shall be a part, including, but not limited to, claims for damage resulting from: (1) any equipment or appurtenances becoming out of repair; (2) Landlord's failure to keep the Premises in repair; (3) injury done or occasioned by wind, water, or other act of God; (4) any defect in, or failure of, plumbing, heating, or air-conditioning equipment, electric wiring, or installation thereof, gas, water and steam pipes, stairs, porches, railings, or walks; (5) broken glass; (6) the backing-up of any sewer pipe, or downspout; (7) the bursting, leaking, or running of any tank, tub, sink, sprinkler system, water closet, waste pipe, drain, or any other pipe or tank in, upon, or about landlord's property or Premises; (8) the escape of steam, or hot water; (9) water, snow, or ice being upon, or coming through the roof, skylight, doors, stairs, walks, or any other place upon, or near landlord's property, or the Premises, or otherwise; (10) the falling of any fixtures, plaster, or stucco; (11) fire or other casualty; and (12) any act, omission, or negligence of co-Tenants, or of other persons or occupants of the property, or of adjoining or contiguous buildings, or of adjacent or contiguous property.

23. **Indemnification Fees and Costs:** In case any claim, demand, action, or proceeding is made or brought against Landlord, its agents, or employees, by reason of any obligation on Tenant's part to be performed under the terms of the Lease or arising from any act of negligence of Tenant or its agents or employees, or which gives rise to Tenant's obligation to indemnify Landlord, Tenant shall be responsible for all costs and expenses, including, but not limited to, reasonable attorneys' fees incurred in defending or prosecution of the same, as applicable.

24. **Destruction, or Condemnation of Premises:** Landlord's and Tenant's duties and responsibilities are as follows when destruction or condemnation of the Premises occurs:

a. **Partial Destruction of the Premises:** In case of partial destruction of the Premises by fire, or other casualty, Landlord at its discretion may repair the Premises with reasonable dispatch after notice of said partial destruction. Tenant shall remain responsible for payment of Rent. Subparagraph (d) of this Paragraph 24 shall apply if Landlord determines that the partial destruction will not be repaired.

b. **Premises Untenable:** If the Premises are made totally untenable by fire, the elements, or other casualty, or if the building in which the Premises are located is partially destroyed to the point where Landlord, within a reasonable time, decides not to rebuild, or repair, then Subparagraph (d) of this Paragraph 24 shall apply.

c. **Condemnation:** If the whole or part of the Premises are taken by any authority for any public or quasi-public use, or purpose, then Subparagraph (d) of this Paragraph 24 shall apply. All damages and compensation awarded for any taking shall be the sole property of Landlord.

d. **Termination of Term:** Tenant agrees that if Landlord decides not to repair, or rebuild the Premises where the destruction has occurred as described in Subparagraphs (a) and (b) of this Paragraph 24, the Term hereby granted by the Lease shall cease and the Rent shall be prorated and payable up to the time of the cessation of the Term. A refund will be given for the balance of any Rent paid in advance for which Tenant did not have use of the Premises due to the cessation of the Term under the conditions of this Paragraph 24. Where the Premises have been taken due to condemnation as described in Subparagraph (c) of this Paragraph 24, the Term of the Lease shall cease and terminate upon the date that possession of the Premises is taken by the authority. Rent shall be prorated and payable up to the time of the cessation of the Term. Tenant shall not hold Landlord liable for any damages as a result of any of the acts or events described in this subparagraph.

25. **Holdover:** If, after the expiration of the Lease, Tenant shall remain in possession of the Premises and continue to pay Rent without a written agreement as to such possession, then such tenancy shall be regarded as a month-to-month tenancy, at a monthly rental, payable in advance, equivalent to the last month's Rent paid under the Lease, and subject to all the terms and conditions of the Lease.

26. **Entry by Landlord:** Landlord may enter the Premises at reasonable hours for reasonable purposes (such as repairs, inspections, or re-letting to prospective new tenants), upon reasonable notice to Tenant. Landlord may also enter the Premises in the event of emergency, without notice, or in the event of vacancy of the Premises.

27. **Notices:** All notices required to be sent under the Lease shall be in writing and either: (i) personally delivered, with proper proof of service; (ii) sent via U.S. first class mail, postage prepaid; or (iii) sent via recognized overnight delivery service. All notices required to be sent to Landlord shall be sent or delivered to the address where the Rent is to be paid, and all notices required to be sent to Tenant shall be sent or delivered to the Premises, unless otherwise specified in the Lease. Notwithstanding the foregoing, all notices involving or concerning § 13-40-101, C.R.S., *et seq.* shall be delivered as provided by statute.

28. **Attorneys' Fees:** In the event Tenant or Landlord fails to perform any of its obligations under the Lease, or in the event a dispute arises concerning the meaning or interpretation of any provision of the Lease, the defaulting party, or the party not prevailing in such dispute, as the case may be, shall pay any and all costs and expenses incurred by the other party in enforcing or establishing its rights hereunder, including, without limitation, court costs and reasonable attorneys' fees.

29. **Amendments and Termination:** Unless otherwise provided in the Lease, the Lease may be amended, modified, or terminated only by a written instrument executed by Landlord and Tenant.

30. **Waivers:** No right under the Lease may be waived except by written instrument executed by the party who is waiving such right. No waiver of any breach of any provision contained in the Lease shall be deemed a waiver of any preceding or succeeding breach of that provision, or of any other provision contained in the Lease. No extension of time for performance of any obligations or acts shall be deemed an extension of the time for performance of any other obligations or acts.

31. **Time of the Essence:** Time is of the essence of the Lease, and each and all of its provisions.

SIGNATURES ON FOLLOWING PAGE

TENANT:

John A. Elkins III
[Signature]

John A. Elkins III
[Print Name] ~~owner Little Paws LLC~~

Member Little Paws LLC
[Title]

Date: 2/24/11

LANDLORD:

Michael Meskin
[Signature]

Michael Meskin
[Print Name]

MGR
[Title]

Date: 2/24/2011

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 <i>Base Camp Cafe</i>				
2. Your Full Name (last, first, middle) <i>Elkins, John Robert</i>			3. List any other names you have used.	
4. Mailing address (if different from residence)			Home Telephone <i>Cell</i>	
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
<i>Key Energy</i>	<i>159 N. Wolcott #360 Casper, WY 82601</i>	<i>Toolpusher</i>	<i>2000</i>	<i>2010</i>
<i>John Elkins LLC</i>	<i>5016 Mountain Way Casper, WY 82601</i>	<i>Consultant</i>	<i>2010</i>	<i>Present</i>
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	
<i>John A Elkins</i>	<i>Father</i>		<i>Little Paws LLC</i>	
<i>Nancy K Elkins</i>	<i>Mother</i>		<i>Little Paws LLC</i>	
<i>Heather J Jones</i>	<i>Sister</i>		<i>Little Paws LLC</i>	
<i>Michael Jones</i>	<i>Brother-in-law</i>		<i>Little Paws LLC</i>	
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.				
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
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.				
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				

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

As a minor

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

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?	
				Laramie, WY		<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	
5'10"	280	Brown	Blue	M	W	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

14. Financial Information.

a. Total purchase price \$ 210,000.00 (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 \$ 215,000.00

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
CASH	JOHN & NANCY ELKINS	20,000.00
CASH	HEATHER & MICHAEL JONES	20,000.00
CASH	JOHN R ELKINS	20,000.00
LOAN		170,000.00

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

Name of Lender and Account Number	Address	Term	Security	Amount
JOHN & NANCY ELKINS		10yr	Equipment Supplies	170,000.00

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.

Wells Fargo Bank - Little Paws LLC

John A. Elkins III, Nancy K. Elkins, Heather J. Jones

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>J.A. Elkins III</i>	Title Member	Date 3/2/11
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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
Base Camp Cafe

2. Your Full Name (last, first, middle)
JONES Michael Louis

3. List any other names you have used.

4. Mailing address (if different from residence)
1011 N

Home Telephone

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
<i>Encova Oil & Gas</i>		<i>Co. Mgr.</i>	<i>May 2006</i>	<i>Dec 2006</i>

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
<i>John Elkins</i>	<i>Father in Law</i>		<i>Little Paws LLC</i>
<i>Nancy Elkins</i>	<i>Mother in Law</i>		<i>Little Paws LLC</i>
<i>Heather Jones</i>	<i>Wife</i>		<i>Little Paws LLC</i>
<i>John R. Elkins</i>	<i>Brother in Law</i>		<i>Little Paws LLC</i>

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

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

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

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

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

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13a. Date of Birth		b. Social Security Number SSN		c. Place of Birth		d. U.S. Citizen?	
				ELK CITY OK		<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	
f. 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	
5'8"	185	B	G	M	White	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

14. Financial Information.

a. Total purchase price \$ 210,000 (If buying an existing business) or investment being made by the applying entity, corporation, partnership, limited liability company, other \$ 215,000

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
CASH	John + Nancy Elkins	20,000
CASH	Mike + Heather Jones	20,000
CASH	John R Elkins	20,000

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

Name of Lender and Account Number	Address	Term	Security	Amount
John + Nancy Elkins		10 yrs	Equip Supplies	170,000

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.

Wells Fargo - Little Paws LLC

John Elkins III, Nancy Elkins, Heather Jones

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 	Title <u>Member</u>	Date <u>FEB 24, 2011</u>
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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.

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1. Name of Business

Base Camp Cafe

2. Your Full Name (last, first, middle)

Jones, Heather, Janelle

3. List any other names you have used.

ELKINS, WILKINS, HAYDEN

4. Mailing address (if different from residence)

Home Telephone

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
<i>Candlewood Inn</i>	<i>233 Grand Valley Way</i>	<i>Parachute CO 01625 night auditor</i>	<i>8-09</i>	<i>8-10</i>

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
<i>John Elkins</i>	<i>father</i>	<i>manager</i>	<i>Little Paws LLC</i>
<i>Nancy Elkins</i>	<i>mother</i>	<i>manager</i>	<i>Little Paws LLC</i>
<i>Michael Jones</i>	<i>husband</i>		<i>Little Paws LLC</i>
<i>John R. Elkins</i>	<i>brother</i>		<i>Little Paws LLC</i>

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

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

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

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

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

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13a. Date of Birth	b. Social Security Number SSN	c. Place of Birth <i>Laramie WY</i>	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 <i>5'7"</i>	m. Weight <i>150</i>	n. Hair Color <i>Brown</i>	o. Eye Color <i>Blue</i>
p. Sex <i>F</i>	q. Race <i>White</i>	r. Do you have a current Driver's License? If so, give number and state <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

14. Financial Information.

a. Total purchase price \$ *210,000.00* (if buying an existing business) or investment being made by the applying entity, corporation, partnership, limited liability company, other \$ *215,000.00*

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
<i>Cash</i>	<i>John + Nancy Elkins</i>	<i>\$20,000</i>
<i>Cash</i>	<i>Heather + Michael Jones</i>	<i>\$20,000</i>
<i>Cash</i>	<i>Joan R. Elkins</i>	<i>\$20,000</i>
<i>Loan</i>		

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

Name of Lender and Account Number	Address	Term	Security	Amount
<i>John + Nancy Elkins</i>	<i>,</i>	<i>10 yrs</i>	<i>equipment supplies</i>	<i>170,000</i>

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.

Wells Fargo - Little Paws LLC
John A Elkins III, Nancy K Elkins, Heather J Jones

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>Heather J Jones</i>	Title <i>Secretary</i>	Date <i>2-22-11</i>
--	---------------------------	------------------------

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

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

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 Sheridan, WY d. U.S. Citizen? Yes 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 5'9" m. Weight 175 n. Hair Color Bm/Grey o. Eye Color Blue p. Sex M q. Race W r. Do you have a current Driver's License? If so, give number and state Yes No

14. Financial Information.
 a. Total purchase price \$ 210,000.00 (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 \$ 215,000.00

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
Cash	John & Nancy Elkins	20,000
Cash	Heather & Mike Jones	20,000
Cash	John R. Elkins	20,000
Loan		170,000 ⁰⁰

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

Name of Lender and Account Number	Address	Term	Security	Amount
John & Nancy Elkins	/	10 yrs	Equipment Supplies	170,000

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.
Wells Fargo Bank - Little Paws LLC
John A Elkins III, Nancy K Elkins, Heather J. Jones

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 [Signature] Title President Date 2/22/11

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

Base Camp Cafe

2. Your Full Name (last, first, middle)

ELKINS, NANCY K

3. List any other names you have used.

NANCY K SMITH-ELKINS

4. Mailing address (if different from residence)

Home Telephone

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

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
<i>JOHN A ELKINS III</i>	<i>HUSBAND</i>		<i>LITTLE PAWS LLC</i>
<i>JOHN R ELKINS</i>	<i>SON</i>		<i>LITTLE PAWS LLC</i>
<i>HEATHER J JONES</i>	<i>DAUGHTER</i>		<i>LITTLE PAWS LLC</i>
<i>MICHAEL JONES</i>	<i>SON-IN-LAW</i>		<i>LITTLE PAWS LLC</i>

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

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

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

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

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 SHERIDAN, WY		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 5'6"	m. Weight 150	n. Hair Color BROWN	o. Eye Color BLUE	p. Sex F	q. Race W	r. Do you have a current Driver's License? If so, give number and state <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

14. Financial Information.

a. Total purchase price \$ 210,000.00 (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 \$ 215,000.00

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
CASH	JOHN & NANCY ELKINS	20,000.00
CASH	HEATHER & MICHAEL JONES	20,000.00
CASH	JOHN R ELKINS	20,000.00
LOAN		175,000.00

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

Name of Lender and Account Number	Address	Term	Security	Amount
JOHN & NANCY ELKINS		10 yr	Equipment & Supplies	175,000.00

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.

WELLS FARGO BANK - LITTLE FAUNTS LLC
 JOHN A ELKINS III, NANCY K ELKINS, HEATHER J JONES

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 Nancy K Elkins	Title VICE PRESIDENT	Date 2/22/11
--	-------------------------	-----------------



Colorado Secretary of State
Date and Time: 01/17/2011 05:20 PM
ID Number: 20111032841

Document must be filed electronically.
Paper documents will not be accepted.
Document processing fee
Fees & forms/cover sheets
are subject to change.
To access other information or print
copies of filed documents,
visit www.sos.state.co.us and
select Business Center.

\$50.00

Document number: 20111032841
Amount Paid: \$50.00

ABOVE SPACE FOR OFFICE USE ONLY

Articles of Organization

filed pursuant to § 7-80-203 and § 7-80-204 of the Colorado Revised Statutes (C.R.S.)

1. The domestic entity name of the limited liability company is
Little Paws LLC

(The name of a limited liability company must contain the term or abbreviation "limited liability company", "Ltd. liability company", "limited liability co.", "Ltd. liability co.", "limited", "l.l.c.", "llc", or "Ltd.". See §7-90-601, C.R.S.)

(Caution: The use of certain terms or abbreviations are restricted by law. Read instructions for more information.)

2. The principal office address of the limited liability company's initial principal office is

Street address

21 Raptor Court

(Street number and name)

Battlement Mesa **CO** **81636**
(City) (State) (ZIP/Postal Code)
United States
(Province - if applicable) (Country)

Mailing address

(leave blank if same as street address)

(Street number and name or Post Office Box information)

(City) (State) (ZIP/Postal Code)
(Province - if applicable) (Country)

3. The registered agent name and registered agent address of the limited liability company's initial registered agent are

Name
(if an individual)

Jones **Heather** **Janelle**
(Last) (First) (Middle) (Suffix)

OR

(if an entity)
(Caution: Do not provide both an individual and an entity name.)

Street address

21 Raptor Court

(Street number and name)

Battlement Mesa **CO** **81636**
(City) (State) (ZIP Code)

Mailing address
(leave blank if same as street address) _____
(Street number and name or Post Office Box information)

(City) CO _____
(State) (ZIP Code)

(The following statement is adopted by marking the box.)

The person appointed as registered agent has consented to being so appointed.

4. The true name and mailing address of the person forming the limited liability company are

Name
(if an individual) Elkins John Alvin III
(Last) (First) (Middle) (Suffix)

OR

(if an entity)
(Caution: Do not provide both an individual and an entity name.) _____

Mailing address 588 Big Goose
(Street number and name or Post Office Box information)

Sheridan WY 82801
(City) (State) (ZIP/Postal Code)

(Province - if applicable) United States
(Country)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

The limited liability company has one or more additional persons forming the limited liability company and the name and mailing address of each such person are stated in an attachment.

5. The management of the limited liability company is vested in
(Mark the applicable box.)

one or more managers.

OR

the members.

6. (The following statement is adopted by marking the box.)

There is at least one member of the limited liability company.

7. (If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains additional information as provided by law.

8. (Caution: Leave blank if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read Instructions before entering a date.)

(If the following statement applies, adopt the statement by entering a date and, if applicable, time using the required format.)

The delayed effective date and, if applicable, time of this document is/are _____
(mm/dd/yyyy hour:minute am/pm)

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.

9. The true name and mailing address of the individual causing the document to be delivered for filing are

<u>Elkins</u>	<u>John</u>	<u>Alvin</u>	<u>III</u>
<i>(Last)</i>	<i>(First)</i>	<i>(Middle)</i>	<i>(Suffix)</i>
<u>588 Blg Goose</u>			
<i>(Street number and name or Post Office Box information)</i>			
<hr/>			
<u>Sheridan</u>	<u>WY</u>	<u>82801</u>	
<i>(City)</i>	<i>(State)</i>	<i>(ZIP/Postal Code)</i>	
<u></u>	<u>United States</u>	<u></u>	
<i>(Province - if applicable)</i>	<i>(Country)</i>		

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

- This document contains the true name and mailing address of one or more additional individuals causing the document to be delivered for filing.

Disclaimer:

This form/cover sheet, and any related instructions, are not intended to provide legal, business or tax advice, and are furnished without representation or warranty. While this form/cover sheet 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/cover sheet. Questions should be addressed to the user's legal, business or tax advisor(s).

AFFIDAVIT OF TRANSFER AND STATEMENT OF COMPLIANCE

Pursuant to the requirements of 12-47-303(3)(b), Colorado Revised Statutes, Licensee hereby states that all accounts for alcohol beverages sold to the Applicant are:

- Paid in full. There are no outstanding accounts with any Colorado Wholesalers.
- Licensee hereby certifies that the following is a complete list of accounts for alcohol beverages that are unpaid:

n/a

Licensee and Applicant agree that all accounts will be paid for from the proceeds at closing by the: Licensee Applicant

- Licensee unavailable to certify disposition of accounts for alcohol beverages - Inventory list attached. Transfer by operation of law - Regulation 47-304.
- Applicant will assume full responsibility for payment of the outstanding accounts as listed above.
- No alcohol beverage inventory transferred or sold.

Licensee hereby authorizes the transfer of its Colorado Retail Liquor License to the Applicant, its agent, or a company, corporation, partnership or other business entity to be formed by the Applicant.

Dated this 4 day of March, 20 11.

Seller:

Michael Meskin 07-10
Licensee & License Number

Base Camp Cafe LLC
Trade name

Michael Meskin
Signature

MG-2
Position

Michael Meskin
Print Name

Buyer:

Heather Jones
Applicant

Little Paws LLC
Trade name

Heather Jones
Signature

Secretary, treasurer
Position

Heather Jones
Print Name



City of Rifle

Temporary Alcoholic Beverage Permit

This certifies that Little Paws LLC dba Base Camp Café, having paid the required fee of \$100.00, has been granted a Temporary Permit to conduct business and sell Malt, Vinous, and Spirituous Beverages in accordance with the Hotel & Restaurant Liquor License of Base Camp Café LLC for premises located at 120 East 3rd Street, Rifle, CO.

This temporary permit shall be valid until such time as the application to transfer ownership of the license to Little Paws LLC is granted or denied, or for one hundred twenty days (120) days, whichever comes first.

Such temporary permit may be cancelled, revoked, or summarily suspended if the City Council of the City of Rifle or the Colorado Department of Revenue determines that there is probable cause to believe Little Paws LLC has violated any provision of the Colorado Liquor Code or the Colorado Beer Code or has violated any rule or regulation adopted by the City Council of the City of Rifle or the Colorado Department of Revenue or has failed to truthfully disclose those matters required pursuant to the application forms required by the Colorado Department of Revenue.

Given under my hand and the seal of the City of Rifle, March 8, 2011.



By *Lisa H. Cain*
CITY CLERK



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

From: Lisa Cain, City Clerk

Date: Thursday, June 09, 2011

Subject: Liquor License Renewal Application – El Kora Mexican Restaurant

El Kora Mexican Restaurant has submitted an application to renew its Hotel and Restaurant Liquor License at 160 East 26th Street. 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 El Kora 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 El Kora 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**



BURGORA ANGELICA
 EL KORA MEXICAN RESTAURANT
 160 E 26TH ST
 RIFLE CO 81650-3160

License Number 42-28174-0000	License Type 1970
Liability Information 24 035 722110 I 062106	
Business Location 160 E 26TH STREET RIFLE CO	
Current License Expires JUN 20, 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 <i>Angelica Burgora</i>	Date <i>06-08-11</i>	Business Phone <i>(970)6250358</i>
Title <i>Owner</i>	Sales Tax Number <i>42-28174-0000</i>	

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

**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 EL KORA MEXICAN	LICENSE NUMBER (Use for all reference) 42-28174-0000		PERIOD 06-12
TYPE OF LICENSE ISSUED HOTEL AND RESTAURANT LIQUOR LICENSE - MALT, VINOUS, AND SPIRITUOUS	CASH FUND	STATE FEE	CITY 85% OAP
	2320-100(999)	1970-750(999)	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 \$ _____

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 EL Kora Mexican Restaurant.		State License Number 42-28174-0000	
1. Operating Manager Angelica Burgara		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 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:			
(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 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:			
EVIDENCE OF LAWFUL PRESENCE			
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 Angelica Burgara		Printed name Angelica Burgara	
		Date 06-08-11	



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

From: Lisa Cain, City Clerk

Date: Thursday, June 09, 2011

Subject: Liquor License Renewal

THIS BUSINESS HAS FILED A LIQUOR LICENSE RENEWAL APPLICATION:

<u>Business Name/Address</u>	<u>Type of License</u>
Winchester Nite-Club 2090 Whiteriver Ave	Tavern Liquor License

The following criteria have been met by this business:

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

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

**LIQUOR OR 3.2 BEER LICENSE
 RENEWAL APPLICATION**

WINCHESTER NITE-CLUB
 COSE FINANCL SRV INC
 PO BOX 1931
 GLENWOOD SPRINGS CO 81602

License Number 25-25958-0000	License Type 2010
Liability Information 24 035 722110 C 072407	
Business Location 2090 WHITERIVER AVEN RIFLE CO	
Current License Expires JUL 23, 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 <i>Paul & Koch</i>	Date 3-22-11	Business Phone 970 625 4400
Title PRESIDENT	Sales Tax Number 25-25958-0000	

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.

Business Name WINCHESTER NITE-CLUB	LICENSE NUMBER (Use for all reference) 25-25958-0000		PERIOD 07-12
TYPE OF LICENSE ISSUED TAVERN LIQUOR LICENSE - MALT, VINOUS, AND SPIRITUOUS	CASH FUND 2320-100(999) \$ 50.00	STATE FEE 2010-750(999) \$ 25.00	CITY 85% OAP 2180-100(999) \$ 425.00

ADD \$100.00 TO RENEW RETAIL WAREHOUSE STORAGE PERMIT 2210-100(999) \$ _____

SUB-TOTAL \$ 500.00
 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 WINCHESTER NITE-CLUB, INC.		State License Number 25-25958-0000	
1. Operating Manager PAUL & LINDA ROACH		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>RENT</u> If rented, expiration date of lease: <u>11/01/12</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.			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: (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;">EVIDENCE OF LAWFUL PRESENCE</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 checked="" 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 <i>Paul & Linda Roach</i>		Printed name <i>Paul & Linda Roach</i>	
			Date <i>3-22-11</i>



MEMORANDUM

To: John Hier, City Manager
From: Charles Kelty, Finance Director *ck*
Date: June 9, 2011
Subject: 2010 Audited Financial Statements

I respectfully request City Council approve and accept the 2010 Audit as presented at the June 1st, 2011 Council workshop and meeting with the following modifications. Included with this memo are copies of the pages that have changed and/or been included in the final draft.

- Management's Discussion and Analysis has been added on pages i-xiv
- Page 1: Statement of Net Assets – Restricted by Statute increased by \$418,167 for the Street Impact Fees reserved for development
- Page 35: Note 12 Rate Maintenance was included. This note shows the City of Rifle's Water and Sewer Fund's compliance with debt covenants for the 2003 and 2007 Colorado Water Resources and Power Development Authority loans.

If you have any questions please call me at x449. I can also provide, electronically, a complete set of the final draft audit upon request.

Thank-you



City of Rifle, Colorado

Management's Discussion and Analysis December 31, 2010

Management of the City of Rifle offer readers of the City of Rifle's financial statements this narrative overview and analysis of the financial activities of the City for the year ended December 31, 2010. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers should also review the notes to the financial statements and financial statement to broaden their understanding of the city's position.

The Management Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, issued June 1999.

Financial Highlights

- All amounts, unless otherwise indicated, are expressed in thousands of dollars.
- City of Rifle's assets exceeded its liabilities at the close of 2010 by \$109,584 (net assets). Of this amount, \$24,061 may be used to meet the government's ongoing obligations.
- Total net assets, city-wide, increased by \$3,911 or 4%.
- The General Fund received an energy impact severance tax payment of \$296 in 2010, a decrease from the \$968 received in 2009. These funds are intended to help the City deal with impacts of the energy industry.
- As of December 31, 2010, combined governmental fund balances totaled \$16,763, a decrease of \$1,585 from the prior year.
- General fund unreserved, undesignated fund balance at December 31, 2010 was \$4,973 or 70% of total general fund expenditures.
- The business-type activities net assets increased \$778 to \$46,075 during the year.
- Unrestricted net assets for the business-type activities decreased \$368; Water Fund decreased \$195; Sewer Fund decreased \$276; and Sanitation Fund increased \$102.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Rifle's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements – The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector business.

The *Statement of Net Assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Net asset increases or decreases, over time, may serve as a useful indicator of whether the financial position of the City of Rifle is improving or deteriorating. Other non-financial factors such as the condition of the City's roads and changes in the City's property and sales tax base will also need to be considered to assess the overall health of the City.

The *Statement of Activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, for example, uncollected taxes and earned but unpaid wages.

The *Statement of Net Assets* and the *Statement of Activities* report City activities in two categories - *government activities* and *business-type activities*.

Government activities are most of the City's basic services including general administration, police, property inspection, animal shelter, public works, cemetery, parks maintenance and recreation, senior services, information center, Downtown Development Authority, Visitor Improvement, and Urban Renewal Authority. Taxes and intergovernmental revenues principally support these services.

Business-type activities include the City's water, wastewater (sewer) and sanitation (trash) services. Customer service fees are expected to cover all or most of the cost of services provided support these activities.

The government-wide financial statements can be found on pages 1-2 of this report.

Fund financial statements – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Rifle like other local governments uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the City's funds can be divided into three categories, governmental funds, proprietary funds, and fiduciary funds.

Governmental funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the *government-wide financial statements*. However, unlike the *government-wide financial statements*, governmental fund financial statements focus on near-term inflows and outflows of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the *government-wide financial statements*, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the *government-wide financial statements*. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both The *Balance Sheet-Governmental Funds* and *Statement of Revenues*,

Expenditures, and Changes in Fund Equity-Governmental Funds provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The *Balance Sheet-Governmental Funds* and *Statement of Revenues, Expenditures, and Changes in Fund Equity-Governmental Funds* present the City's major governmental funds separately and combine the non-major funds into a single, aggregated presentation. The City's major governmental funds are the General, Capital Improvement, and Parks and Recreation. The non-major funds are Street Improvement, Conservation Trust, Economic Development, Visitor Improvement, Downtown Development, Rifle Information Center, Energy Efficiency Fund, and the Urban Renewal Authority.

The City of Rifle adopts an annual appropriated budget for all governmental funds. A budgetary comparison statement has been provided for all funds to demonstrate compliance with the state budget statutes.

The basic governmental financial statements for the major funds are found on pages 3-8 of this report. The basic governmental financial statements for the non-major funds are found on pages 36-45.

Proprietary funds – The City of Rifle maintains three proprietary funds. Proprietary (Enterprise) funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, and sanitation operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City of Rifle uses two internal service funds to account for its fleet maintenance and information technology operations. The fleet maintenance and information technology services predominantly benefit the governmental rather than the business-type functions, and are included with the governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each of the proprietary funds. However, only the water and sewer funds are considered major funds.

The City uses two internal service funds: Fleet Maintenance and Information Technology to report activities for services provided to the following funds: General, Parks and Recreation, Water Fund, Sewer, and Sanitation. Because the majority of the services are provided to the General Fund, the net assets of these activities are blended into governmental activities in the government-wide reports.

The basic proprietary fund financial statements can be found on pages 9-11 of this report. The schedule of revenues, expenditures, and changes in net assets – budget and actual reports are shown on pages 46-48.

Fiduciary Funds – The City has one fiduciary fund. Fiduciary funds are used to account for resources held for the benefit of outside parties. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to finance City operations. The City's fiduciary activities are reported in a separate *Statement of Fiduciary Net Assets* and *Statement of Changes in Fiduciary Net Assets* which are reported on pages 12-13.

Notes to the Financial Statements – The notes provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 14-35 of this report.

Other Financial Statements - The combined basic financial statements referred to earlier in connection with non-major governmental funds and the individual fund statements can be found on pages 36-45 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report also includes the Local Highway Finance Report. This information is presented on pages 54-55.

Government-wide Financial Analysis

As noted earlier, the government-wide financial statements are designed to provide readers with a broad overview and long-term analysis of the City's financial position in a manner similar to a private-sector business.

Net Assets

The following table shows the City's net assets for 2010 as compared to 2009.

SUMMARY OF NET ASSETS
December 31, 2010 and 2009
In Thousands of Dollars

	Governmental Activities		Business Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Current and other assets	\$ 19,629	\$ 21,333	\$ 8,867	\$ 10,682	\$ 28,696	\$ 32,015
Capital assets (net)	52,501	48,573	57,521	57,386	110,022	105,959
Total assets	72,330	69,906	66,387	68,068	138,718	137,974
Other liabilities	3,207	3,204	1,822	3,259	5,028	6,463
Long-term liabilities	5,615	6,327	18,491	19,511	24,106	25,838
Total liabilities	8,822	9,532	20,312	22,770	29,134	32,302
Net assets:						
Invested in capital assets net of related debt	46,621	41,993	38,045	36,900	84,666	78,892
Restricted	857	865	-	-	857	865
Unrestricted	16,030	17,517	8,030	8,398	24,060	25,916
Total net assets	\$ 63,508	\$ 60,375	\$ 46,075	\$ 45,298	\$ 109,584	\$ 105,672

Net assets may serve over time as a useful indicator of the City's financial position. The City of Rifle's assets exceeded its liabilities (net assets) at the close of 2010 by \$109,584.

At the end of 2010, the City of Rifle had positive balances in all three categories of net assets, both for the City as a whole and also for its governmental activities.

Total net assets for the City as a whole increased by \$3,912 or 4%.

The largest portion of the City's net assets (78%) is its investment in capital assets (e.g. land, buildings, infrastructure, and equipment) less any related outstanding debt used to acquire the assets. These capital assets are used to provide services to citizens; and consequently are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, the related resources needed to repay this debt must be provided from other sources because the capital assets themselves cannot be used to liquidate these liabilities.

Governmental activities investment in capital assets net of related debt increased \$4,629 or 11%. This increase was primarily due to construction of Centennial Park (phase I), land development, street overlays, drainage improvements, and equipment purchases during 2010.

Business-type activities investment in capital assets net of related debt increased \$1,145 or 4%. This increase was a result of water and sewer infrastructure improvements. The City of Rifle also began design of and purchased equipment for a new Water Treatment Plant facility.

Restricted net assets are the portion of net assets legally restricted less any non-capital-related liabilities payable from those resources. Restricted net assets in the governmental activities decreased \$8 or 1% mainly as a result of a decrease in the Taxpayer Bill of Rights (TABOR) emergency reserves. There were no Restricted Net Assets in Business-type activities at the end of 2010.

The remaining balance of net assets (unrestricted net assets) totals \$24,060. These assets may be used to meet the City's ongoing obligations to citizens and creditors.

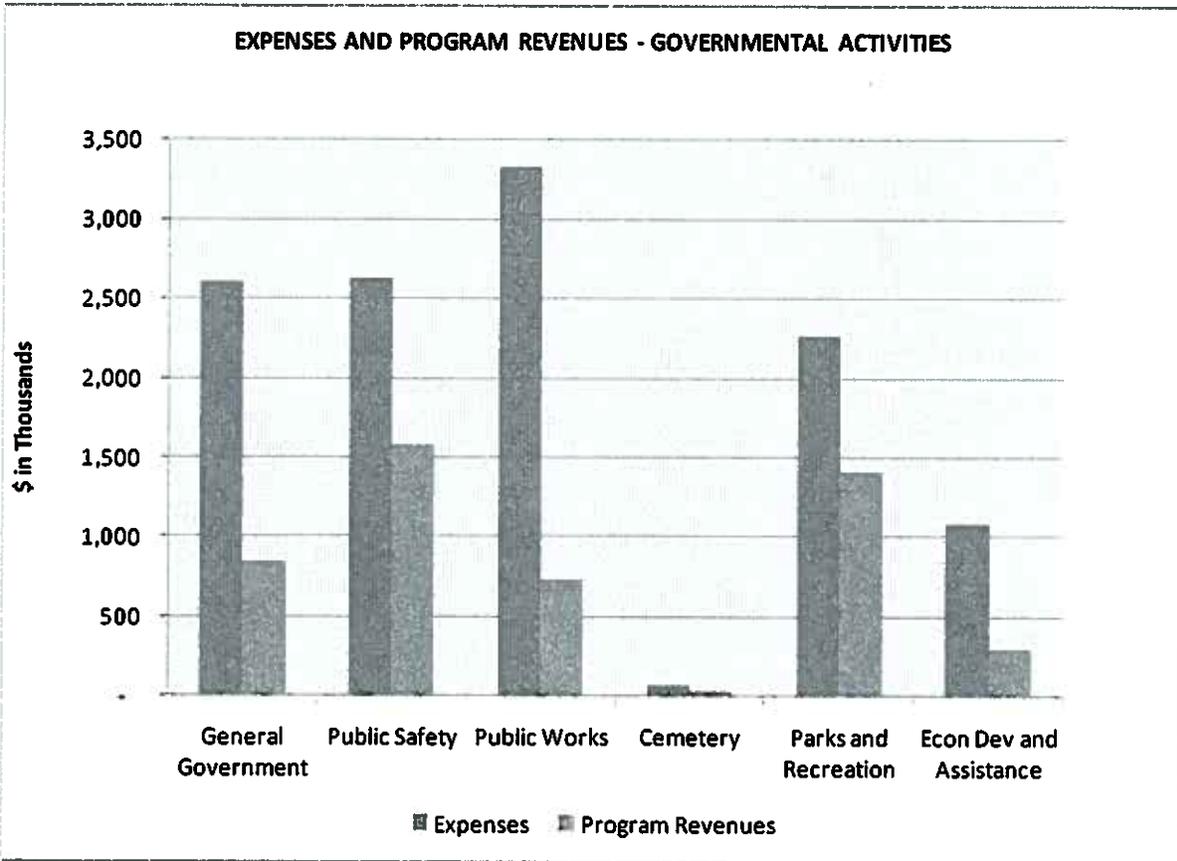
Unrestricted net assets for the governmental activities decreased \$1,487 or 8%. This decrease was primarily due to the economic downturn or recession the City experienced during the year. As a result, there was a reduction in building and planning related revenues. Unrestricted Net Assets in business-type activities decreased \$368 or 4%.

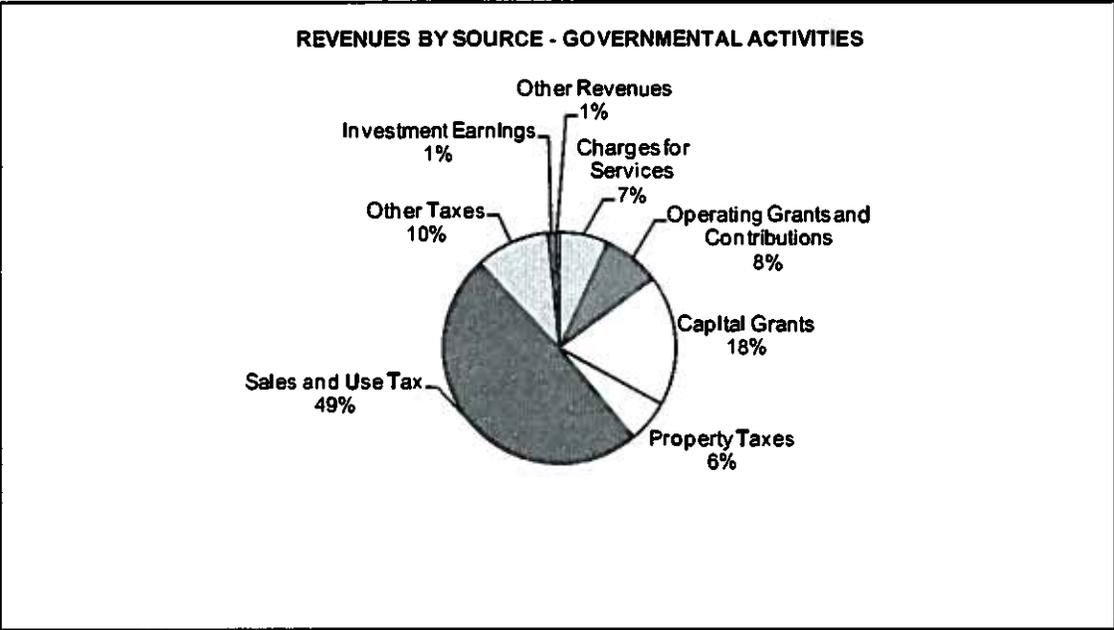
Changes in Net Assets

The following shows the detail of the City's changes in net assets for the year ended December 31, 2010.

	SUMMARY OF CHANGES IN NET ASSETS					
	For Years Ended December 31, 2010 and 2009					
	Governmental Activities		Business Type Activities		Total	
	2010	2009	2010	2009	2010	2009
REVENUES						
Program Revenues:						
Charges for services	\$ 995,712	\$ 1,155,098	\$ 5,502,332	\$ 5,202,133	\$ 6,498,044	\$ 6,357,231
Operating grants and contributions	1,202,489	1,031,605	-	-	1,202,489	1,031,605
Capital grants and contributions	2,684,037	2,883,235	913,587	3,326,280	3,597,624	6,209,515
General Revenues:						
Property taxes	872,389	639,484	-	-	872,389	639,484
Sales and use taxes	7,254,568	7,267,335	-	-	7,254,566	7,267,335
Other taxes	1,515,229	3,046,632	-	-	1,515,229	3,046,632
Investment earnings	163,625	278,510	66,941	126,378	232,566	404,868
Other revenues	84,295	174,012	84,764	76,634	169,059	252,646
Total revenues	14,772,344	16,475,911	6,569,624	8,733,425	21,341,968	25,209,336
EXPENSES						
General government	2,604,504	3,320,874	-	-	2,604,504	3,320,674
Public Safety	2,627,783	2,780,524	-	-	2,627,783	2,780,524
Public Works	3,325,613	3,772,576	-	-	3,325,613	3,772,576
Cemetery	67,600	74,246	-	-	67,600	74,246
Parks and recreation	2,269,465	1,845,145	-	-	2,269,465	1,845,145
Economic development and assistance	1,083,415	816,803	-	-	1,083,415	816,803
Interest Expense	(402,000)	-	-	-	(402,000)	-
Water operations	-	-	2,661,270	3,253,387	2,661,270	3,253,387
Sewer operations	-	-	2,658,304	2,477,714	2,658,304	2,477,714
Sanitation operations	-	-	534,698	527,452	534,696	527,452
Total expenses	11,576,380	12,610,168	5,854,272	6,258,553	17,430,652	18,868,721
Increase in net assets before transfers	3,195,964	3,665,743	715,352	2,474,872	3,911,316	6,340,615
Transfers	(62,302)	(97,302)	62,302	97,302	-	-
Increase in net assets	3,133,662	3,768,441	777,654	2,572,174	3,911,316	6,340,615
Net assets, Beginning of year	60,374,600	56,606,360	45,297,612	42,725,438	105,672,412	99,331,798
Net assets, end of year	\$ 63,508,462	\$ 60,374,801	\$ 46,075,266	\$ 45,297,612	\$ 109,583,728	\$ 105,672,413

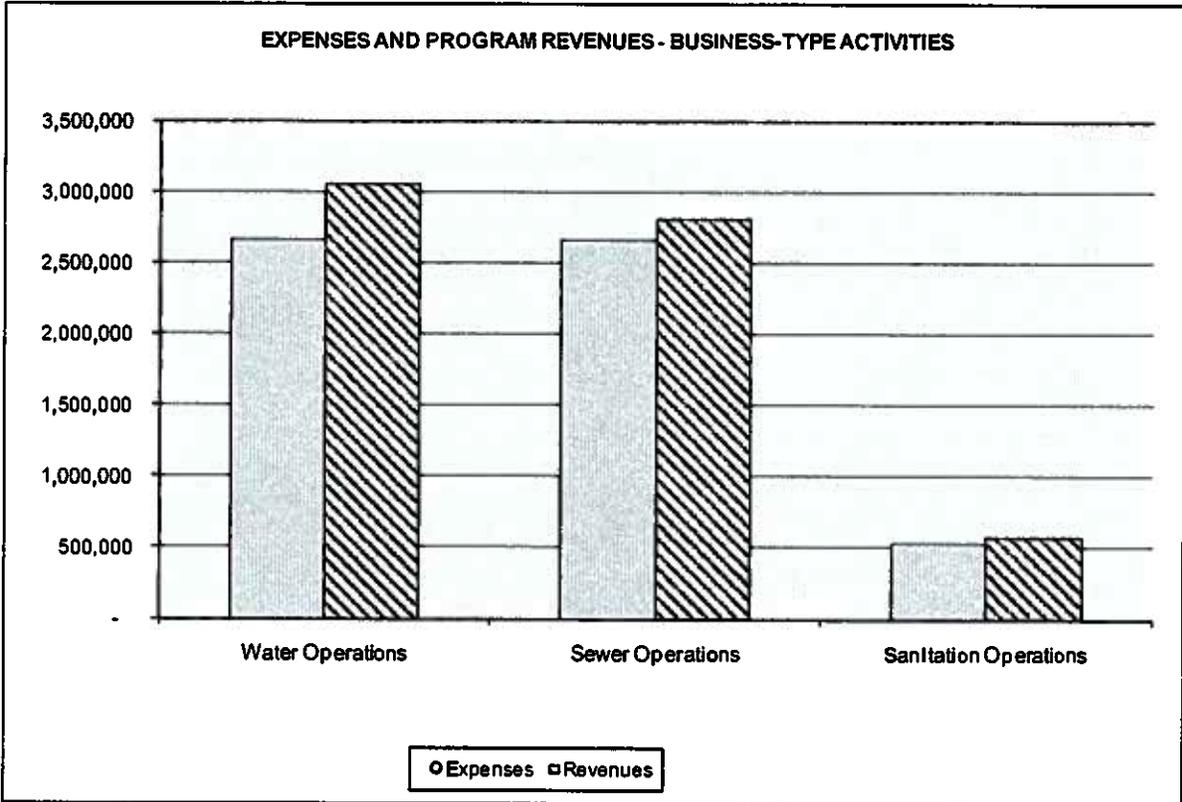
Governmental Activities



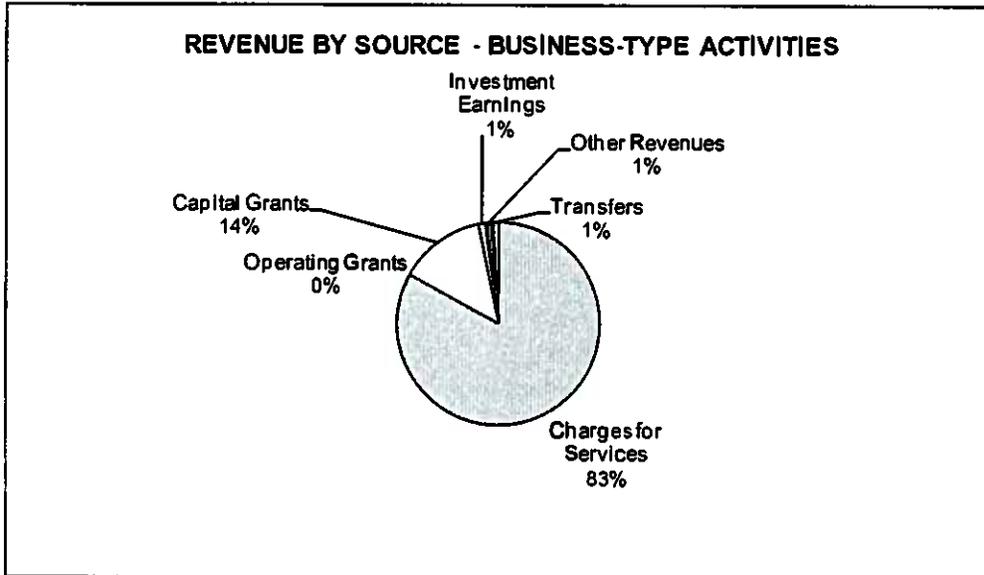


Business-Type Activities

Below is a graph of the business-type activities expenses and related program revenues. As illustrated below and in the Statement of Activities, charges for services, operating grants and contributions, and capital grants received for the services provided cover program expenses in the Water, Sewer, and Sanitation funds. The Water Fund is in need of a new treatment plant, Therefore, this fund will need to be reviewed to see where funding might come to finance a new plant. The Sanitation Fund will need to be monitored and/or evaluated in future years to determine how it might become more efficient.



Below is a graph illustrating revenues by source for the business-type activities: eighty-three percent (83%) of collected revenues are from service related fees.



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City of Rifle uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds – The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. This information is useful in assessing the City's financial requirements. In particular, unreserved fund balance may serve as a useful measure of net resources available for spending at the end of the fiscal year.

One of the differences between the governmental activities as reported in the government-wide *Statement of Activities* and the individual governmental fund financial statements is the reporting of capital asset acquisitions. For the government-wide financial statements, any new assets are capitalized and only depreciation expense for those assets is reported in the *Statement of Activities*. In the individual governmental fund financial statements, the expenditure for the capital asset acquisitions is reported in the *Statement of Revenues, Expenditures, and Changes in Fund Equity*. Therefore, governmental fund capital outlay expenditures of \$6,561 for capital assets acquired in 2010 (page 4) are not reflected in the *Statement of Activities*.

At year-end 2010, governmental funds as reported on the *Balance Sheet – Governmental Funds* (page 3) reported a combined fund balance of \$16,763, a decrease of \$1,585 or 9% from the prior year. The General Fund balance increased \$974 or 19%. The Capital Fund balance decreased \$379 or 7%. The Parks and Recreation Fund balance decreased \$1,546 or 63%. The Parks and Recreation Fund decreased due to major park improvements, specifically Centennial Park phase 1.

The General Fund unreserved, undesignated fund balance at December 31, 2010 was \$4,973 or 70% of annual expenditures. Undesignated fund balance increased \$881. The increase in fund balance was primarily due to management monitoring and reducing expenditures throughout the year. General fund expenditures were lower than the previous year by \$912 or 12%.

General Fund revenues decreased by \$1,568 or 17% primarily due to: building and motor vehicle use taxes, building related revenues, license and permit revenues, and severance and mineral lease.

General Fund expenditures decreased \$912 or 12% in 2010 primarily due to reduced capital outlay costs and operating transfers.

The Street Improvement Fund revenues decreased \$660 or 37% in 2010 primarily due the lack of intergovernmental fund payments.

The Street Improvement Fund's expenditures vary depending on planned public work projects. In 2010, the City completed major street overlays (\$969), sidewalk and concrete repairs (\$8), traffic signals (\$85), and the Fairway Ave project (\$3).

Proprietary Funds – The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The Proprietary Funds include the Water, Wastewater (Sewer), and Sanitation Funds. In the Sanitation Fund, revenues are not keeping up with expenditures. During 2010 the Sanitation fund revenues exceeded the expenditures by \$26. However, typically a replacement sanitation truck needs to be purchased every other year. Unfortunately, this fund is not replenishing its fund balance quickly enough to

purchase replacement trucks when needed. This problem may worsen in future years. The City must either implement a rate increase or consider privatizing the sanitation utility.

Net assets increased \$777 to \$46,075 for all proprietary funds. Investment in capital assets net of related debt represents 83% of total net assets.

ENTERPRISE FUND NET ASSETS
December 31, 2010 and 2009
In Thousands of Dollars

	Water		Sewer		Sanitation		Total	
	2,010	2009	2,010	2009	2,010	2009	2,010	2009
Investment in capital assets net of related debt	\$ 19,950	\$ 19,165	\$ 17,868	\$ 17,431	\$ 227	\$ 303	\$ 38,045	36,899
Unrestricted	5,999	6,194	1,620	1,896	411	309	8,030	8,399
Total net assets	\$ 25,949	\$ 25,359	\$ 19,488	\$ 19,327	\$ 638	\$ 612	\$ 46,075	\$ 45,298

In the Wastewater Fund, a new treatment plant construction project was started in 2007 and completed in late 2009 and early 2010. City Council increased sewer user fees in 2007 to help fund the debt needed to pay for the new wastewater treatment plant. During 2010 costs incurred for the wastewater treatment plant construction was \$286. Additionally, \$403 was incurred to start de-commissioning the old north wastewater treatment plant. The North plant should be fully de-commissioned by the 2011 year-end. A Water Treatment plant will be needed within the next 2-8 years. Water Treatment design was started during 2010 with \$671 paid. Design is expected to be completed by 2011 year-end. Furthermore equipment and land was purchased for a future water treatment plant: \$290 and \$279 respectively.

Unrestricted net assets are reserves for the operation and maintenance component of all the proprietary funds. Again, both the Water Fund and Sewer Fund have been increasing user fees annually to meet increasing costs of operation and to replace decaying infrastructure, which includes collection and distribution lines. Both funds also received monies from energy impact grants distributed by the State of Colorado Division of Local Government. In 2010, the Water and Sewer funds received \$289 and \$200 respectively in grant funds for infrastructure replacements and/or water plant design.

In 2010, the Water, Wastewater, and Sanitation funds had positive net profits. The Water Fund had net income of \$591; Sewer Fund \$161, and Sanitation Fund \$26.

Total unrestricted net assets decreased \$369 during 2010. The Water Fund's unrestricted net assets decreased \$195; Sewer Fund decreased \$276; and the Sanitation Fund increased \$102.

General Fund Budgetary Highlights

Overall the General Fund saw a decrease in revenues from 2009. The national recession continues to impact Rifle. Fortunately, the City has been building up its reserves for several years in preparation for a possible economic downturn. Overall, total revenues actually exceeded budget by \$349. However, Sales Tax revenues were lower than budget by 6%; and Severance/Mineral Lease dollars exceeded budget by \$693. Expenditures were under budget by 13%. Management and City Council took proactive steps early in 2010 to ensure the City would end the year on a

good note. During the year three positions were eliminated while other staff positions were absorbed through attrition.

Severance Tax and Federal Mineral Lease revenues received approximated \$993 thousand. This was a significant reduction from the \$2.5 million received in 2009. The General Fund unreserved and undesignated fund balance increased to \$4,973 or approximately 70% of expenditures.

Capital Asset and Debt Administration

Capital assets – At the end of 2010, the City had \$110,022 invested in capital assets. The investment in capital assets included land, buildings, improvements, machinery and equipment, park facilities, roads, bridges, and trails. Total investment in capital assets for the current year increased 4% - an 8% increase for governmental activities and a 0.2% increase in business-type activities respectively.

**CAPITAL ASSETS AT YEAR-END
(Net of Depreciation)
As of December 31, 2010 and 2009
In Thousands of Dollars**

	Governmental Activities		Business Type Activities		Total	
	2010	2008	2010	2008	2010	2008
Land & Rights	\$ 3,146	\$ 2,866	\$ 2,109	\$ 1,706	\$ 5,255	\$ 4,572
Buildings	10,786	10,998	29,956	30,189	40,742	41,187
Improvements	36,907	32,939	24,090	24,230	60,997	57,169
Equipment	1,663	1,771	1,365	1,261	3,028	3,032
Total	\$ 52,502	\$ 48,574	\$ 57,520	\$ 57,386	\$ 110,022	\$ 105,960

Major changes in the capital assets activity include:

- Parks, trails, and equipment improvements at \$429
- Centennial Park Phase I Improvements \$2,663
- Wastewater Treatment Plant Construction \$286
- North Wastewater Treatment Plant de-commission \$403
- Water infrastructure improvements and equipment at \$410
- Water treatment plant design \$671
- New Water treatment plant equipment \$290
- New Water Treatment plant land \$279
- Capital purchases replacing and/or improving furniture and equipment.

Debt administration – At the end of 2010, the City of Rifle had a balance of \$25,160 outstanding in revenue bonds, revenue notes payable, notes payable and capital leases. The City repaid \$1,658 of its outstanding obligations.

The City has no general obligation debt at this time.

OUTSTANDING DEBT
Years Ended December 31, 2010 and 2009
In Thousands of Dollars

	<u>Governmental Activities</u>		<u>Business Type Activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Revenue bonds and notes payable	\$ 2,560	\$ 2,830	\$ 18,296	\$ 19,193	\$ 20,856	\$ 22,023
Capital leases	<u>3,751</u>	<u>4,163</u>	<u>553</u>	<u>632</u>	<u>4,304</u>	<u>4,795</u>
Total	<u>\$ 6,311</u>	<u>\$ 6,993</u>	<u>\$ 18,849</u>	<u>\$ 19,825</u>	<u>\$ 25,160</u>	<u>\$ 26,818</u>

Economic Factors and Next Year's Budget

The City will need to focus on capital and service needs in the near future and must position itself to contend with the possible continued downturn of gas-related energy development, but it must also be ready to deal with oil shale, if that should occur.

The economic downturn continued to impact the City of Rifle during 2010. The 2010 budget was prepared with an assumption of a 0% growth in the area; unfortunately, the economy began struggling towards the end of 2008 which has continued through 2010. As a result, revenues did not come in as anticipated. Sales tax revenues did experience a 3% increase from 2009, however other revenues saw a decrease. Severance and Mineral lease payments received in 2010 were lower than 2009 by \$1.5 million. The first quarter of 2011 shows sales tax revenues are starting to see a slight increase and are coming in at approximately 9% higher than the first quarter of 2010. The oil and gas industry has significantly reduced their staff on the Western Slope. Furthermore, the building industry has dramatically decreased development during 2009 and 2010. These items have a significant impact on the City of Rifle finances.

Fortunately, the City of Rifle, as a result of prudent management in prior years, has built up the reserves in its general fund. As of December 31, 2010 the audited General Fund unreserved and undesignated fund balance is approximately \$5.0 million. Therefore, there are adequate funds to weather a short economic downturn. Additionally, management is reviewing costs daily and/or weekly and is proactively identifying discretionary costs that may be deferred in the short-term.

While the economy is struggling, the City of Rifle has positioned itself for just such a period. Management and City Council will make necessary changes as needed to the budget to make sure future services will continue to meet the public's needs.

However, in 2010 there were also major projects underway which continued throughout the year. These included the Centennial Park construction project, Deerfield Park design, and a design of a new Water Treatment Plant Facility, as well as several smaller capital improvements.

Overall City growth slowed dramatically in 2010 and with that, the plethora of development review that consumed much of staff and Council time was reduced.

2011 will continue to be a year of challenges for the City as we continue adjusting to our new financial reality. We have made significant budget adjustments, and continue to explore ways to provide services at reduced costs.

Early in 2011 the City of Rifle entered into an agreement to redevelop the old Valley Lumber site on West 2nd street into a seven screen movie theatre. It is anticipated this project will be completed by 2011 year-end.

Finally, we have been fortunate to have set aside significant reserves during the past five years and those reserves will be of major significance to the City as it moves out of the recession and into recovery.

Request for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the Finance Director's office at the City of Rifle, 202 Railroad Ave, Rifle, CO 81650.

CITY OF RIFLE, COLORADO

STATEMENT OF NET ASSETS
December 31, 2010

	2010		
	Governmental Activities	Business - Type Activities	Total
ASSETS			
CURRENT ASSETS			
Cash and Investments	\$ 13,339,615	\$ 5,384,574	\$ 18,724,189
Property Taxes Receivable	891,379	-	891,379
Special Assessments Receivable	184,541	-	164,541
Other Receivable	1,156,519	636,891	1,793,410
Interest Receivable	39,771	-	39,771
Prepaid Expenses	158,262	44,660	203,122
Due from Other Governments	1,238,244	-	1,238,244
Inventory	26,894	93,625	120,519
TOTAL CURRENT ASSETS	17,015,225	6,159,950	23,175,175
NONCURRENT ASSETS			
Capital Assets, net	52,501,379	57,520,566	110,021,945
Restricted Cash	2,727,957	2,666,185	5,414,142
Debt Issuance Costs	85,771	20,725	106,496
TOTAL NONCURRENT ASSETS	55,315,107	60,227,476	115,542,583
TOTAL ASSETS	72,330,332	66,387,426	138,717,758
LIABILITIES			
CURRENT LIABILITIES			
Accounts Payable	866,090	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
TOTAL CURRENT LIABILITIES	3,206,851	1,821,525	5,028,376
NONCURRENT LIABILITIES			
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
TOTAL NONCURRENT LIABILITIES	5,815,019	18,490,635	24,105,654
TOTAL LIABILITIES	8,821,870	20,312,160	29,134,030
NET ASSETS			
Invested in Capital Assets Net of Related Debt	46,621,165	38,045,333	84,666,498
Restricted:			
by Statute	857,168	-	657,168
Unrestricted	16,030,129	8,029,933	24,060,062
TOTAL NET ASSETS	\$ 63,508,462	\$ 46,075,266	\$ 109,583,728

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

CITY OF RIFLE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2010

NOTE 11: **RATE MAINTENANCE**
12

The 2003 Colorado Water Resources and Power Development Authority water loan agreement requires that Net Revenues shall represent a sum equal to 110% of the amount necessary to pay when due the principal and interest on the loan and any parity debt coming due.

The 2007 Colorado Water Resources and Power Development Authority sewer loan agreement requires that Net Revenues shall represent a sum equal to 110% of the amount necessary to pay when due the principal and interest on the loan and parity debt coming due. The computation of said rate maintenance is as follows:

	<u>Water Fund</u>	<u>Wastewater Fund</u>
<u>Revenues</u>		
Operating Revenues	\$ 2,473,044	\$ 2,463,169
System Improvement Fees (Water Improvement not to exceed 15% of total revenues)	200,006	137,893
Investment Earnings	52,483	13,759
Cash in Lieu of Fees	450	-
State Grants	288,584	200,000
Other Revenues	<u>80,704</u>	<u>1,055</u>
Total Revenues	<u>3,095,271</u>	<u>2,815,876</u>
<u>Expenses</u>		
Operating Expenses	(2,562,244)	(2,402,798)
Less: Discretionary Incentive Charges (Management Fees, Fleet Maintenance, Information Systems)	171,133	140,083
Less: Depreciation	<u>820,345</u>	<u>1,035,527</u>
Net Expenses	<u>(1,570,766)</u>	<u>(1,227,188)</u>
Net Revenues	<u>1,524,505</u>	<u>1,588,688</u>
<u>Debt Service Requirements (Parity and Subordinate)</u>		
2004 DOLA Note Payable	-	64,480
2007 CWRPDA Note Payable	-	1,351,749
1994 CWRPDA Note Payable	103,506	-
2003 CWRPDA Note Payable	110,902	-
1982 CWCB Note Payable	15,156	-
Meter Retrofit Lease Payable	<u>105,018</u>	<u>-</u>
Total Debt Service	334,582	1,416,229
Required Coverage	<u>110%</u>	<u>110%</u>
(Water 100% without System Improvement Fees)		
Debt Service Coverage Amount	<u>368,040</u>	<u>1,557,852</u>
Net Revenue Excess (Shortfall)	<u>\$ 1,156,465</u>	<u>\$ 30,836</u>

Report Criteria:

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

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
1003						
Action Shop Services, Inc						
	SI59494	TRIMMER LINE ORANGE	05/23/2011	62.13	.00	
	SI59733	CHAIN LOOP	05/31/2011	285.46	.00	
	SI59787	BAR OIL GALLON	06/02/2011	39.79	.00	
	SI59932	GASKET	06/07/2011	1.50	.00	
Total 1003:				388.88	.00	
1004						
Verizon Wireless						
	0978256657	COUNCIL	05/18/2011	4,918.96	4,918.96	06/03/2011
Total 1004:				4,918.96	4,918.96	
1009						
B & B Plumbing, Inc						
	34154	REPAIRED LEAK SOLAR SYSTE	05/27/2011	591.12	.00	
	34179	STARTED UP WAMP COOLER	06/02/2011	95.00	.00	
Total 1009:				686.12	.00	
1018						
Valley Lumber						
	52797	14-3 50' EXTENSION CORD	03/25/2011	23.99	.00	
	53146	QUART PATCH SPACKE COMP	04/01/2011	5.49	.00	
	54579	4X8 1/2 CDX PLY	05/18/2011	52.22	.00	
	54668	PARTICAL SCRW	05/20/2011	18.48	.00	
	54796	BLADE RECIP	05/24/2011	24.99	.00	
	54817	POWER BLOCK	05/24/2011	23.74	.00	
	54903	RH MACH SCREW	05/26/2011	6.56	.00	
	55082	CONSTRUCTION FIR	06/01/2011	35.17	.00	
	55110	BRASS HOSE CAP	06/01/2011	16.72	.00	
	55121	DOW STYROFOAM	06/01/2011	101.94	.00	
	55153	CONCRETE MIX	06/02/2011	14.97	.00	
	55159	WEDGES FOR AXES	06/02/2011	15.37	.00	
	55166	BYPASS HAND PRUNER'	06/02/2011	28.48	.00	
	55311	TIE DOWNS RATCHET	06/06/2011	26.99	.00	
Total 1018:				395.11	.00	
1022						
Central Distributing Co						
	572502	Supplies	05/25/2011	16.56	.00	
	871874	Supplies	05/17/2011	187.22	.00	
	872503	Supplies	05/25/2011	221.95	.00	
	872509	Supplies	05/25/2011	182.33	.00	
	872510	Supplies	05/25/2011	41.33	.00	
	873415	Supplies	06/02/2011	158.75	.00	
	873417	Supplies	06/02/2011	41.04	.00	
	873418	Supplies	06/02/2011	1,067.93	.00	
	873423	Supplies	06/02/2011	257.13	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 1022:				2,174.24	.00	
1034						
Colo Assoc Chiefs Police						
	051211	member dues	05/12/2011	480.00	480.00	05/27/2011
Total 1034:				480.00	480.00	
1055						
Columbine Ford, Inc						
	105951	MANIFOLD A	05/03/2011	456.00	.00	
	106005	ELEMENT	05/04/2011	47.22	.00	
	106302	164R7040	05/20/2011	90.00	.00	
	207564	DUPLICATE KEY	05/20/2011	105.00	.00	
Total 1055:				698.22	.00	
1059						
Consolidated Electrical Distr						
	4983-515182	GFI CIRCUIT TESTER	05/19/2011	85.92	.00	
Total 1059:				85.92	.00	
1060						
Copeland Concrete, Inc						
	30611	R-4 COLLARS	06/01/2011	120.00	.00	
Total 1060:				120.00	.00	
1070						
Federal Express Corp						
	7-508-53713	SHIPPING	05/26/2011	46.55	46.55	06/03/2011
Total 1070:				46.55	46.55	
1076						
Garfield County Treasurer						
	053111	Landfill	05/31/2011	20,043.58	.00	
Total 1076:				20,043.58	.00	
1094						
Hy-way Feed & Ranch Supply						
	495691	SHOVEL	06/03/2011	30.99	.00	
	504878	pathfinder	04/12/2011	135.75	.00	
Total 1094:				166.74	.00	
1105						
Meadow Gold Dairies						
	50206431	DAIRY PRODUCTS/SENIOR CT	05/26/2011	67.70	.00	
	50206487	SNACKS	05/31/2011	276.96	.00	
	50206494	DAIRY PRODUCTS/SENIOR CT	06/02/2011	19.70	.00	
	50206516	DAIRY PRODUCTS/SENIOR CT	06/03/2011	36.00	.00	
Total 1105:				400.36	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
1106						
Micro Plastics Inc						
	86443	LETTERED SIGN	05/25/2011	2,172.15	.00	
Total 1106:				2,172.15	.00	
1110						
Napa Auto Parts						
	164860	LOCKNUT	05/03/2011	17.80	.00	
	165502	SPARK PLUG	05/05/2011	2.33	.00	
	165976	CLAMP	05/09/2011	11.96	.00	
	166237	CAP SCREW	05/10/2011	6.60	.00	
	166550	CONNECTOR	05/11/2011	56.88	.00	
	167493	MET/TAP	05/17/2011	9.68	.00	
	167585	AIR FILTER	05/17/2011	49.39	.00	
	167599	FUEL FILTER	05/17/2011	9.99	.00	
	167645	SPARK PLUG	05/18/2011	4.66	.00	
	167720	MATERIAL ASSORTMENT	05/18/2011	9.77	.00	
	167912	CAP SCREW	05/19/2011	12.39	.00	
	167926	AIR FILTER	05/19/2011	17.87	.00	
	168167	HANGER	05/20/2011	110.73	.00	
	168172	U-BOLT	05/20/2011	13.54	.00	
	169544	30 W	05/28/2011	3.29	.00	
	169783	GL WHIT	05/31/2011	11.18	.00	
	171180	CABLE TIE	06/07/2011	32.97	.00	
Total 1110:				381.03	.00	
1118						
Parts House						
	5613-10005	ERASER WHEELS	05/20/2011	122.44	.00	
	5613-10077	6PK ALK AAA	05/24/2011	5.49	.00	
	5613-10101	CARQUEST BLUE FILTERS	05/25/2011	23.92	.00	
	5613-10137	EXACT FIT WIPER BL	05/26/2011	89.63	.00	
	5613-10372	TERMINAL PAK	06/07/2011	3.29	.00	
	5613-9540	ADVANCED GENERATION BAT	05/03/2011	112.99	.00	
	5613-9566	ANTIFREEZE	05/04/2011	142.48	.00	
	5613-9567	ANTIFREEZE	05/04/2011	52.80-	.00	
	5613-9889	COM & TRACTOR BAT	05/16/2011	48.99	.00	
	5613-9890	AIR FILTER-RED	05/16/2011	6.66	.00	
	5613-9915	CARQUEST BLUE FILTERS	05/17/2011	43.99	.00	
Total 1118:				547.08	.00	
1120						
Xcel Energy Inc						
	0373876226	250 E 16TH ST	05/27/2011	19.91	19.91	06/03/2011
	282138534	221 W 2ND ST CUT OFF GAS S	05/16/2011	224.00	224.00	05/27/2011
	282628064	STRRET LIGHTS	05/19/2011	22,288.07	22,288.07	05/27/2011
	283092094	27346 HWY 6 &24	05/24/2011	3,821.42	3,821.42	06/03/2011
	283371665	27346 HWY 6 &24	05/25/2011	3,662.41	3,662.41	06/03/2011
Total 1120:				30,015.81	30,015.81	
1138						
Schmueser/Gordon/Meyer, Inc						
	99055A-159	PHASE 472	05/27/2011	13,491.25	.00	
	99055G-1-8	WWTF METALS EVALUATION	05/26/2011	16,920.38	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
	99055N-6	RIFLE WATER CONSERVATION	05/31/2011	830.00	.00	
	99055O-1	GRAHAM MESA WATER PLANT	05/31/2011	620.00	.00	
Total 1138:				31,861.63	.00	
1143						
Swallow Oil Company						
	053111	UNLEADED /FLEET	05/31/2011	6,436.38	.00	
	INV 11050069	DIESEL /FLEET	05/31/2011	117.60	.00	
Total 1143:				6,553.98	.00	
1166						
Busy Bee Floral						
	043011	FLOWERS-SEC DAY	04/30/2011	170.00	170.00	05/27/2011
Total 1166:				170.00	170.00	
1181						
Garfield Steel & Machine, Inc						
	00076650	1 ROUND CR	05/25/2011	11.46	.00	
Total 1181:				11.46	.00	
1191						
Lewan & Associates, Inc						
	846818	B&W METER	04/29/2011	5.74	.00	
	860003	B&W METER	05/31/2011	5.88	.00	
	860587	kip copier	06/01/2011	70.52	.00	
Total 1191:				82.14	.00	
1233						
Grand River Hospital District						
	050511	DRUG SCREEN KIT	05/05/2011	56.00	.00	
Total 1233:				56.00	.00	
1249						
Berthod Motors Inc						
	150586	CLUTCH	05/20/2011	345.00	.00	
	150588	OIL LINE	05/20/2011	45.70	.00	
	150642	ENGINE KIT	05/24/2011	367.00	.00	
Total 1249:				757.70	.00	
1322						
Boulton, J.r.						
	052711	REIMBURSE FOR HOTEL/TRAV	05/27/2011	296.06	296.06	05/27/2011
Total 1322:				296.06	296.06	
1339						
Grand Junction Pipe & Supply						
	C2339541	DI MJ SOLID SLEEVE	05/11/2011	1,296.48	.00	
	C2339754	METER PIT SIMPLEX	05/13/2011	1,117.71	.00	
	C2340540	FEBCO RUBBER KIT	05/20/2011	142.64	.00	
	C2340568	LUBE GALLON	05/20/2011	17.78	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
	C2340657	SCH 40 PIPE	05/23/2011	219.66	.00	
	C2340674	CONDUIT S40 PVC	05/23/2011	621.11	.00	
	C2341396	GATE VLV MJXMJ	05/31/2011	888.00	.00	
	C2341425	ROCK ENCLOSURE	05/31/2011	437.19	.00	
	C2341848	HUNTER ROTOR	06/02/2011	720.00	.00	
	C2342093	LID STORM SEWER	06/03/2011	108.00	.00	
	C2342119	DI MJ CAP	06/03/2011	85.76	.00	
Total 1339:				5,654.33	.00	
1437						
TAYLOR FENCE COMPANY OF GRAND						
	G29974	CONST. PANEL RENTAL	05/31/2011	28.80	.00	
	G29975	CONST. PANEL RENTAL	05/31/2011	15.00	.00	
Total 1437:				43.80	.00	
1458						
QA Balance Services Inc						
	7183	CALABRATION/WASTE WATER	05/18/2011	384.00	.00	
Total 1458:				384.00	.00	
1505						
Markertek Video Supply						
	953942	JENSEN VB-1BB	05/26/2011	145.34	.00	
Total 1505:				145.34	.00	
1583						
Ben Meadows Company, Inc						
	1017405144	MSG WARN TPE CAUT YBL 3 IN	05/27/2011	242.72	.00	
Total 1583:				242.72	.00	
1712						
Valley View Hospital						
	V31525926	MYERS, AVA-EMERGENCY VISI	05/06/2011	600.00	600.00	05/27/2011
Total 1712:				600.00	600.00	
1734						
United Companies						
	801871	SANDING MATERIALS	05/18/2011	415.40	.00	
	802629	ROAD BASE	05/21/2011	171.88	.00	
Total 1734:				587.28	.00	
1768						
Faris Machinery Company						
	G21484	SIDE PLATE RH	05/23/2011	1,930.75	.00	
	G21500	ACTUATOR	05/25/2011	779.84	.00	
Total 1768:				2,710.59	.00	
1830						
Grand Valley Foods						
	114204	FOOD PRODUCT/SR CENTER	05/27/2011	544.27	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
	114357	FOOD PRODUCT/SR CENTER	06/03/2011	685.34	.00	
Total 1830:				1,229.61	.00	
1833						
P & K's Auto Body						
	050311.	Repair PD Vehicle	05/03/2011	1,375.38	1,375.38	06/03/2011
Total 1833:				1,375.38	1,375.38	
1893						
K-d Flags						
	25385	4X6 TOUGHT-TEX POLYESTER	05/30/2011	377.17	.00	
Total 1893:				377.17	.00	
1990						
Bookcliff Survey Services, Inc						
	7685	RIFLE CREEK PLAZA	05/31/2011	1,275.00	.00	
Total 1990:				1,275.00	.00	
2122						
Utility Notification Center Co						
	21105616	RTL TRANSMISSIONS	05/31/2011	93.38	.00	
Total 2122:				93.38	.00	
2139						
CDW Government, Inc						
	XJJ5066	APC BACK-UPS ES 8OUT	05/10/2011	292.03	.00	
Total 2139:				292.03	.00	
2169						
Information Systems Consulting						
	0057161-IN	AIR-BR1310G-A-K	05/11/2011	1,118.08	.00	
	00571930IN	CON-SNT-1	05/12/2011	93.60	.00	
	0057433-IN	ADSM NOT WORKING	05/27/2011	92.50	.00	
Total 2169:				1,304.18	.00	
2181						
Nalco Chemical Company						
	95855606	Drum 210 LITER	05/09/2011	6,431.08	.00	
Total 2181:				6,431.08	.00	
2184						
Savage Land Co						
	93	RCCD 2011 DITCH BILL GRAHA	04/06/2011	594.01	594.01	05/27/2011
Total 2184:				594.01	594.01	
2234						
Office Depot, Inc						
	051311	SUPPLIES	05/13/2011	55.92	55.92	05/27/2011

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 2234:				55.92	55.92	
2235						
Acme Alarm Company Inc						
	6246MON	3RD QUARTER MONITORING 2	06/01/2011	90.00	.00	
	6340MON	3RD QUARTER MONITORING 2	06/01/2011	90.00	.00	
	6343MON	3RD QUARTER MONITORING 2	06/01/2011	105.00	.00	
	6344MON	3RD QUARTER MONITORING 2	06/01/2011	90.00	.00	
Total 2235:				375.00	.00	
2240						
Northern Tool & Equipment Co						
	23794422	POWERHORSE WATERPUMP	04/15/2011	636.76	.00	
Total 2240:				636.76	.00	
2247						
Rocky Mountain Electric Motors						
	M16143	PULLEY	05/19/2011	179.00	.00	
	M16144	NEW AI SMITH	05/26/2011	179.00	.00	
Total 2247:				358.00	.00	
2255						
California Contractors Supply						
	FF38989	132 PC CHANNEL LOCK TOOL	05/11/2011	149.90	.00	
Total 2255:				149.90	.00	
2309						
Sport Supply Group, Inc.						
	94024230	MARK 1 OLB PRACTICE	05/20/2011	180.32	.00	
Total 2309:				180.32	.00	
2343						
Mountain Pest Control						
	0259597	PEST CONTROL	04/06/2011	66.00	66.00	05/27/2011
Total 2343:				66.00	66.00	
2497						
Techdepot/Solution 4Sure						
	B110514466V1	HP LAZERJET PRO	05/31/2011	284.99	.00	
Total 2497:				284.99	.00	
2540						
Walker Electric						
	3772	REPAIR	05/24/2011	201.73	.00	
Total 2540:				201.73	.00	
2622						
Edgeton, Wayne						
	042611	REIMBURSE EXPENSES	04/26/2011	22.22	22.22	05/27/2011

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 2622:				22.22	22.22	
2824						
Aflac						
	717426ER	SERVICE FEE	05/16/2011	150.00	150.00	05/27/2011
Total 2824:				150.00	150.00	
2830						
Qwest						
	9706254904-0	Police	05/22/2011	101.01	101.01	06/03/2011
	9706254960-0	Police	05/22/2011	124.48	124.48	06/03/2011
	9706257330 05	O&M	05/22/2011	718.68	718.68	06/03/2011
	9706258808-0	SHELTER	05/22/2011	51.39	51.39	06/03/2011
	9706259179-0	Finance	05/22/2011	87.36	87.36	06/03/2011
	K7191113095	Parks	05/22/2011	924.37	924.37	06/03/2011
Total 2830:				2,007.29	2,007.29	
2835						
L.L. Johnson Distributing Co						
	1573387-00	LINE MARKING CHALK/PARKS	05/12/2011	514.68	.00	
Total 2835:				514.68	.00	
2846						
Colo Mtn News Media						
	6361994A	ADS	04/04/2011	66.42	66.42	06/03/2011
	6381920A	ADS	04/08/2011	116.75	116.75	06/03/2011
	6469556 05011	ADS	05/01/2011	67.95	.00	
	6469556 05021	ADS	05/02/2011	67.95	.00	
	6469556 05031	ADS	05/03/2011	67.95	.00	
	6469556 05041	ADS	05/04/2011	67.95	.00	
	6469556 05051	ADS	05/05/2011	98.19	.00	
	6550909A	ADS	05/23/2011	13.66	13.66	06/03/2011
	6550925A	ADS	05/23/2011	13.16	13.16	06/03/2011
	6595853A	ADS	06/02/2011	10.63	10.63	06/03/2011
	6625179A	ADS	06/10/2011	64.26	.00	
	6625429A	ADS	06/16/2011	6.07	.00	
Total 2846:				660.94	220.62	
2913						
Soak-N-Wet						
	5115	LABOR START UP SYSTEMS	05/18/2011	87.50	.00	
Total 2913:				87.50	.00	
2940						
Face-n-space Silkscreening						
	3796	cotton teeshirts	05/25/2011	435.00	.00	
Total 2940:				435.00	.00	
2960						
Walmart Community						
	011844	SUPPLIES	05/11/2011	26.02	26.02	05/27/2011

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
	013006	SUPPLIES	05/13/2011	52.97	52.97	05/27/2011
	013257	SUPPLIES	05/13/2011	106.08	106.08	05/27/2011
	016946	SUPPLIES	05/16/2011	20.91	20.91	05/27/2011
	019122	SUPPLIES	05/19/2011	60.44	60.44	05/27/2011
	020149	SUPPLIES	05/20/2011	27.88	27.88	05/27/2011
	023615	FOOD SUPPLIES	05/23/2011	6.90	6.90	06/03/2011
	023639	FOOD SUPPLIES	05/23/2011	83.67	83.67	06/03/2011
Total 2960:				384.87	384.87	
3015						
Kroger/King Sooper Cust Charge						
	015639	FOOD /SR CENTER	05/31/2011	82.82	82.82	06/03/2011
	034383	FOOD /SR CENTER	05/31/2011	53.00	53.00	06/03/2011
	106993	SNACKS	06/01/2011	87.45	87.45	06/03/2011
	125141	FOOD /SR CENTER	05/25/2011	93.69	93.69	06/03/2011
	146105	COMMUNITY LEADERS LUNCH	06/02/2011	63.35	63.35	06/03/2011
	176526	FOOD /SR CENTER	05/26/2011	18.65	18.65	06/03/2011
	184939	SNACKS	05/12/2011	265.96	265.96	05/27/2011
	237021	FOOD /SR CENTER	05/27/2011	396.79	396.79	06/03/2011
	269636	FOOD /SR CENTER	05/27/2011	32.94	32.94	06/03/2011
Total 3015:				1,094.65	1,094.65	
3083						
ALSCO						
	1012178	LAUNDRY/senior center	05/24/2011	50.56	.00	
	1012179	work shirts and pants	05/24/2011	27.24	.00	
	1015144	LAUNDRY/senior center	05/31/2011	38.67	.00	
	1015145	work shirts and pants	05/31/2011	27.24	.00	
	1018194	work shirts and pants	06/07/2011	27.24	.00	
Total 3083:				170.95	.00	
3178						
Hanson Equipment,inc						
	222790	ROD	05/03/2011	159.12	.00	
Total 3178:				159.12	.00	
3224						
Javelina Trading Company						
	1104052	NITRILE GOVE	05/10/2011	496.31	.00	
Total 3224:				496.31	.00	
3251						
Mountain Communications And EI						
	206005	GRASS MESA RENTAL	06/01/2011	250.00	.00	
Total 3251:				250.00	.00	
3285						
Johnson-Carter Architects, PC						
	1105C-1	ARCHITECTURAL SERVICES	06/03/2011	550.00	.00	
Total 3285:				550.00	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
3347						
V.I.P. Trash Services LLC						
	36144	TRASH PICKUP/DDA	06/01/2011	140.00	.00	
Total 3347:				140.00	.00	
3446						
Staples Business Advantage						
	8018535731	supplies	05/07/2011	405.79	.00	
Total 3446:				405.79	.00	
3771						
Waste Management Inc						
	0643131-1185-	RIFLE MOUNTAIN PARK	06/01/2011	750.77	.00	
	0643131-1185-	OVERCHARGE CREDIT	06/01/2011	363.27-	.00	
	1072265-0576-	Recycling Service	06/01/2011	1,856.45	.00	
	1072266-0576-	Recycling Service	06/01/2011	1,771.88	.00	
	1072267-0576-	Recycling Service	06/01/2011	567.61	.00	
Total 3771:				4,583.44	.00	
3780						
Concrete Equipment						
	118115	REBAR	06/06/2011	39.20	.00	
Total 3780:				39.20	.00	
3798						
Ace Industrial Supplies						
	1082526	CLOTH DUCT TAPE	05/23/2011	325.64	.00	
Total 3798:				325.64	.00	
3953						
Environmental Solutions						
	327	WETLAND DELINEATION/RIFLE	05/30/2011	9,878.75	.00	
Total 3953:				9,878.75	.00	
3972						
Hier, John						
	052711	Contract - Mileage allowance	05/27/2011	200.00	200.00	05/27/2011
Total 3972:				200.00	200.00	
4098						
Heuton Tire Co						
	86943	TIRES/.FLEET	05/10/2011	644.93	.00	
	87101	TIRES/.FLEET	05/17/2011	1,242.84	.00	
	87451	TIRES/.FLEET	06/01/2011	68.40	.00	
Total 4098:				1,956.17	.00	
4121						
Cebt						
	060311	cobra	06/03/2011	105,042.03	105,042.03	06/03/2011

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 4121:				105,042.03	105,042.03	
4141						
True Brew Coffee Service						
	135058	COFFEE	06/02/2011	73.89	.00	
Total 4141:				73.89	.00	
4207						
Radio Shack						
	10136822	PK2 3A 200V DIODE	05/13/2011	1.59	.00	
	10137357	200 W AMP	06/03/2011	147.32	.00	
	10137358	6 W 1/8 ST PLUGS	06/03/2011	78.86	.00	
Total 4207:				227.77	.00	
4240						
Platinum Plus For Business						
	KEHOE 05111	ESIGNAL	05/11/2011	7,019.07	7,019.07	05/31/2011
	PRUITT	EXPENSES	05/11/2011	48.44	48.44	05/27/2011
	PRUITT 05111	EXPENSES	05/11/2011	.00	.00	
	SHANAHAN 05	ROLL CALL MEETING-EXPENS	05/11/2011	120.64	120.64	05/27/2011
	TYLER 051111	EXPENSES	05/11/2011	48.42	48.42	05/27/2011
	WHITMORE 05	CITY HALL REMODEL	05/11/2011	1,278.73	1,278.73	05/31/2011
Total 4240:				8,515.30	8,515.30	
4345						
Helen Artist-Rogers/HR Design						
	052711	DDA MANAGEMENT	05/27/2011	2,916.67	2,916.67	05/27/2011
Total 4345:				2,916.67	2,916.67	
4373						
Rifle Electric Inc						
	1951	REMOVE REPLACE HALLWAY L	05/24/2011	326.88	.00	
Total 4373:				326.88	.00	
4441						
Koutsoubos, Louis						
	052711	RENT JUNE2011	05/27/2011	1,085.00	1,085.00	05/27/2011
Total 4441:				1,085.00	1,085.00	
4459						
Ground Engineering Consultants						
	116519.0-2	MaterialS TESTING RIFLE SEW	05/26/2011	663.00	.00	
Total 4459:				663.00	.00	
4502						
Charles D Jones Co Inc						
	4106285-00	LOC LOCHINVAR IGNITOR	05/13/2011	90.00	.00	
Total 4502:				90.00	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
4507						
Neopost Inc/Neofunds						
	050111	postage	05/01/2011	202.22	202.22	06/03/2011
Total 4507:				202.22	202.22	
4590						
Colorado Poolscapes Inc						
	31331-1	POOL CHEMICALS	05/12/2011	1,441.20	.00	
Total 4590:				1,441.20	.00	
4591						
Code Analysis And Design						
	052011	PLAN REVIEW	05/20/2011	260.00	260.00	05/27/2011
Total 4591:				260.00	260.00	
4602						
Anytime Sewer & Drain Company						
	721943	REPAIR	06/01/2011	225.00	.00	
Total 4602:				225.00	.00	
4612						
Automated Batting Cages Corp.						
	96167	BAT & HELMET PACKAGE	06/01/2011	1,312.00	.00	
	96182	WHEEL,PINCH ROLLER	06/01/2011	244.00	.00	
Total 4612:				1,556.00	.00	
4630						
Kirkman, Ula						
	59	PERFORMANCE/SR CENTER	05/20/2011	75.00	75.00	05/27/2011
	60	PERFORMANCE/SR CENTER	05/24/2011	75.00	75.00	06/03/2011
	61	PERFORMANCE/SR CENTER	05/28/2011	150.00	150.00	06/03/2011
Total 4630:				300.00	300.00	
4734						
Vandewalle & Associates, Inc.						
	201105020	CONCEPT PLAN BUSINESS PL	05/31/2011	4,271.40	.00	
Total 4734:				4,271.40	.00	
4775						
HD Supply Waterworks						
	2961031	6 TJ CL52 DI PIPE C/L	05/20/2011	713.73	.00	
Total 4775:				713.73	.00	
4811						
United Site Services Inc						
	103-62745	PORTABLE RESTROOM -HEINZ	05/17/2011	65.00	.00	
	103-62746	PORTABLE RESTROOM/ DAVID	05/17/2011	130.00	.00	
	103-62766	PORTABLE RESTROOM CENTE	05/17/2011	150.00	.00	
	103-63599	PORTABLE RESTROOM JOYCE	05/26/2011	65.00	.00	
	103-63952	PORTABLE RESTROOM-BATTI	05/30/2011	65.00	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
	103-64022	PORTABLE RESTROOM -DEER	05/31/2011	540.00	.00	
Total 4811:				1,015.00	.00	
4825						
Cross Propane Gas						
	55766	PROPANE/PW FACILITY	05/19/2011	1,430.40	.00	
Total 4825:				1,430.40	.00	
4920						
Bell Supply Co						
	PSI343376	CAM & GROOVE	05/26/2011	14.21	.00	
Total 4920:				14.21	.00	
4926						
Ge Capital						
	55700488	SHARP COPIERS/ PD	05/18/2011	575.69	.00	
Total 4926:				575.69	.00	
4937						
Stilson, Linda						
	060111	LUNCH REIMBURSEMENT	06/01/2011	15.76	15.76	06/03/2011
Total 4937:				15.76	15.76	
4960						
PXI INC						
	28-292	HAULING WW	05/11/2011	8,400.00	.00	
	28-293	SPRING CLEAN UP	05/11/2011	7,157.50	.00	
Total 4960:				15,557.50	.00	
4963						
Intellipay Inc						
	2	transaction fee	06/03/2011	112.05	.00	
Total 4963:				112.05	.00	
4966						
Graphic Edge						
	521399	Team uniforms/rec	05/10/2011	1,480.50	.00	
	521447	Team uniforms/rec	05/18/2011	1,182.22	.00	
	523139	Team uniforms/rec	05/23/2011	412.63	.00	
	523668	Team uniforms/rec	05/24/2011	1,568.60	.00	
Total 4966:				4,643.95	.00	
4989						
Mr Power S/Sandor Drucker						
	138	SIDEWALK CLEANING/DDA	05/31/2011	410.00	.00	
Total 4989:				410.00	.00	
5181						

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
FRED'S HARDWARE						
	20301 053111	SUPPLIES	05/31/2011	237.65	.00	
	20303 053111	SUPPLIES	05/31/2011	139.30	.00	
	20305 053111	SUPPLIES	05/31/2011	45.07	.00	
	20306 053111	SUPPLIES	05/31/2011	79.63	.00	
Total 5181:				501.65	.00	
5207						
Hayes, Peter						
	052711	reimburse for expenses	05/27/2011	15.00	15.00	05/27/2011
Total 5207:				15.00	15.00	
5211						
STAPLES						
	051511	OFFICE SUPPLIES	05/15/2011	202.78	202.78	05/27/2011
Total 5211:				202.78	202.78	
5253						
FASTENAL						
	40942	T ROD	05/17/2011	15.62	.00	
	40993	T ROD	05/18/2011	37.51	.00	
	41255	8X12- DRWL REG BP	05/31/2011	25.45	.00	
	CORIF41144	STRTU-BOLT	05/25/2011	5.55	.00	
Total 5253:				84.13	.00	
5365						
American Windshield Repair						
	6305	windshield repair	05/25/2011	45.00	.00	
Total 5365:				45.00	.00	
5413						
Bruno, Colin, Jewell & Lowe PC						
	118530	Legal Fees	05/31/2011	454.10	.00	
Total 5413:				454.10	.00	
5473						
McAfee						
	INV509854	FAIL SAFE DISASTER RECOVER	05/01/2011	132.00	.00	
Total 5473:				132.00	.00	
5518						
CURRENT SOLUTIONS						
	3898	TROUBLESHOOT TEST 2 NETW	05/16/2011	1,664.67	.00	
Total 5518:				1,664.67	.00	
5548						
Power Equipment Company						
	G105048797	OIL FILTER	05/24/2011	137.90	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 5548:				137.90	.00	
5600						
BIG IRON TIRE SERVICE LLC						
	110088	SERVICE CALL	05/11/2011	225.00	.00	
	110089	REPAIR	05/17/2011	243.50	.00	
	110092	SERVICE CALL	05/20/2011	175.00	.00	
	110093	UP-2 UNI-REPAIR	05/25/2011	180.00	.00	
	11094	UP-2 UNI-REPAIR	05/26/2011	180.00	.00	
Total 5600:				1,003.50	.00	
5613						
SunEdison, LLC/pump station						
	771106008599	PUMP STATION #1	05/31/2011	5,578.14	5,578.14	06/02/2011
Total 5613:				5,578.14	5,578.14	
5643						
Tally Ho Construction						
	110522	ADDITION SERVICE CENTER B	05/25/2011	10,350.00	.00	
Total 5643:				10,350.00	.00	
5648						
REDI SERVICES, LLC						
	0135150	PORTABLE RESTROOMS	05/17/2011	60.00	.00	
Total 5648:				60.00	.00	
5668						
Kenny's Overhead Doors, Inc.						
	5686	Shop Door Repairs	05/04/2011	198.00	.00	
Total 5668:				198.00	.00	
5680						
Malcolm Pirnie, Inc.						
	0384814	Professional Services-Environme	06/02/2011	58,248.62	.00	
Total 5680:				58,248.62	.00	
5707						
BOOKCLIFFS PROFESSIONAL BUILDI						
	723	RENT STORAGE THEATER SEA	05/11/2011	465.00	465.00	05/27/2011
	724	RENT STORAGE THEATER SEA	05/11/2011	585.00	585.00	05/27/2011
Total 5707:				1,050.00	1,050.00	
5729						
CAMPUS TEAM WEAR						
	P02480970001	uniforms	06/02/2011	1,552.15	.00	
Total 5729:				1,552.15	.00	
5752						

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Accutest Mountain States						
	D5-17134	alkalinity, organic carbon/water te	05/19/2011	642.00	.00	
Total 5752:				642.00	.00	
5789 GARFIELD CO LIBRARIES CAPITAL						
	10-031	ARCHITECT FEES SEP 2010/DE	01/14/2011	2,953.04	.00	
Total 5789:				2,953.04	.00	
5796 Norit Americas Inc.						
	514347	Po 444	05/23/2011	2,370.00	.00	
Total 5796:				2,370.00	.00	
5833 SunEdison, LLC/SunE U6 holding						
	781106008598	energy innovation center	05/31/2011	14,663.99	14,663.99	06/02/2011
Total 5833:				14,663.99	14,663.99	
5846 Mesa County Health Department						
	1879-11	Water Testing	05/24/2011	20.00	20.00	05/27/2011
	1880-11	Water Testing	05/24/2011	20.00	20.00	05/27/2011
	1881-11	Water Testing	05/24/2011	20.00	20.00	05/27/2011
	1882-11	Water Testing	05/24/2011	20.00	20.00	05/27/2011
Total 5846:				80.00	80.00	
5945 Loyal E Leavenworth pc						
	775	LEGAL FEES	05/31/2011	471.55	.00	
Total 5945:				471.55	.00	
5958 Utility Refund						
	1211101	REFUND	05/26/2011	176.95	176.95	06/03/2011
	1401104	REFUND	05/26/2011	49.72	49.72	06/03/2011
	1863102	REFUND	05/26/2011	154.56	154.56	06/03/2011
	2447105	REFUND	05/26/2011	679.65	679.65	06/03/2011
Total 5958:				1,060.88	1,060.88	
5960 Recreation Fee Refunds						
	2000617002	REC FEE REFUND	05/18/2011	62.00	62.00	05/27/2011
	2000618002	REC FEE REFUND	05/18/2011	50.00	50.00	05/27/2011
	2000628002	REC FEE REFUND	05/31/2011	7.20	7.20	06/03/2011
	2000637002	REC FEE REFUND	06/02/2011	18.00	18.00	06/03/2011
Total 5960:				137.20	137.20	
6033						

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Krav Maga Worldwide	052711	SEMINAR-MIKE PRUITT	05/27/2011	700.00	700.00	05/27/2011
Total 6033:				700.00	700.00	
6067						
Mountain Roll-offs, Inc.	050211	PORTABLE RESTROOM	05/02/2011	103.55	.00	
Total 6067:				103.55	.00	
6154						
Christie Dennis	052711	REIMBURSEMENT RENEWAL	05/27/2011	85.00	85.00	05/27/2011
Total 6154:				85.00	85.00	
6195						
Western Slope Communications	32184	ESPN RADIO-ADVERTISING	05/31/2011	325.00	.00	
	32185	THE RIVER KRVG-ADVERTISIN	05/31/2011	325.00	.00	
Total 6195:				650.00	.00	
6238						
Memphis Net & Twine Co Inc	404714	PRO BASES	05/19/2011	138.88	.00	
Total 6238:				138.88	.00	
6242						
Xerox Corporation	716547112	BASE CHARGE	06/01/2011	258.65	.00	
Total 6242:				258.65	.00	
6252						
Metcalf Archaeological Consultants	10365	RIFLE BOAT RAMP	06/07/2011	3,057.25	.00	
Total 6252:				3,057.25	.00	
6273						
Niemann's Gardens	052711	VIF CITY BEAUTIFICATION PRO	05/27/2011	1,946.16	1,946.16	05/27/2011
Total 6273:				1,946.16	1,946.16	
6277						
American Parks Company	1812	Pool Shade Structure	05/01/2011	4,365.00	.00	
Total 6277:				4,365.00	.00	
6290						
ATKINS	100018522	GATEWAY project arterial engine	05/23/2011	5,180.76	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
Total 6290:				5,180.76	.00	
6303						
Law Office of Angela Roff, PC						
	60	CITY PROSECUTOR	05/11/2011	4,166.67	4,166.67	05/27/2011
Total 6303:				4,166.67	4,166.67	
6304						
Deussen Dick						
	042411	REIMBURSEMENT-LODGING	04/24/2011	102.10	102.10	05/27/2011
Total 6304:				102.10	102.10	
6305						
DPREP, LLC						
	05-001	TRAINING COURSE	05/10/2011	223.00	223.00	05/27/2011
Total 6305:				223.00	223.00	
6306						
JOBTARGET						
	R2566775	JOB POSTING UTILITY DIRECT	05/22/2011	125.00	125.00	06/03/2011
	R2566778	JOB POSTING-UTILITY DIRECT	05/22/2011	350.00	350.00	06/03/2011
Total 6306:				475.00	475.00	
6307						
Gunnison Parks and Recreation						
	060111	SOFTBALL TOURNAMENT	06/01/2011	350.00	350.00	06/03/2011
Total 6307:				350.00	350.00	
6308						
Medical Group Insurance Services Inc.						
	060311	CITY OF RIFLE SET-UP FEES	06/03/2011	450.00	450.00	06/03/2011
Total 6308:				450.00	450.00	
6309						
Hazen Research, Inc.						
	121423A	GROSS ALPHA	05/23/2011	525.00	.00	
Total 6309:				525.00	.00	
6310						
SIRUS XM Radio Inc.						
	039108202386	SIRUS XM	05/24/2011	105.26	.00	
Total 6310:				105.26	.00	
6311						
DEPARTMENT OF LABOR AND EMPLOYMENT						
	541167	INSPECTION-BOILER	05/31/2011	300.00	.00	
Total 6311:				300.00	.00	

Vendor Name and Number	Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid
6312						
Commercial Maintenance Chemical Corp						
	49677	LIFT STATION DRCREASER-GR	05/20/2011	131.16	.00	
Total 6312:				131.16	.00	
6313						
School Specialty						
	308100928318	BASEBALL BAT & BALL COMBO	06/02/2011	121.41	.00	
Total 6313:				121.41	.00	
6315						
Garfield Cty Regional Airport						
	060811	2011 AIRSHOW DONATION PO	06/08/2011	3,000.00	.00	
Total 6315:				3,000.00	.00	
Grand Totals:				435,446.56	192,321.24	

Dated: _____

City Finance Director: _____

Report Criteria:

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

June 9, 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. 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 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 second reading.

2. Ordinance Nos. 6 and 7, Series of 2011 (14th Street Marketplace PUD Amendments). The developer and owner of 14th Street Marketplace PUD, which received its approvals in 2009, applied to the City to amend the PUD and final subdivision plat to meet changed market conditions. The development proposal under the prior PUD approval was very specific, almost to the detail of a site plan. That proposed development is not possible with today's credit and real estate markets. The

amended subdivision still creates four (4) lots that have been adjusted slightly and the PUD zoning has been broadened to include more general commercial and residential uses. It is very likely a gas station will be developed on Lot 1 and with that initial construction, the roadway serving the subdivision will be built along with the improvements along Railroad Avenue and 14th Street. The enclosed SIA requires a performance guarantee for those improvements as a condition of recording the Final Plat and they must be constructed within one year. The developer has created a PUD Guidebook setting forth the final plans for the PUD and specific conditions of development. Ordinance No. 6 approves the Amended PUD zoning and PUD Guidebook and Ordinance No. 7 approves the final subdivision plat and SIA, both superseding the Prior PUD Approval. The Planning Department's staff report provides additional details regarding the PUD.

We recommend approval of Ordinance Nos. 6 and 7, Series of 2011, on first reading.

3. Ordinance No. 8, Series of 2011 (Temporary Uses/Mobile Vending). Section 16-3-90 of the Rifle Municipal Code governs temporary uses, meaning any outdoor retail and/or wholesale sales use on a short-term basis in one location, including, but not limited to: produce stands, prepared food stands, and vehicles with kitchen facilities. The regulations were adopted in 2009, and since that time staff has worked with the Downtown Development Authority to refine mobile vendor zoning and operational restrictions with the goal of promoting a vibrant pedestrian atmosphere in the City's downtown area. As part of the revision process, staff also identified temporary use review standards in Section 16-5-150 of the Code and proposed moving those criteria to Section 16-3-90. Ordinance No. 8, Series of 2011 before you on first reading adopts the revisions proposed by staff. Most of the changes affect prepared food temporary uses, i.e., vending carts, but the Ordinance also limits temporary produce sales to a permitted use in the Community Service (CS) and Tourist Commercial (TC) zone districts. The review standards carried over from Section 16-5-150 remain the same but are shown as 'new' text in Section 16-3-90(g). The permitting regime for prepared food temporary uses establishes four geographic districts where such sales are permitted, including the Central Business District, which is a zone district as well as a permitting district. No more than three (3) mobile vending carts will be permitted in the Central Business District each year, and the Ordinance contains further detail on how those permits will be assigned.

We recommend approval of Ordinance No. 8, Series of 2011 on first reading.

4. Resolution No. 9, Series of 2011 (Mobile Vending Rules and Regulations for City Parks). Section 11-6-60 of the Rifle Municipal Code authorizes the City Manager to promulgate the rules and regulations governing conduct and activities within all public recreation areas, recreation sites, and parks which are subject to the jurisdiction of the City and to present such proposed rules and regulations for approval by the City Council. As a corollary to the mobile vending revisions proposed in Ordinance No. 8, Series of 2011, the Parks Department is proposing that supplemental rules and regulations be adopted for food and merchandise mobile vending in City parks. Exhibit A to Resolution

KARP NEU HANLON, P.C.

Mayor Keith Lambert
Rifle City Council
Page 3

No. 9, Series of 2011 adopts detailed conditions for obtaining an annual Rifle Parks Vendor Permit, including the number of permits to be issued, application fees, and placement of vending equipment.

We recommend approval of Resolution No. 9, Series of 2011.

5. Arnold Property Exchange Agreement. The Rifle Regional Economic Development Corporation has negotiated another property exchange to benefit the redevelopment of the Valley Lumber Property (n.k.a. Rifle Creek Plaza). Ed and Annette Arnold own two properties located at 201 West Avenue and 216 West 2nd Street that abut Rifle Creek Plaza and the alley between West 2nd Street and 3rd Street. That alley can be better utilized by exchanging the properties identified on the exhibits to the Agreement and the overall site plan for the Project enclosed in your packet. In addition, there is a triangle parcel that is not usable for the Project that would square off the western Arnold property. The City is committing to construct certain drainage improvements to ensure the Project does not impact the Arnold Property. When the construction of the Theatre 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, Rifle Ventures, and now the Arnold Parcel). Prior to that Plat being recorded, the RREDC will convey the Arnold Parcel to the City so it will merge with the overall Site. The Arnolds are still discussing the impact of the property exchange with their accountant and there is a chance the RREDC does not need to be an intermediary, so we may propose some modifications to this Agreement at your meeting, but with the same intended outcome.

We recommend approval of the Property Exchange Agreement between the City, the RREDC and the Arnolds.

6. License to Encroach Agreement with Venture One at 426 Railroad Avenue. Enclosed is a License to Encroach Agreement for a property located at 426 Railroad Avenue that contains drainage improvements that extend into the City's Railroad Avenue right-of-way. The improvements have existed for a while and the property owner desires to construct an aesthetic fence to protect the public. Staff supports the construction of the fence and the legitimization of the encroachment with the enclosed License Agreement. The License is revocable at the City's discretion following sixty (60) days notice to Licensee, at which time the improvements must be removed. Licensee is further required to include the City as an additional insured on its insurance policy covering the Property.

We recommend approval of the license to Encroach Agreement with Venture One for 426 Railroad Avenue.

KARP NEU HANLON, P.C.

Mayor Keith Lambert
Rifle City Council
Page 4

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

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

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: JUNE 9, 2011
SUBJECT: 14TH STREET MARKETPLACE PUD
PRELIMINARY/FINAL PLAN 2011-1

REQUEST

The applicant seeks Preliminary/Final Plan approval for an Amended Planned Unit Development (PUD) at the site of the currently existing 14th Street Marketplace PUD. The applicant's proposal is to create four lots on the site (see attached Final Plat). The southeast lot (Lot 1) would permit a gas station. The other three lots would be available for commercial or residential uses that meet the amended PUD standards.

RECOMMENDATION

Staff recommends that City Council approve Preliminary/Final Plan 2011-1.

BACKGROUND

14th Street Marketplace was originally approved in 2009 and was created to include a mixture of retail, office, and residential uses. Due to the economic downturn the applicants could not obtain financing to build the project and are requesting a new PUD that will allow more flexibility in uses and site layout, including a gas station, and that will more closely resemble the City's Community Service (CS) zoning with modifications and requirements for higher quality architecture.

AMENDED PUD STANDARDS

Staff has worked with the applicant to create more flexible PUD Standards that meets the intent of the Comprehensive Plan for the "North Rifle Center" neighborhood (see attached PUD Guidelines). The North Rifle Center neighborhood is intended "for a variety of community-oriented commercial uses that are more car accessible, although developments will be required to include pedestrian amenities and include General Urban Design Principles and mixed-use wherever possible."

The new PUD zoning is a modified version of the Community Service (CS) zoning that exists in the surrounding area, including City Market. The PUD zoning allows higher density multi-family than CS. It includes appropriate commercial uses and eliminates uses that are not appropriate for this site such as lumber sales and outdoor storage. Architectural standards are included, along with visual examples. To ensure that new development meets the PUD's architectural intent, new development on Lots 2-4 is required to receive Planning Commission approval for architecture.

The PUD standards for Lot 1 are specific to a gas station. It includes architectural requirements and visual examples for the convenience store and canopy. It also includes landscaping requirements specific to a gas station. Staff anticipates that this will improve the appearance of the gas station from the average gas stations that exists in our area.

DEPARTMENT OF PLANNING & DEVELOPMENT

202 Railroad Avenue, Rifle, CO 81650

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



FINDINGS

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

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

Additional reviews in the site plan process will ensure that this 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 primarily commercial structures, and is expected to include more commercial structures in the future. Staff expects that this project will be compatible with its surroundings, as well as raise surrounding property values.

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

The Railroad Avenue corridor is a major commercial center for the city of Rifle. It is an appropriate place for a more intense use than currently exists at the site.

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 "North Rifle Center." The Comprehensive Plan states that the "North Rifle Center is ideal for a variety of community-oriented commercial uses that are more car accessible, although developments will be required to include pedestrian amenities and include General Urban Design Principles and mixed-use wherever possible, with buildings close to the street and parking at the side or rear of buildings."

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

The positive economic value and presence of commercial 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

AMENDED 14 STREET MARKETPLACE PUD GUIDELINES

PRELIMINARY/FINAL PLAN APPLICATION

1) Statement of objectives, purpose and description

The amended **14TH STREET MARKETPLACE PUD** including four lots is designed to bring 14th Street Marketplace up to the new economic realities while remaining consistent with the Comprehensive Plan and our previous PUD application. Our objective is to break the PUD up into marketable lots while retaining the Urban Design Concepts that Rifle envisions for the Railroad Avenue corridor.

14th Street Marketplace will consist of 4 separate lots which will each be developed independently and will each be responsible for designated on and off site improvements. They will have shared access driveways consistent with the previously approved accesses and will have perimeter easements and cost sharing agreements for the shared driveways.

All of the lots will be part of a new zone district as defined in Section 3. The district will incorporate the concepts of MUCC Mixed Use Community Commercial and MURN Mixed Use Neighborhood Residential as detailed in the Rifle Comprehensive Plan.

Prior to recordation of our Amended Final Plat, we request up to 25 feet flexibility in the size of Railroad Avenue frontage of Lot 1 and 2 so that the lots would have either 175 and 125 feet of frontage on Railroad Avenue, or both have 150 feet of frontage on Railroad Avenue. The entry as designed in our original PUD would be shared by these lots and would be centered on the property line and move with the property line. The original entry was centered approximately 160 feet north of 14th Street, the new entry will be between 150 and 175 feet north of 14th Street.

While the new zoning designation requested includes a mixed use component, current banking practices do not readily allow mixed use financing.

Current Uses

Bookcliff Apartments and RV Park have been razed and the southern half of the parcel is currently vacant.

1439 Railroad Avenue currently has 15 mobile homes and is known as Northway Mobile Home Park. Ten of these mobile homes were built post 1976 and are HUD compliant and 5 are pre 1976, non HUD compliant mobile homes. Westside Mobile Home Court has postponed its expansion indefinitely. The new PUD is designed to allow the sale and development of Lot 1 and or Lot 3, while still accommodating the existing Northway mobile homes. Efforts are being made to move the remaining mobile homes as soon as a receiver site is found.

Adjacent Uses

Lamplighter Mobile Home Park is to the north, City Market to the east, Garfield County Health and Human Services to the south, and a hillside open space to the west. The

revised Design Guidelines detailed in Section 6 encourage architecture similar to and consistent with the City Market and Garfield County buildings.

2) Owner's intentions, timing and phasing

The owners of **14th STREET MARKETPLACE** are Dale and Sally Potvin. We have been residents of the Roaring Fork Valley for 40 years and have raised our children here. In addition to numerous other projects, we developed Southside in Basalt, Colorado, between 1994 and 2006. Southside has 60 lots including 9 mixed use lots, 9 duplex lots and 42 single family lots as well as 24 townhomes.

Because of the changes in our economy, we are no longer able to develop 14th Street Marketplace. Changes from development to "speculative" financing currently require a minimum of 40% down payment and at least 50% of the project pre-leased or presold in order to obtain construction financing. Within the past two years there has been no interest in the project by either prospective lenders or developers as the project exists today.

Financing for new or growing small businesses is more difficult to obtain. Thus, the anticipated buyers for, or tenants of, the approved PUD are now unable to purchase or lease their space. Historically, many prospective new business owners have used the equity in their homes to fund a new business. Home equity loans are now more difficult to obtain since home equity has dwindled and requirements for these loans have increased.

The Amended PUD into 4 parcels is designed to allow more flexibility and easier financing for an end user.

Westside Mobile Home Court's unwillingness to expand their mobile home park as a result of the changing economy has created a problem moving the existing mobile homes. While we support the extension of the City's requirement to remove all pre-HUD homes by September, 2010 due to the current economic conditions, this extension has removed the possibility of approximately 15 individual vacant sites within Rifle's other existing mobile home parks.

The sale of the new Lot 1 (or possibly Lot 3) would allow partial development of the site until a receiver sites can be located. After Lot 1 has been developed and the new Railroad Avenue and 14th Street entrances are completed, we would close Northway's existing entrance to Railroad Avenue and connect Northway with the new entrance. A fence would then be put up between Northway and Lot 1. The two mobile homes within Lot 1 would be purchase and removed. We continue to pursue receiver sites for the remaining mobile homes and plan to move them as soon as possible. Lots 2 and 4 will be for sale subject to the removal of the mobile homes.

Consistent with CS zoning, service stations/convenience stores have expressed an interest in Lot 1. Should one of them decide to purchase Lot 1, they anticipate construction later this year.

3) Proposed Zoning

The new 14th Street Marketplace PUD Zone District combines Community Service Business District (CS) and Redeveloping Medium Density Residential (MDR-X) with the Rifle Comprehensive Plan’s Mixed Use Residential Neighborhood (MURN). Such a designation should allow more affordable units within the PUD. The current zoning does not provide enough of an incentive to create smaller units. Parking requirements (and residential storage requirements) will determine total allowable density units for both residential and commercial.

Process

City staff shall administratively process the site plan review per Code. Architectural review of convenience stores/gas stations on Lot 1 shall be administrative, but staff shall have discretion to require Planning Commission review if standards are not clearly met. On Lots 2, 3, and 4, multi-family and commercial development shall receive approval of architecture and design from the Planning Commission. The Planning Commission shall base a decision on the criteria set out in Section 6 of this PUD Guidebook.

3-2 SCHEDULE OF ZONING REQUIREMENTS

<i>ZONING</i>	<u>14 Street Marketplace PUD Requirements</u>
Minimum lot size	none
Parking	Per Rifle Municipal Code
Maximum lot coverage	none
Maximum height of buildings (See Section 16-3-250)	42 feet or 3 stories
Maximum Residential density	None—density determined by ability to meet parking and residential storage requirements of Rifle Municipal Code

Minimum Setbacks:	
Railroad Avenue	15 feet in addition to 39 ft+- ROW
14 th Street	10 feet in addition to 8 ft +- ROW
Rear yard:	15 feet
Side yard:	5 feet minimum or 1 foot for every 2 feet of building height, whichever is greater.
Shared driveway:	5 feet
Energy Efficiency	Multi-family must be Energy Star certified or comparable.

3-3 SCHEDULE OF USES for 14TH Street Marketplace PUD and Community Service (CS) and Redeveloping Medium Density Residential (MDR-X) Districts

<u>USES</u>	<u>14th Street Marketplace PUD</u>
Single-family dwellings Cottage style houses with common areas	C
Multiple-family dwellings	P
Accessory dwelling unit (attached) [Reference Section 16-3-60(2)]	C
Manufactured homes	C
Row houses, town houses, or attached dwellings	P
Dwellings in the same building as a business	P
Bed and breakfast lodging	P
Art galleries or studios	P
Assembly, service and repair as an accessory use to a retail or wholesale business (such accessory uses may not exceed 25% of the floor area of the business)	C
Automobile washing facility	C
Automotive sales and service	C
Bottling/breweries	C

Carpentry, plumbing and electrical shops	C
Churches	P
Cold storage	C
Crop production, orchards, flower production	P
Day care centers and nurseries with no more than 9 children at any given time	P
Day care centers and nurseries with 10 or more children at any given time	C
Drive-up banks/savings and loans/drive-in restaurants	P
Essential municipal and public utility uses, services, facilities and buildings	C
Filling (gas) station/convenience store	P
Furniture repair/refinishing and upholstery	C
Hotel, motel	P
Indoor commercial recreation facilities	P
Library	P
Meat packing/processing associated with retail sales	C
Medical and dental clinics	P
Mortuary (with or without crematory)	P
Museum	P
Office	P
Outdoor commercial recreation	C
Parks and Playgrounds	P
Personal service establishments, including but not limited to: barber and beauty shops, shoe repair shops, tailors, self-service laundries, dry cleaning outlets, travel agencies and photography shops	P
Personal storage units/mini-storage units	C
Printing and publishing	P
Private membership clubs	P
Public and private schools	C
Restaurants, taverns, micro-breweries	P

Retail establishments, including but not limited to the sale of food, beverages, dry goods, drugs, furniture, appliances, hardware and clothing	P
Small animal hospital or clinic	C
Theaters, auditoriums and places of assembly	C
Vocational schools	C
Wholesale establishments	C

P = Permitted use

C = Conditional use

*** = Prohibited use**

Any uses not listed are Prohibited Uses. The Planning Director shall determine whether a use is similar to one listed or not similar and prohibited.

4) 14th Street Marketplace PUD Design and Landscape Guidelines

The Rifle Comprehensive Plan foresees Mixed Use Community Commercial with "... a variety of community-oriented commercial uses that are more car accessible, although developments will be required to include pedestrian amenities and include General Urban Design principles and mixed use wherever possible..."

The following Design and Landscape Guidelines will be an exhibit to the Subdivision Improvement Agreement.

Design standards shall conform to Section 16-3-640 of the Rifle Municipal Code. 14th Street Marketplace PUD seeks to develop a mixed use commercial/residential community that is in keeping with Rifle's western theme while remaining consistent with the surrounding commercial buildings including City Market and Garfield Health and Human Services.

For additional Convenience Store/Gas Station and Lot 1 Requirements: see Exhibits B, C, and D.

See the following guidelines for all other circumstances not addressed in Exhibits B, C, and D:

Building form and massing: Buildings shall follow visual cues of the examples in Exhibit A including "articulation" by breaking up flat surfaces with balconies, stepbacks, projections, and other three-dimensional details that create shadow lines. Where articulation is minimal, extended flat surfaces shall be broken up with landscaping and trees. Stairways in multi-family buildings must be indoors if they are accessed by more than one unit.

Roof design and materials: Flat roofs are encouraged. Sloping, gabled, and curving roofs are all permitted provided they harmonize with the design as a whole.

Doors, windows, and other openings: Doors, windows and other openings should be arranged to provide visual interest, integrate well with other elements of the building, and minimize large expanses of unbroken wall. The buildings on Lots 1 and 2 must have an entrance facing Railroad Avenue.

Finish materials and colors: Finishes must harmonize with the surrounding environment and the design as a whole in terms of arrangement, texture and color. A minimum of two primary finish materials are encouraged. These may include brick, split block, wood or masonite siding, exterior plaster, stone, concrete or masonry. Metal or smooth-faced block buildings shall not be permitted, these materials may be used only as an accent. Pre-fab or modular buildings will be permitted only where the finishes are consistent with neighboring commercial buildings. Lot 1 and 2 buildings shall be composed of approved materials on all sides of the building.

Bright or vivid colors, unless used sparingly, and/or colors that contrast sharply with the surrounding environment are discouraged. The uses of bright or vivid colors will be subject to Site Plan Review and limited in size. Reflective materials and/or colors are not permitted. Materials such as copper or other metals that require “weathering” or other treatment to become non-reflective must be treated so that they are non-reflective at the time of construction.

Chimney terminations, vents, grilles, roof jacks, and other external evidence of internal mechanical systems must be painted or otherwise treated to integrate with the design. Mechanical equipment must be screened or located out of the view of adjacent streets and homes.

Open space: Private open spaces for individual residential are encouraged through the use of decks, balconies and patio units. Patio areas with exterior benches, plantings and canopies or umbrellas are encouraged for commercial uses.

Gas Station Canopies: solid bands of a single material shall not exceed one foot in width. The design of the rest of the canopy shall consist of earth-tone fiber cement siding with cedar kickouts, or architectural treatments that are equal in detail and consistency (see exhibit D).

Exhibit A: Design Concepts

14th STREET MARKETPLACE

URBAN DESIGN CONCEPTS FOR COMMERCIAL AND MIXED USE



Keeping with the Western Theme through use of Brick



Step Backs
Mix of Color and Material



Mix of Residential and Commercial
Outdoor Living Spaces

URBAN DESIGN CONCEPTS FOR RESIDENTIAL



Private Living Spaces
Mixture of Colors



Outdoor Living Areas



Mixture of Materials and Colors
Step Backs

Exhibit B: Convenience Store Architectural Concepts and Requirements



Elements that must be incorporated:

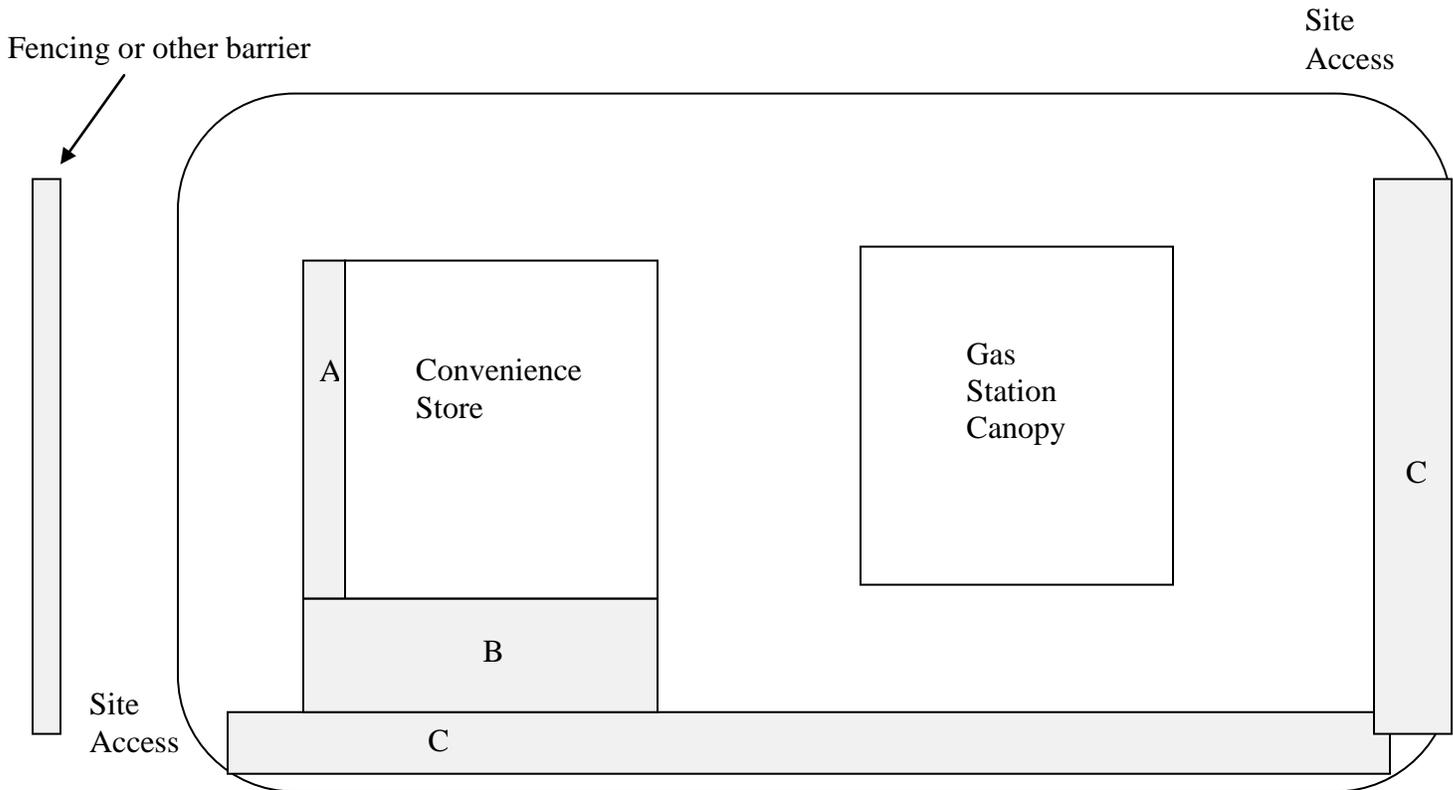
1. Front façade (shown above) shall face Railroad Avenue.
2. Façade facing 14th Street shall not have required windows but must have architectural variation and articulation that exceed 20% of the building façade to compensate for the loss of the 20% fenestration requirement of Code. Wall signs shall not be permitted.
3. Amount of color-differentiated horizontal banding at the building's base and near the top must be equal or greater to what is shown and be carried to all four facades of the building.
4. Window coverage on front façade must be equal or greater to what is shown. Windows are not required on other facades.
5. Shape of decorative features (such as where logo is displayed) must be symmetrical as shown.
6. Roof line must be broken up to an extent equal or great to what is shown on front and rear facades.
7. Façade material must be brick on all four building facades.
8. A minimum of 2' deep pilaster, recess, or offset shall break the wall surface of the front façade at a minimum of 40' intervals.

Elements that may vary from what is shown:

1. Location of door does not need to be in center of the building.
2. Color of brick may vary; but contrast between dominant color and banding accents must remain.

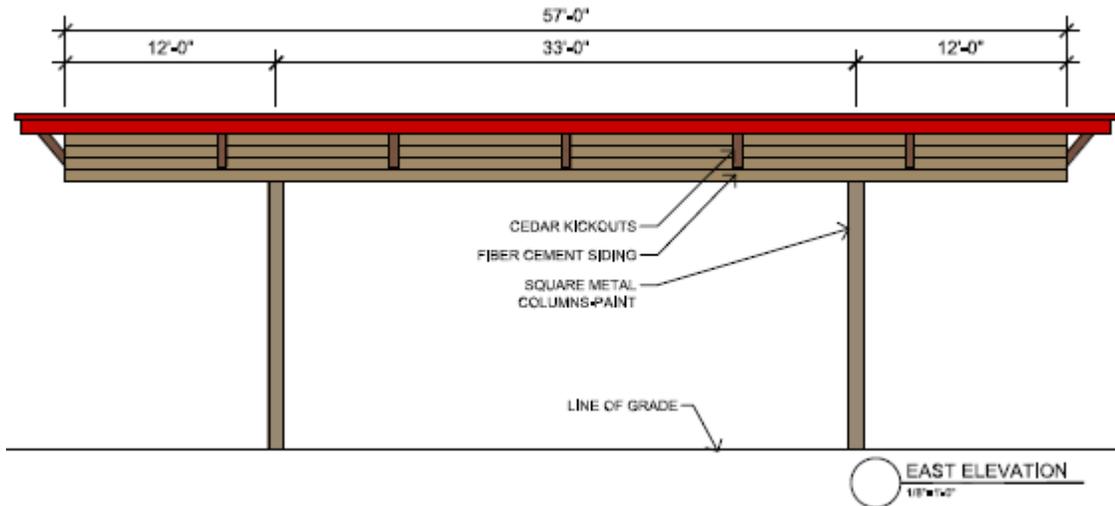
Exhibit C: Lot 1 Landscape Areas and Requirements

Note: dimensions are not to scale, image is for explanatory purposes only.



1. Landscape Area A: Shall consist of evergreen trees and bushes that screens building from Lot 2.
2. Landscape Area B: Applies only to stores with food retail sales. A landscape area shall extend from south end of building to 14th Street right-of-way. Must include picnic tables and patio area, surface may be a hard surface or grass. City staff may waive landscape requirements in this area only if the applicant proves and the City Engineer certifies that site circulation is inadequate or public safety jeopardized. A waiver shall not be granted for a drive access for reasons of convenience.
3. Landscape Area C: ROW landscaping per Municipal Code and PUD requirements.
4. At the time of development of the drive access between Lots 1 and 4, fencing, or some other barrier, must be installed on all sides of the drive access necessary to prevent parking or other public use of vacant lots. Split-rail is preferred; chain link is prohibited.
5. Other areas may be required landscaping per Municipal Code, depending on the site plan.

Exhibit D: Gas Canopy Architecture Concept and Requirements



1. Solid bands of a single material shall not exceed one foot in width.
2. The design of the rest of the canopy shall consist of earth-tone fiber cement siding with cedar kickouts, or architectural treatments that are equal in detail and consistency.
3. Signage on canopy is permitted.

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

AN ORDINANCE OF THE CITY OF RIFLE, COLORADO, RE-ZONING
PROPERTY OWNED BY 14th STREET MARKETPLACE, LLC KNOWN AS
THE 14th STREET MARKETPLACE TO COMMUNITY SERVICE PLANNED
UNIT DEVELOPMENT ZONE DISTRICT (CS-PUD).

WHEREAS, 14th Street Marketplace, LLC (the AApplicant@) filed with the City of Rifle Planning Department a request to re-zone certain tracts of land located at 14th Street and Railroad Avenue in the City of Rifle, Colorado and legally described on that Final Subdivision Plat recorded with the Garfield County Clerk and Recorder as Reception No. 769255 (the AProperty@); and

WHEREAS, by Ordinance No. 15, Series of 2009, the Property was zoned Community Service Planned Unit Development and by Ordinance No. 16, Series of 2009, Developer received PUD Final Development Plan and Final Subdivision Plat approval for the Property (collectively the “Prior PUD Approval”) and Developer desires to amend the Prior PUD Approval to better meet the current economic market; and

WHEREAS, the Prior PUD Approval included a Final Subdivision Plat for the Property recorded with the Garfield County Clerk and Recorder as Reception No. 769255 and a Subdivision Improvements Agreement recorded as Reception No. 769256, both of which are superseded by the approvals set forth herein and Ordinance No. 7, Series of 2011; and

WHEREAS, on March 29, 2011, the City of Rifle Planning Commission considered the re-zoning application for the Property as part of a PUD Final Development Plan submittal; and

WHEREAS, based upon the Applicant-s plans to redevelop the Property with a mixed use commercial and residential project, the Planning Commission recommended that the Property be re-zoned Community Services Planned Unit Development (CS-PUD) as further described herein; and

WHEREAS, the City Council reviewed the re-zoning application at its June 15 and July 6, 2011 meetings and agreed with the Planning Commission-s findings; and

WHEREAS, the City of Rifle Planning Commission and the Rifle City Council have held duly-noticed public hearings as required by the Rifle Municipal Code, and now wish to re-zone the Property to Community Service Planned Unit Development (CS-PUD) as further described herein.

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

1. The aforementioned recitals are hereby fully incorporated herein.

2. The Property described on Exhibit A attached hereto and incorporated herein by this reference is hereby zoned Community Service Planned Unit Development (CS-PUD) as set forth on Exhibit A attached hereto and incorporated herein by this reference and pursuant to all of the terms, conditions, exhibits and obligations contained in that certain 14th Street Marketplace PUD Guidebook certified by the City and incorporated herein by this reference which sets forth all of the PUD standards and guidelines for the Property.

3. Within thirty (30) days after the effective date of this Ordinance, the City Clerk shall incorporate the terms of this Ordinance into the Geographical Information System described in RMC ' 16-3-20 shall cause a printed copy of the amendment to the City Zone District Map to be made, which shall be dated and signed by the Mayor and attested to by the City Clerk, and which shall bear the seal of the City. The amended map shall include the number of this Ordinance. The signed original printed copy of the Zoning Map shall be filed with the City Clerk. The Clerk shall also record a certified copy of this Ordinance with the Garfield County Clerk and Recorder. The City staff is further directed to comply with all provisions of the Rifle Land Use Regulations, RMC ' 16-1-10 *et seq.*, to implement the provisions of this Ordinance.

INTRODUCED on June 15, 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 July 6, 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

**EXHIBIT A
ORDINANCE NO. 6, SERIES OF 2011**

All development in 14th Street Marketplace PUD shall comply in full with the Rifle Municipal Code except as expressly modified herein and in the PUD Guidebook for 14th Street Marketplace PUD.

<i>ZONING</i>	<u>14 Street Marketplace PUD Requirements</u>
Minimum lot size	none
Parking	Per Rifle Municipal Code
Maximum lot coverage	none
Maximum height of buildings (See Section 16-3-250)	42 feet or 3 stories
Maximum Residential density	None—density determined by ability to meet parking and residential storage requirements of Rifle Municipal Code
Minimum Setbacks:	
Railroad Avenue	15 feet in addition to 39 ft+- ROW
14 th Street	10 feet in addition to 8 ft +- ROW
Rear yard:	15 feet
Side yard:	5 feet minimum or 1 foot for every 2 feet of building height, whichever is greater.
Shared driveway:	5 feet
Energy Efficiency	Multi-family must be Energy Star certified or comparable.

City staff shall administratively process the Site Plan Review per Code. Architectural review of convenience stores/gas stations on Lot 1 shall be administrative, but staff shall have discretion to require Planning Commission review if standards are not clearly met. On Lots 2, 3, and 4, multi-family and commercial development shall receive approval of architecture and design from the Planning Commission. The Planning Commission shall base a decision on the criteria set out in Section 6 of the PUD Guidebook.

SCHEDULE OF USES

<u>USES</u>	<u>14th Street Marketplace PUD</u>
Single-family dwellings Cottage style houses with common areas	C
Multiple-family dwellings	P
Accessory dwelling unit (attached) [Reference Section 16-3-60(2)]	C
Manufactured homes	C
Row houses, town houses, or attached dwellings	P
Dwellings in the same building as a business	P
Bed and breakfast lodging	P
Art galleries or studios	P
Assembly, service and repair as an accessory use to a retail or wholesale business (such accessory uses may not exceed 25% of the floor area of the business)	C
Automobile washing facility	C
Automotive sales and service	C
Bottling/breweries	C
Carpentry, plumbing and electrical shops	C
Churches	P
Cold storage	C
Crop production, orchards, flower production	P
Day care centers and nurseries with no more than 9 children at any given time	P
Day care centers and nurseries with 10 or more children at any given time	C
Drive-up banks/savings and loans/drive-in restaurants	P
Essential municipal and public utility uses, services, facilities and buildings	C
Filling (gas) station/convenience store	P
Furniture repair/refinishing and upholstery	C
Hotel, motel	P
Indoor commercial recreation facilities	P

Library	P
Meat packing/processing associated with retail sales	C
Medical and dental clinics	P
Mortuary (with or without crematory)	P
Museum	P
Office	P
Outdoor commercial recreation	C
Parks and Playgrounds	P
Personal service establishments, including but not limited to: barber and beauty shops, shoe repair shops, tailors, self-service laundries, dry cleaning outlets, travel agencies and photography shops	P
Personal storage units/mini-storage units	C
Printing and publishing	P
Private membership clubs	P
Public and private schools	C
Restaurants, taverns, micro-breweries	P
Retail establishments, including but not limited to the sale of food, beverages, dry goods, drugs, furniture, appliances, hardware and clothing	P
Small animal hospital or clinic	C
Theaters, auditoriums and places of assembly	C
Vocational schools	C
Wholesale establishments	C

P = Permitted use

C = Conditional use

Any uses not listed are Prohibited Uses. The Planning Director shall determine whether a use is similar to one listed or not similar and prohibited.

CITY OF RIFLE, COLORADO
ORDINANCE NO. 7
SERIES OF 2011

AN ORDINANCE OF THE CITY OF RIFLE, COLORADO, APPROVING AN AMENDED PUD FINAL DEVELOPMENT PLAN AND FINAL SUBDIVISION PLAT FOR 14th STREET MARKETPLACE PLANNED UNIT DEVELOPMENT.

WHEREAS, 14th Street Marketplace, LLC (ADeveloper®) filed with the City of Rifle Planning Department a request to re-zone certain tracts of land located at 14th Street and Railroad Avenue in the City of Rifle, Colorado and legally described on that Final Subdivision Plat recorded with the Garfield County Clerk and Recorder as Reception No. 769255 (the AProperty®) along with an application to amend the Final PUD Plan and Final Subdivision Plat for the Property; and

WHEREAS, by Ordinance No. 15, Series of 2009, the Property was zoned Community Service Planned Unit Development and by Ordinance No. 16, Series of 2009, Developer received PUD Final Development Plan and Final Subdivision Plat approval for the Property (collectively the “Prior PUD Approval”) and Developer desires to amend the Prior PUD Approval and Final Subdivision Plat to better meet the current economic market; and

WHEREAS, the Prior PUD Approval included a Final Subdivision Plat for the Property recorded with the Garfield County Clerk and Recorder as Reception No. 769255 and a Subdivision Improvements Agreement recorded as Reception No. 769256, both of which are superseded by the approvals set forth herein and Ordinance No. 6, Series of 2011; and

WHEREAS, on March 29, 2011, after a duly-noticed public hearing and pursuant to Rifle Municipal Code (ARMC®) Section 16-5-280, the City of Rifle Planning Commission approved an Amended Preliminary/Final PUD Plan for the Property subdividing the Property into four (4) lots; and

WHEREAS, on June 15, 2011 and July 6, 2011, the Rifle City Council reviewed the Amended PUD Final Development Plan and Final Subdivision Plat for the Property and found these documents to be consistent with the approved Amended PUD and Subdivision Preliminary Plan, and that all conditions of Preliminary Plan approval had been met; and

WHEREAS, concurrently herewith, and by Ordinance No. 6, Series of 2011, the City Council re-zoned the Property CS-PUD and approved that certain 14th Street Marketplace PUD Guidebook detailing the approved development of the Property; and

WHEREAS, the City Council desires to approve the Amended PUD Final Development Plan and Final Subdivision Plat for the Property, subject to all terms and conditions set forth in

the PUD Guidebook and the Site-Specific Development Plan and Subdivision Improvements Agreement for the Property (ASIA®), which SIA is available for inspection at the City Clerk's Office during business hours.

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

1. The City Council incorporates the foregoing recitals as findings by the City Council.

2. That certain Amended PUD Final Development Plan and Final Subdivision Plat for 14th Street Marketplace PUD is hereby approved, subject to all terms and conditions contained herein and in the SIA, which is hereby approved.

3. The Mayor of the City is hereby authorized to indicate the City Council's approval of the Amended PUD Final Development Plan and Final Subdivision Plat and the SIA by signing the SIA and Amended Final Plat. A true and correct copy of the SIA and Amended Final Plat 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.

4. 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 which shall be conditions of approval with which the Developer shall comply. The Developer shall also comply in full with the Rifle Municipal Code and the Public Works Manual requirements and the conditions of any variances granted to the Public Works Manual.

5 The City Clerk is hereby directed to file one (1) copy of the Amended Final Plat, the original of this Ordinance, and the SIA in the Office of the City Clerk.

7. The City Clerk is hereby further directed to record this Ordinance, the Amended Final Plat, the SIA, and any other associated documents in the Office of the Clerk and Recorder of Garfield County, and to file one (1) certified copy of the Amended Final Plat, any subsequent and this Ordinance with the Garfield County Assessor.

INTRODUCED on June 15, 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 July 6, 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

**SITE SPECIFIC DEVELOPMENT PLAN AND
SUBDIVISION IMPROVEMENTS AGREEMENT
FOR 14TH STREET MARKETPLACE**

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 14th Street Marketplace, LLC, a Colorado limited liability company whose address is 600 E. Main St., Suite 103, Aspen, CO 81611 (hereinafter "Developer");

W I T N E S S E T H:

WHEREAS, Developer is the owner of certain real property located in the City of Rifle, Colorado known as 14th Street Marketplace and described on Exhibit A attached hereto and incorporated herein by this reference (hereinafter the "Property"); and

WHEREAS, by Ordinance No. 15, Series of 2009, the Property was zoned Community Service Planned Unit Development and by Ordinance No. 16, Series of 2009, Developer received PUD Final Development Plan and Final Subdivision Plat approval for the Property (collectively the "Prior PUD Approval") and Developer desires to amend the Prior PUD Approval to better meet the current economic market; and

WHEREAS, the Prior PUD Approval included a Final Subdivision Plat for the Property recorded with the Garfield County Clerk and Recorder as Reception No. 769255 and a Subdivision Improvements Agreement recorded as Reception No. 769256, both of which are superseded by the approvals set forth below; and

WHEREAS, Developer now proposes subdividing the Property into four (4) parcels and developing it in phases of residential and commercial uses (the AProject@); and

WHEREAS, on March 29, 2011 after a duly-noticed public hearing and pursuant to Rifle Municipal Code ' 16-5-280, the City of Rifle Planning Commission approved a Sketch Plan for the Property, and on April 26, 2011, it approved Combined PUD Preliminary/Final Development Plan for the Property; and

WHEREAS, on June 15 and July 6, 2011, the City Council of the City of Rifle, after holding all necessary public hearings, approved by appropriate ordinance a Final Subdivision Plat and Final Subdivision Plan for the Property vacating the Prior PUD Approval, which Ordinance No. 7, 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 and Developer's successors and assigns who develop the individual lots of the Property; to set forth the fees to be paid upon the issuance of building permits on the individual lots of the Property, and to constitute the Subdivision Improvements 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 (Chapter 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. Development of the Property.

A. Phased Development. Developer proposes developing the Property in phases that may occur in any sequence. **The terms and conditions contained in this Agreement shall be appurtenant to and encumber the Property and shall apply to all subsequent owners of lots of the Property; for the purposes of this Agreement, "Developer" includes Developer's successors and assigns as to each lot sold who shall be bound by the terms and conditions contained herein.** Prior to the commencement of development of any phase and as a condition of a building permit on each lot of the Property, Developer shall: (i) submit a site plan application with the City referencing the approved PUD Guidebook for all submittal requirements containing the approved construction drawings for each phase, as they may be amended with the final site plan application and City approval; (ii) provide updated cost estimates of the public improvements for that phase for the City's review and approval and a letter of credit or other security approved by the City in that amount securing those public improvements; and (iii) a title commitment covering any public dedications in that phase. The construction of the public improvements of each phase shall then be governed by the provisions of this Agreement.

B. Subdivision. Developer proposes subdividing the Property into four (4) parcels: and **EACH PARCEL HAS APPURTENANT PUBLIC IMPROVEMENTS ASSOCIATED WITH THEIR DEVELOPMENT AS FURTHER SET FORTH IN THE APPROVED PUD GUIDEBOOK.**

4. 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 or any Condominium 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 Chapter 13 of the Rifle Municipal Code regarding tap fees for water and sewer service. Because the Property contained prior uses and the Project is in-fill redevelopment, certain water and sewer system improvement fee credits are appurtenant to the Property. The parties agree that the Property contains a water and sewer system improvement fee credit of 32.7 EQR (including associated 5,000 square feet of landscaping per 1 EQR) that may be used as the Project is constructed, after which times the water and sewer system improvement fees set forth in Chapter 13 shall be due. All other fees and requirements set forth in Chapter 13 shall apply regarding water and sewer service to the Property and to these credits. Within thirty (30) days of the conveyance of each lot, Developer shall record an assignment of any credits to be appurtenant to such lot. Failure to record such assignment in that time-frame will preclude Developer's ability to assign such credits which shall remain appurtenant to any remaining lots of the Property. Failure to assign such credits upon the conveyance of the last lot of the Property shall terminate any such credits.
- 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. The parties agree that the Property contains a water rights dedication fee credit of 32.7 EQR (including associated 5,000 square feet of landscaping per EQR) that may be exhausted as the Project is constructed. If there are additional EQRs associated with development or use of any of the Parcels or Property above the above-referenced credit, payment shall be due at the time of building permit for such units. The water rights dedication fee per EQR to be paid will be the fee then in effect by an ordinance of general applicability. Further, the Developer agrees to be bound by any ordinance or resolution of general applicability that modifies these fees. Within thirty (30) days of the conveyance of each lot, Developer shall record an assignment of any credits to be appurtenant to such lot. Failure to record such assignment in that time-frame will preclude Developer's ability to assign such credits which shall remain appurtenant to any remaining lots of the Property. Failure to assign such credits upon the conveyance of the last lot of the Property shall terminate any such credits.

- D. Parkland Dedication Fees. The City and Developer agree that the Property is subject to the City parkland dedication requirements set forth in Rifle Municipal Code Sections 16-1-90 and 16-4-110. Because the Property contained prior residential uses and the Project is in-fill redevelopment, certain parkland dedication fee credits are appurtenant to the Property. The parties agree that the Property contains a parkland dedication fee credit for twenty-eight (28) multi-family units that may be used as the Project is constructed. Upon the exhaustion of the above-referenced credits, Developer shall pay parkland dedication fees then in effect for each residential unit prior to the issuance of a building permit for that phase. Within thirty (30) days of the conveyance of each lot, Developer shall record an assignment of any credits to be appurtenant to such lot. Failure to record such assignment in that time-frame will preclude Developer's ability to assign such credits which shall remain appurtenant to any remaining lots of the Property. Failure to assign such credits upon the conveyance of the last lot of the Property shall terminate any such credits.
- E. Off-site Street Impact Fees. Pursuant to Section 16-1-100 of the Rifle Municipal Code, for each unit constructed on the Property, offsite street impact fees shall be due and payable at the time a building permit is issued for each unit in the amount then in effect. Because the Property contained prior uses and the Project is in-fill redevelopment, certain offsite street impact fee credits are appurtenant to the Property. The parties agree that the Property contains an offsite street impact fee credit for twenty-eight (28) multi-family units that may be used as the Project is constructed. Upon the exhaustion of the above-referenced credits, Developer shall pay offsite street impact fees then in effect and pursuant to the Rifle Municipal Code at the time of building permit application for that phase. Within thirty (30) days of the conveyance of each lot, Developer shall record an assignment of any credits to be appurtenant to such lot. Failure to record such assignment in that time-frame will preclude Developer's ability to assign such credits which shall remain appurtenant to any remaining lots of the Property. Failure to assign such credits upon the conveyance of the last lot of the Property shall terminate any such credits.
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. Landscaping.
- (1) Revegetation and Landscaping. Developer shall landscape the Property pursuant to the approved landscape plan reviewed and approved by the City for each phase of the Project and the submitted Site Plan for such phase and revegetate any disturbed areas of the Property as soon as the

next growing season allows. Developer shall guarantee growth of all landscaping and revegetation. Cost estimates of all landscaping shall be submitted to the City, guaranteed by the security required by this Agreement, and shall be considered a public improvement hereunder for each phase of development.

- (2) License to Encroach. The parties acknowledge that a portion of the proposed landscaping improvements along Railroad Avenue lie within the City's right-of-way. The City hereby grants Developer a revocable license to encroach and occupy the Railroad Avenue right-of-way in the area shown on the approved landscaping plans for the Property. This grant of license is expressly limited to and for the sole purpose of installing landscaping and irrigation and is revocable at the City's sole discretion. The City is granting this license to Developer for the mutual benefit of both parties; however, any and all use of City property by Developer under this license is permissive and not adverse to the interest of the City. For so long as this license remains in effect, Developer agrees to indemnify, defend, and hold harmless the City, its managers, agents, and employees against any and all claims, liabilities, or demands whatsoever relating to or arising out of the use of the right-of-way or related to this license.

- C. PUD Guidebook. Developer shall create a PUD Guidebook that will serve as the approved Zoning for the Project (including approved construction drawings) and provide a staff signature page in the guidebook certifying such approvals. The PUD Guidebook will contain the approved conceptual architectural elevations from which minor deviations shall be allowed subject to staff's administrative approval. Staff shall refer any major architectural deviations to the Planning Commission for its review and approval. In addition to any conditions of Site Plan approval for each phase or lot, the PUD Guidebook shall also include a list of items to be submitted before construction, which list shall include an irrigation plan and a traffic control plan.

- D. Underground Electric Utilities. Developer shall underground offsite electrical utility services along Railroad Avenue and 14th Street and approximately the first 50 feet of 14th St and conduit to allow for future undergrounding to Lot 3 as a Public Improvement for Lot 1.

- E. Vehicle Access. Vehicle access to the Property from Railroad Avenue shall be limited to right-in, right-out.

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 the 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 Sopris Engineering as File No. 25032 and dated _____, 2011, as it may be amended (the "Public Improvements"), shall be installed and completed at the expense of the Developer. The Public Improvements and the Plans and Specifications therefore may also be modified or amended as part of the Site Plan Application for each lot depending on the specific development proposal.

- A. All Public Improvements to be conveyed to the City or required to be secured by this Agreement are shown on the Final Subdivision Plat and Plans submittal, and the estimated costs thereof, are identified on Exhibit B 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"). Developer shall construct the Public Improvements in phases as they relate to and are required for each phase/lot of the Project pursuant to the requirements and procedures set forth in this Agreement and any conditions of Site Plan Approval for each phase/lot.
- 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. Developer shall complete all Public Improvements associated with Lot 1 as set forth in the PUD Guidebook within one (1) year of the recording of the Final Plat. Developer shall complete all Public Improvements associated with each subsequent phase of development of the Project within one (1) year of the commencement of construction on such phase; provided, however, landscaping shall be completed as soon as the next growing season allows. 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 for that phase 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 Developer shall execute a quit-claim deed to the City conveying any interests it has in the Public Improvements identified on Exhibit B to be conveyed to the City. The Developer shall also execute a bill of sale conveying such Public Improvements to the City, free and clear of all liens and encumbrances except non-monetary matters of public record. All Public Improvements conveyed to the City 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 per phase shall be as specified on Exhibit B and shall be updated prior to the issuance of a building permit for each phase through the Site Plan review process.

- A. In order to secure the construction and installation of the Public Improvements for Lot 1, Developer shall prior to the recording of the Final Plat for the Property furnish the City a performance guarantee approved by the City Attorney, such as 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, or deposit with the City an amount equal to the estimated costs of said facilities as set forth on Exhibit B (the "Deposit"). The City shall retain the Deposit until all Public Improvements required hereunder are completed by Developer and accepted by the City, at which time the City shall release the Deposit to Developer without interest. Further, in order to secure the construction and installation of the Public Improvements for subsequent phases of development of the Property, Developer shall prior to the issuance of a building permit for each phase furnish the City a performance guarantee approved by the City Attorney to secure the performance and completion of the Public Improvements for such phase, in an amount equal to the estimated costs of said facilities as set forth on Exhibit B as it may be amended through the Site Plan review process. Alternative

forms of security acceptable to the City in its sole discretion may also be provided.

- B. In the event the Public Improvements are not constructed or completed within 12 months of the recording of the Final Plat for Lot 1 or the commencement of construction of subsequent phases, or the landscaping is not installed in the next growing season, the letter of credit or other security shall provide that the funds necessary to complete the Public Improvements shall be put directly into 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 for each phase, 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. The City Manager may cause a portion of the performance guarantee to be released as specific improvements are completed and approved. A partial release shall be within thirty (30) days after acceptance by the City.
- D. The required security for the Public Improvements is the amount mutually agreed upon by the Developer and the City Engineer in Exhibit B, which shall be updated for the City's review and approval prior to the issuance of a building permit for each phase of the Project. The parties agree that this amount, as updated, 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, Developer shall be solely responsible for the actual cost. The purpose of Exhibit B and any updated cost estimates is solely to determine the amount of security. 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 summaryB for each phase of the Project 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 B, which amount the City may retain as liquidated damages due to Developer's breach.

- F. Neither approval of any partial reduction to the letter of credit issued pursuant to this paragraph, nor any other reduction in security, shall be construed as the approval or acceptance of any of the Public Improvements, which approval and acceptance shall only occur as described above.

13. Title Policy. Prior to the issuance of a building permit for each phase of the Project, the Developer shall provide the City a commitment for a title insurance policy, indicating that such phase of the Property is free and clear of all encumbrances whatsoever which would impair the use of the Property as proposed by the Final PUD Plan. 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. The title insurance policy(s) shall be provided to the City, and the premium(s) for the title insurance in the minimum amount 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 issuance of a certificate of occupancy.

14. 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 and Final PUD Plan for the Property, the City granted vested property rights for the Property for a period of seven (7) 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.

15. Owners Association; Covenants. For any proposed development on the Property that comprises multiple ownership of units and/or common area, Articles of Incorporation and a Declaration of Covenants shall be provided to the City and reviewed by the City Attorney to ensure that they meet the City's requirements that the owners association(s) (1) maintains, operates and assumes full responsibility for all easements and common areas, including landscaping; (2) maintains all private open space; and (3) is empowered to enforce any provisions of the covenants, conditions and restrictions affecting the Property. The covenants for the Property shall also address, as applicable: party wall agreements, snow removal, building and landscape maintenance, sidewalk maintenance, use of limited and general common elements, fencing styles and heights, outdoor storage of vehicles (including recreational vehicles, boats, trailers, and the like), and pets. The Articles of Incorporation and Declaration of Covenants shall be reviewed and approved by the City, and the Articles filed with the Colorado Secretary of State, prior to the issuance of a building permit.

16. 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 or phase of the Project 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. A Site Plan Application has been submitted to the City referencing the approved PUD Guidebook for all submittal requirements and contains the approved construction drawings for each phase; updated cost estimates of the public improvements for that phase have been provided for the City's review and approval and a letter of credit in that amount securing those public improvements; and a title commitment covering any public dedications in that phase has been provided to the City.

17. 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 for each applicable phase of the Project, are agreed to and constitute the voluntary actions of the Developer.

18. 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.

19. Assignment. Because the terms and conditions contained in this Agreement are appurtenant to and encumber the Property and shall apply to all subsequent owners of lots of the Property, this Agreement is assignable and Developer's successors and assigns shall be bound by the terms and conditions contained herein.

20. 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 and development of the Property not caused by gross negligence of the City. 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.

21. 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.

22. 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.

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

24. 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.

25. 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.

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

27. 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.

28. 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.

29. 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' fees shall survive any termination of this Agreement.

30. 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.

31. 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.

32. 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:

14th Street Marketplace, LLC
600 E. Main Street, Suite 103
Aspen, CO 81611

33. 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

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: JUNE 9, 2011
SUBJECT: RHOADES LICENSE TO ENCROACH AGREEMENT
426 RAILROAD AVENUE

REQUEST

Dick and Karen Rhoades propose to construct a short decorative iron-wrought fence at the corner of 5th Street and Railroad Avenue. The fence is on public right-of-way and thus requires this License to Encroach. A barrier of some kind is needed to protect pedestrians from the drainage feature that is behind the sidewalk at that corner. Staff will ensure that the fence meets the 30" height limit to avoid impediments to driver's field of vision.

RECOMMENDATION

Staff recommends that City Council approve the License to Encroach Agreement.

LICENSE TO ENCROACH AGREEMENT

THIS LICENSE AGREEMENT is made and entered into this ___ day of _____, 2011, by and between the CITY OF RIFLE, COLORADO, a Colorado home rule municipality ("City") and VENTURE ONE ("Licensee");

WITNESSETH:

WHEREAS, Licensee owns a building at 426 Railroad Avenue, Rifle, Colorado 81650, legally described as Lots 23 and 24, Block F, Rifle Original Townsite, Rifle, Colorado (the "Property"), and certain drainage improvements benefiting the Property encroach into the City's Railroad Avenue right-of-way as shown on Exhibit A attached hereto and incorporated herein by this reference (the "Encroachment"); and

WHEREAS, the City is willing to grant Licensee a license to encroach into its right-of-way subject to the terms and conditions of this License Agreement.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Recitals. The foregoing recitals are incorporated by reference herein.
2. Grant of License/Conditions of Use. The City hereby grants Licensee a license to encroach and occupy the right-of-way on Railroad Avenue as generally shown on Exhibit A. This grant of license is expressly limited to and for the sole purpose of the existing drainage improvements benefitting the Property and the construction of a fence as generally shown on Exhibit A.
3. Revocable Term. The license for the Encroachment shall be revocable at the City's sole discretion following sixty (60) days notice to Licensee to remove the improvements that encroach into the City's right-of-way. If Licensee fails to remove the improvements following such notice, the City may do so itself at its sole discretion and bill the costs to Licensee. Licensee's failure to reimburse the City for the costs of removing the improvements within thirty (30) days of the invoice shall create a lien on the Property which the City may enforce or collect as taxes under the Section 7-1-110 to 7-1-140 of Rifle Municipal Code.
4. Indemnification/Insurance. Licensee agrees to forever indemnify, defend, and hold harmless the City against any and all claims, liabilities, or demands whatsoever relating to or arising out of the use of the right-of-way, the use of the Encroachment, or arising out of or related to this License Agreement. Licensee agrees to add the City as an additional insured under the insurance policy for the Property insuring the City against injury to any person or property arising from the Encroachment and any improvements thereon. Licensee shall provide the City a certificate of insurance which shall require notice to the City upon its termination. Such insurance policy shall be

issued by a company authorized to do business in Colorado and shall be in an amount not less than those limits of liability established from time to time for governmental entities under the provisions of the Colorado Governmental Immunity Act, C.R.S. § 24-10-114. Currently, such limits are \$150,000.00 per person and \$600,000.00 per occurrence and such insurance shall act as primary insurance with respect to all claims, injuries or casualties occurring on or to, or arising from, the Encroachment. Failure to insure the City shall terminate the license granted herein.

5. Severability. Should any portion of this Agreement be declared invalid or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement shall be deemed severable, shall not be affected, and shall remain in force and effect.

6. Entire Agreement. This Agreement is the entire agreement of the parties related to the Encroachment and the license granted herein, and neither party has relied on any promises or representations except as expressly described herein.

7. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Colorado. The District Court in and for Garfield County, Colorado, shall be the exclusive venue for any dispute arising hereunder. In the event of such a dispute, the prevailing party shall be entitled to reasonable expenses, including attorney fees.

8. No Liens. Licensee shall keep the Building free and clear of any mechanic's or materialmen's liens for labor performed or material furnished at the instance or request of Licensee or anyone claiming under Licensee.

9. Recordation. This Agreement shall be recorded in the Office of the Garfield County Clerk and Recorder's Office.

WHEREFORE, the parties have executed this agreement effective as of the date first written above.

CITY OF RIFLE, COLORADO

**LICENSEE:
VENTURE ONE**

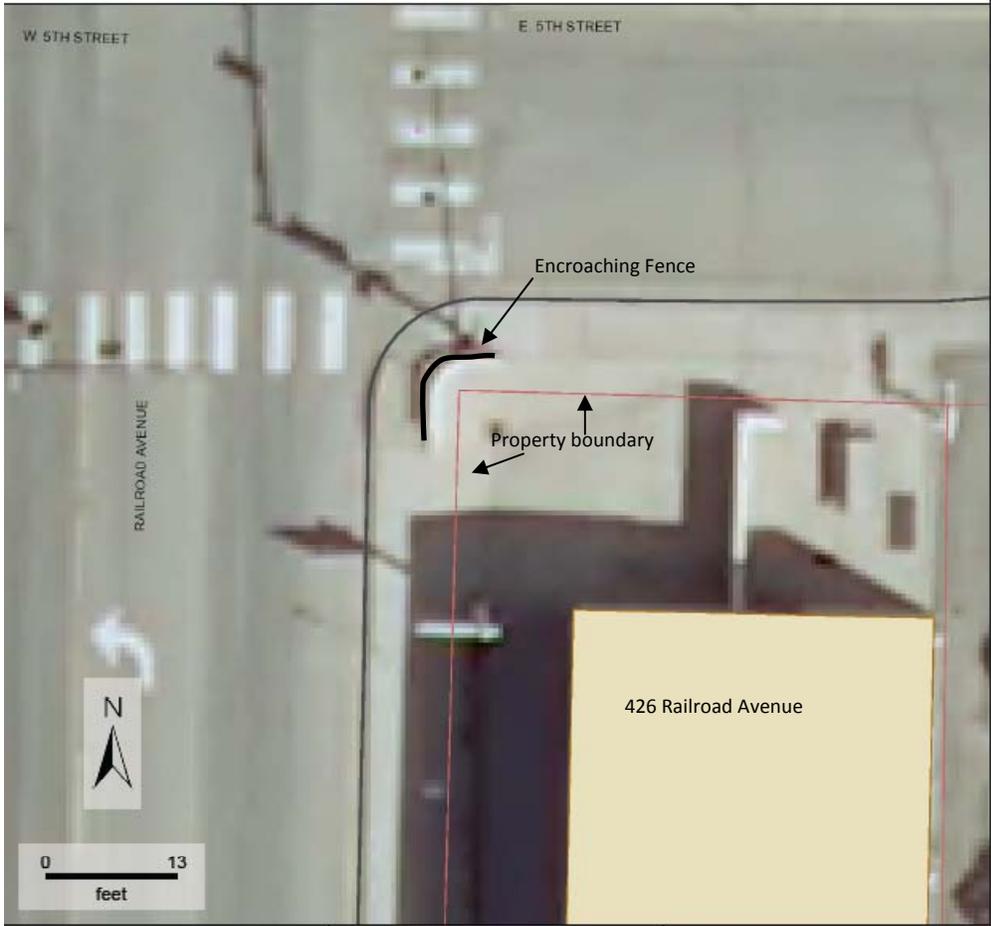
By: _____
Keith Lambert, Mayor

[name]

[title]

ATTEST:

Lisa Cain, City Clerk



**PROPERTY EXCHANGE
AND REDEVELOPMENT AGREEMENT**

This Agreement (“Agreement”) is made and entered into as of the ____ day of _____, 2011 by and between the RIFLE REGIONAL ECONOMIC DEVELOPMENT CORPORATION, a Colorado not-for-profit corporation (the “RREDC”), and ED MICHAEL ARNOLD AND ANNETTE V. ARNOLD (collectively “Arnold”) and the CITY OF RIFLE, COLORADO, a municipal corporation organized and existing under the laws of the State of Colorado (the “City”).

W I T N E S S E T H:

WHEREAS, the City is the owner of real property known as the “Valley Lumber Property” and the City and RREDC have entered into several cooperative agreements regarding the acquisition of adjacent property and the redevelopment of the Valley Lumber Property (the “Project”); and

WHEREAS, Arnold owns property adjacent to the Valley Lumber Property located at 201 West Avenue and 216 West 2nd Street, Rifle, Colorado (the “Arnold Property”) that is impacted by and will benefit from the Project; and

WHEREAS, the reconfiguration of certain property boundaries between the Valley Lumber Property and the Arnold Property will benefit the use of both properties and the Project; and

WHEREAS, the parties desire to set forth their agreement as to the exchange of real property and associated terms and conditions related to the Project.

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

1. Incorporation of Recitals. The foregoing recitals are incorporated herein by this reference as if set forth in full.
2. Conveyance from Arnold to RREDC. In consideration of the terms and conditions contained herein, upon the execution of this Agreement, Arnold agrees to convey to the RREDC free and clear of all liens by special warranty deed that certain real property described on Exhibit A attached hereto and incorporated herein by this reference (the “Arnold Parcel”). The City agrees to pay for the preparation of the deeds and the associated recording costs related to the conveyance of the Arnold Parcel to the RREDC.
3. Conveyance from the City to Arnold. In consideration of the conveyance of the Arnold Parcel to the RREDC, upon the execution of this Agreement, the City agrees to

convey to Arnold free and clear of all liens by special warranty deed that certain real property described on Exhibit B attached hereto and incorporated herein by this reference (the "City Parcels"). The City agrees to pay for the preparation of the deed and the associated recording costs related to the conveyance of the City Parcel.

4. Access. Both parcels comprising the Arnold Property shall have access to the alley north of the Arnold Property.

5. Improvements. To mitigate any effects on drainage related to the Project, the City agrees to construct as part of the Project those certain drainage improvements shown on Exhibit C attached hereto and incorporated herein by this reference.

6. Construction Nuisance Management. The City agrees to work closely with Arnold during the construction of the Project to coordinate and mitigate construction nuisances associated with the Project and its impact on the Arnold Property.

7. Conveyance from RREDC to the City. The RREDC agrees to convey the Arnold Parcel and the Landscape Easement to the City prior to the City's recording of a Lot Line Adjustment Plat related to the Project, which shall occur by December 31, 2011.

8. 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.

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

10. 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.

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

12. 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.

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

CITY OF RIFLE, COLORADO:

RIFLE REGIONAL ECONOMIC
DEVELOPMENT CORPORATION:

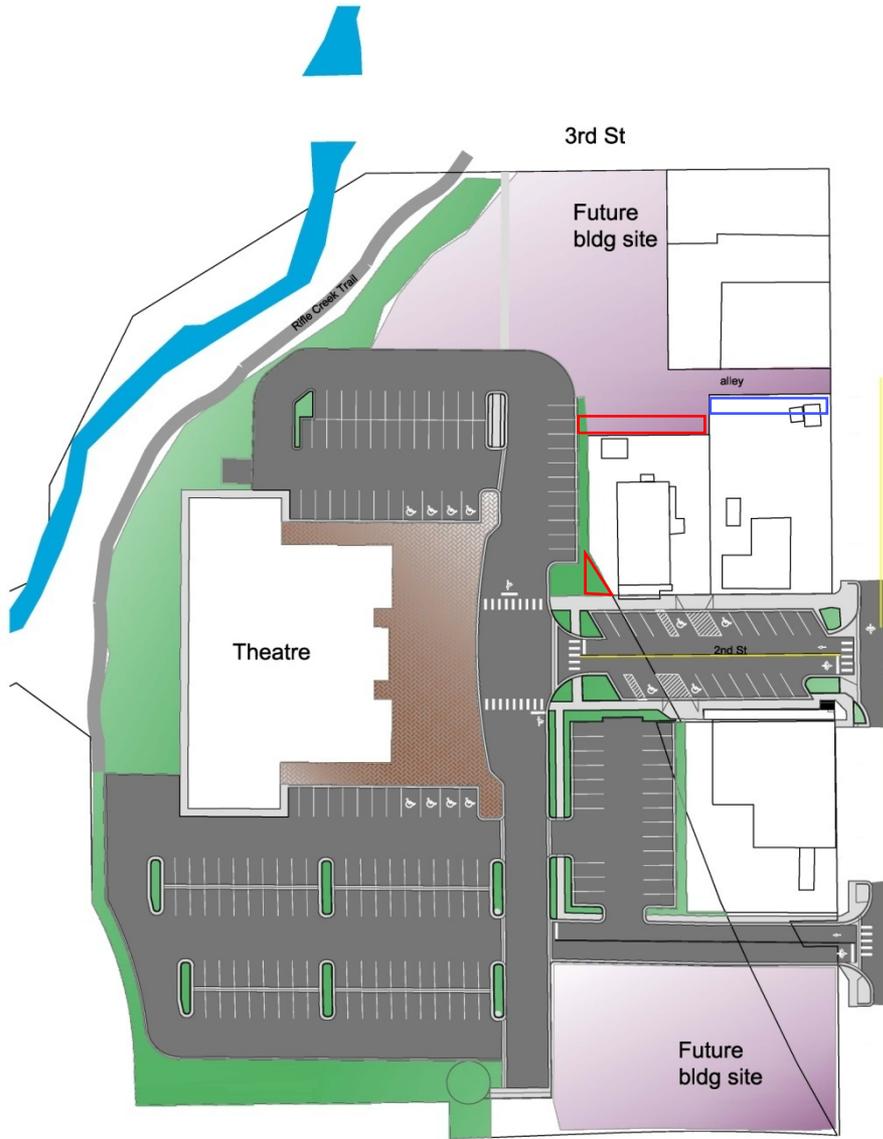
By: _____
Honorable Keith Lambert
Its: Mayor

By: _____
Its: _____

ARNOLD:

Ed Michael Arnold

Annette V. Arnold



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: JUNE 9, 2011
SUBJECT: CENTRAL BUSINESS DISTRICT MOBILE VENDOR REGULATIONS
TEXT AMENDMENT 2011-1

REQUEST

The DDA and staff have been working on regulations that would allow a certain number of mobile vending carts in the Central Business District. The intent is to improve the ambience of the Downtown area by providing this amenity for pedestrians.

BACKGROUND

The proposal is to allow a maximum of three vendors in the CBD. The current draft includes size limits that prevent vehicle-based vendors from locating in the CBD, and vendors may not locate on public right-of-way. They may locate in the City Hall/Library Plaza. Note that the Parks and Recreation Advisory Board is considering a separate program for the City parks. As currently proposed, PRAB would also regulated vendors in the City/Hall Library Plaza

For more details, see the Code changes and vendor application are included in your packet.

RECOMMENDATION

Staff recommends that City Council approve Text Amendment 2011-1.

CITY OF RIFLE, COLORADO
ORDINANCE NO. 8
SERIES OF 2011

AN ORDINANCE OF THE CITY OF RIFLE, COLORADO, AMENDING
SECTIONS 16-3-90 AND 16-5-150 OF THE RIFLE MUNICIPAL CODE
REGARDING TEMPORARY USES.

WHEREAS, Section 16-3-90 of the Rifle Municipal Code governs temporary uses, meaning any outdoor retail and/or wholesale sales use on a short-term basis in one location, including, but not limited to: produce stands, prepared food stands, and vehicles with kitchen facilities; and

WHEREAS, the City of Rifle's current temporary use regulations were adopted in 2009, and the Downtown Development Authority and City staff now propose certain revisions be made to zoning and operational restrictions; and

WHEREAS, as part of this effort, staff also proposes moving the review standards for temporary uses at Section 16-5-150 of the Code to Section 16-3-90 so that all temporary use requirements are listed together; and

WHEREAS, the intent of amending the standards for temporary uses is to improve the ambiance of the downtown area and promote a vibrant pedestrian atmosphere by providing prepared foods from a limited number of mobile vending carts to pedestrians; and

WHEREAS, staff also proposes amending RMC Section 16-3-90 to limit temporary produce sales as a permitted use in the Community Service (CS) and Tourist Commercial (TC) zone districts; and

WHEREAS, the Rifle City Council finds and determines that the best interests of the citizens of Rifle will be served by adopting the following amendments to Sections 16-3-90 and 16-5-150 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. Section 16-3-90 of the Rifle Municipal Code is hereby amended by the deletion of existing subsections (c), (h), and (i) and the addition of a new subsection (g). Accordingly, existing subsections (d) through (g) are hereby relettered as subsections (c) through (f), and subsections (j) and (k) are hereby relettered as subsections (h) and (i). Further revisions to Section 16-3-90 are hereby adopted to read as follows, with additions shown in bold, double-underlined text and deletions in strike-through text.

16-3-90. Temporary Uses.

* * *

~~(f)~~(e) Temporary produce sales. Temporary produce sales are permitted in the City Community Service (CS) and Tourist Commercial (TC) zone districts, as long as they operate for no more than sixty (60) days out of the calendar year. There shall be no limit on the number of produce sales in permitted areas. Temporary produce sales must still obtain a permit under this Chapter, ~~adhere to all of the review and location criteria herein~~ and obtain a sales tax license.

~~(g)~~(f) Prepared food temporary uses. P

(1) A limited number of prepared food temporary uses shall meet the following criteria in each district as described ~~be permitted in the Community Service (CS), Tourist Commercial (TC), and Central Business District (CBD) zone districts.~~ For purposes of prepared food temporary use permits, the City is divided into the following four geographic districts, with the applicable permit criteria:

~~(1)~~ a. South Rifle District. The South Rifle District includes all land zoned for temporary uses within the City south of the Colorado River. Three (3) prepared food vendors shall be permitted at any one (1) time.

~~(2)~~ b. North Rifle District. The North Rifle District includes all land zoned for temporary uses within the City that is north of the Central Business District. Two (2) prepared food vendors shall be permitted at any one (1) time.

~~(3)~~ c. West Rifle District. The West Rifle District includes all land zoned for temporary uses within the City that is west of the Central Business District, north of the Colorado River and south of 3rd Street. One (1) prepared food vendor shall be permitted at any one (1) time.

d. Central Business District. Three (3) prepared food vendors shall be permitted in the Central Business District zone district at any one (1) time on private property or at the City Hall/Library Civic Plaza.

(2) The following restrictions apply to prepared food temporary use permits in each district:

a. South Rifle District, North Rifle District, West Rifle District. Applicants that meet all of the temporary use permit criteria shall receive a permits on a first-come, first-serve basis until the limit on the number of permits in the requested district is reached. Each permit shall be valid for one (1) year. If an applicant holding a valid temporary use permit wishes to renew the permit, the

applicant may submit a new application before the one-year time limit expires and receive first review and approval priority regardless of other submitted applications for that district. If the applicant allows the permit to expire before submitting a new application, that permit shall be open to new applicants on a first-come, first-served basis. ~~The Central Business District shall have no limit on prepared food temporary uses except as determined through the conditional use permit process.~~

b. Central Business District.

1. Prepared food temporary use applications are due to the Planning Department by March 1st of each year. By April 1st a maximum of three Central Business District permits will be issued to vendors that meet all application criteria for the following year (April 1-March 31). If more than three valid applications are submitted by March 1st, the Planning Director or his/her designee(s) will choose three vendors that receive the highest scores based on application criteria. If less than three vendors apply before March 1st, qualified vendors shall be accepted throughout the year until the maximum number permitted is reached. Each permit shall be valid from April 1st to March 31st of a given year regardless of when issued.

2. Prepared food vendors shall not be permitted on public rights-of-way.

3. The maximum cart size for prepared food vending carts in the Central Business District shall be 8 feet long by 6 feet wide by 8 feet tall. Vehicle-based vendors shall not be permitted. Vending carts and equipment must be removed when not in operation.

4. Temporary use permits for the Library/City Hall Civic Plaza shall be issued via the Rifle Parks Vending Permit application process, but shall still count towards the three vendors permitted in the Central Business District.

(g) Temporary use standards. The following standards shall apply to temporary uses in all permitted districts:

(1) Temporary uses shall operate in the approved location through the length of the permit;

(2) The use meets all setback, buffers from incompatible adjacent uses and other requirements of its specific zoning district;

(3) The applicant has all licenses required by this Code and state law, including a sales tax license;

(4) For food sales, the applicant has evidence of Department of Health approval;

(5) The use occurs on a paved surface with marked parking space(s);

(6) The hours of operation of the temporary use shall be reviewed and approved based upon the nature of the use and the location. During hours in which the operation is to be closed, the site will be vacated except for any structures approved as part of the application;

(7) Adequate off-street parking is provided to serve the use, and the use shall not displace the required off-street parking spaces or loading areas of the principal permitted uses on the site or interfere with the flow of vehicle or pedestrian traffic;

(8) The use is compatible in intensity, characteristics and appearance with existing land uses in the immediate vicinity of the proposed location. Factors such as location, access, traffic generation, noise, light, dust control and hours of operation will be considered;

(9) The proposed use and structure have a neat and clean appearance and properly disposes of any trash within fifty (50) feet of the use with evidence of the location of legal trash disposal;

(10) Proposed lighting shall not glare onto adjoining properties or onto public streets;

(11) No merchandise shall be displayed within thirty (30) feet of an intersection of the curb line of any two (2) streets; within the required setback area of the parcel on which the use is to be located; within ten (10) feet of any curb cut; or within one hundred fifty (150) feet of any structure primarily used as a residence;

(12) Signs shall be limited to twenty-four (24) square feet of signage affixed to the temporary use structure. No flags, banners or other signage shall be permitted; and

(13) Noisemakers of any kind, including amplifiers, shall be prohibited.

Section 3. Subsection (b) of Section 16-5-150 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.

16-5-150. Temporary uses.

* * *

(b) Review criteria. The temporary use permit application, including submittal materials required by Article VI of this Chapter, shall be submitted in writing to the Planning Department. The Planning Department staff will determine if the application is complete. Temporary use permit applications shall be reviewed and approved or denied by the Planning Director within ten (10) working days after receipt of a complete application. In the approval of a temporary use application, the Planning Director shall have authority to require such reasonable conditions as are necessary to protect the public health, safety and general welfare of the citizenry and to ensure that the use, value and quality of the surrounding uses will not be adversely affected. The Planning Director reserves the right to revoke or refuse to grant a renewal of a temporary use permit based upon a demonstration that the permittee has not met any one (1) of the following review criteria: set forth at Section 16-3-90 of this Code.

INTRODUCED on June 15, 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 July 5, 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

RIFLE CENTRAL BUSINESS DISTRICT TEMPORARY USE/MOBILE VENDING APPLICATION

Permitting Process

Applications for Downtown Mobile Vending Permits are due to the Planning Department by March 1 of each year. By April 1 a maximum of three downtown temporary use permits will be issued to vendors that meet all minimum criteria as listed herein. Permits are valid from April 1 to March 31 the following year. If more than three valid applications are submitted by March 1, a Downtown Vending Committee composed of Downtown Development Authority members and City Staff will choose three vendors that receive the highest scores based on application criteria. Open spaces after April 1 will be available to qualified applicants throughout the year. Vendors with a permit are not guaranteed to receive a permit the following year.

Note: The Library/City Hall Civic Plaza is included under the City Parks Mobile Vending application process. Interested vendors should contact the Recreation Department for that application.

Application Criteria

1. Cart Location, Size and Appearance (10 points)

- a. Give the address of the proposed location. Carts must be located on private property. They must remain in one location in the Downtown. They may not interrupt pedestrian or vehicular traffic. Attach a drawing to this application that shows how the cart will be situated on the property.
-

- b. The maximum size of a cart in the Downtown is 8' long, 6' wide, and 8' tall. Vehicle-based vendors are not permitted. List the measurements of your cart.
-

- c. What other equipment/materials will you have on the site (coolers, tents, etc.)
-

d. Vending carts must be in good and neat condition and maintained as represented in the application. Describe your cart materials and colors - attach pictures to this application.

Roof: _____

Body: _____

Accent Colors: _____

e. Vendors must provide a trash receptacle and pick up any trash surrounding the car. How will you deal with trash?

f. Describe how your cart will be powered.

g. Carts must be taken out of the Downtown when not in operation – NO exceptions. How will you transport the cart to and from your site each day?

2. Product Uniqueness (10 points)

Your product should be genuinely unique. Over-saturation of any product is closely monitored. For example, if there are already coffee shops in close proximity (the same block as the cart opening), the concept of a coffee cart is not realistic.

a. Describe product(s) to be sold:

Price

\$ _____

\$ _____

\$ _____

_____ \$ _____

b. What makes this a quality and unique product with good value? (process ... ingredients ... materials ... design)

c. If your product is sold elsewhere in the immediate vicinity, list those stores/restaurants:

_____	\$ _____
_____	\$ _____
_____	\$ _____

d. Who is your intended market?

3. Contribution to the Downtown and the Rifle Community (10 points)

a. How would your cart contribute to and strengthen the Downtown and its activities through additional dining options, ambience, employment, or other community benefits?

b. Are the owners/operators of the cart residents of the City of Rifle? If not, where?

c. What locally grown, purchased, or manufactured goods will be used, when possible?

4. Operating Schedule (10 points)

a. Downtown Rifle mandatory operating months: May through September

Minimum days & hours of operation: an average of three days a week/ four hours a day over the May-September season.

List your days and hours of operation (points given for more hours):

5. Applicant Cart Experience (5 points)

a. Have you previously owned or operated a mobile vending cart? ___Yes
___No

If yes, when & where? _____

b. What products were sold?

Applicant Signature

Date



Date: June 9, 2011
To: John Hier, City Manager
From: Aleks Briedis, Recreation Director
RE: Parks Vending Policy

Staff has been working on developing a vendor policy for City of Rifle parks. Attached are the policy and the permit application. PRAB reviewed the policy and recommended to approve at their June 6th, 2011 meeting.

A resolution is included in your packet. Staff recommends approval of the resolution.



Rifle Parks Vending Policy

- a) Any vendor desiring to sell food or merchandise in any Rifle Park shall first obtain a Parks Vending Permit from the City of Rifle Recreation Department.
- b) A vendor shall complete the required vending permit application available from the City of Rifle Recreation Department.
- c) Payment of the permit fee is required at submission of the vending permit application to the Recreation Department and a permit fee shall be paid for each park in which the vendor seeks a permit.
- d) The annual permit fee shall be \$50.00 and shall not be pro-rated. A Rifle Parks Vending Permit shall be valid from April 1st through March 31st.
- e) A vending permit entitles a vendor to an exclusive vending location for each park in which a permit is obtained. Vendors may not vend from sites other than their approved exclusive location. Vendors may request a specific location but all vending locations are subject to approval by the Recreation Director. Locations with electrical connections are limited and vary by park. An additional annual charge, to be set annually by the Recreation Director, will be assessed at the time of permit application if a vendor requests a location with electrical connection. Due to limited availability of such locations, the additional charge will apply whether or not the vendor uses the electrical connection. A vendor shall not connect to any City electrical without approval and payment of the aforementioned additional fee. The use of fuel-burning electrical generators by vendors is prohibited.
- f) A single vendor shall hold no more than one vendor permit per park.
- g) The number of permits available per park is limited as follows and is subject to change based upon the determination of the Recreation Director:
 - Centennial Park: 3
 - Deerfield Park: 2
 - Rifle Mountain Park: 2
 - Davidson Park: 1
 - Civic Plaza: 1
 - Remote Control Park: 1
- h) The size of a vendor's trailer, cart or temporary structure and type of vending may be restricted or prohibited depending on the park and/or desired vending location within the park.
- i) All vending related equipment and temporary structures must be removed from the vending location daily. No on-site storage will be allowed.
- j) All permitted vendors shall comply with all applicable City, State and Federal laws and regulations and will be required to furnish a copy of their Rifle Sales Tax Permit, workers compensation insurance (if applicable) and, for food vendors, appropriate health inspections/permits.
- k) All permitted vendors provide a certificate of insurance with the following information: \$1,000,000.00 combined single coverage indemnifying the City of Rifle. Insurance documents must list the City of Rifle as additionally insured as follows: Additionally insured, City of Rifle,

City's officers, officials and employees. Insurance will be required prior to receiving a Rifle Parks Vending Permit.

- l) Permits must be reapplied for annually and are not transferable.
- m) Permits may be revoked by the City at anytime, for any reason, without notice or reimbursement of any or all fees paid.
- n) Permitted vendors shall only operate during the days and times a park is open to the public.
- o) Trash must be picked up by vendor before leaving the premises.
- p) Exceptions: Permitted special events or sporting events in Rifle Parks may result in the City offering limited-term additional vending permits and locations and/or allow non-profit and civic groups to vend in Rifle Parks free of charge without a vending permit.

Version: 6/8/2011

CITY OF RIFLE PARKS TEMPORARY USE/MOBILE VENDING APPLICATION 2011

Permitting Process

Applications for City of Rifle Parks Mobile Vending Permits are available at the Recreation Department between starting February 1st and are due on March 1st each year. By April 1st permits will be issued for the following year to vendors that meet all minimum criteria as listed herein. If more valid applications are submitted by March 1st than are permitted in a location, the Parks and Recreation Advisory Board shall choose vendors that receive the highest scores based on application criteria below. Permits will be valid from April 1st through March 31st. If vending locations are still available, permits will be accepted on a first come, first serve basis and will be approved on a case by case basis. Cost of a permit is \$50 per year. Electrical hook-up will be an additional \$50 per year.

Application Criteria (attach separate pages if needed)

1. Cart Location, Size and Appearance (10 points)

Choose your proposed location. If fewer valid applications are submitted than are permitted in each location, vendors may be permitted to operate in more than one location. See requirements for each location below. See map for permitted vendor locations within each park. Please rank your preference from 1 to 5 with 1 being your most desirable location. (* designates that electrical hook-up is available)

- ___ Centennial Park A (vehicle based vendors are not permitted)
- ___ Centennial Park B (vehicle based vendors are not permitted)
- ___ Centennial Park C* (vehicle based vendors are not permitted)
- ___ Deerfield Park A
- ___ Deerfield Park B
- ___ Rifle Mountain Park A (area south of host cabin)
- ___ Rifle Mountain Park B (Huffman Gulch area)
- ___ Davidson Park (North side of parking lot)
- ___ Civic Plaza* (max size of cart is 8' long x 6' wide x 8' tall)
- ___ Remote Control Park

a. List the measurements of your cart/vehicle.

b. What other equipment/materials will you have on the site (coolers, tents, etc.)

c. Vending carts must be in good and neat condition and maintained as represented in the application. Describe your cart materials and colors - attach pictures to this application.

Roof: _____

Body: _____

Accent Colors: _____

d. Vendors must provide a trash receptacle and pick up any trash surrounding the car. How will you deal with trash?

e. Describe how your cart will be powered. (Power is available at a few sites for an additional \$50 per year)

f. Carts must be taken out of the park when not in operation – NO exceptions. How will you transport the cart to and from your site each day?

2. Product Uniqueness (10 points)

Your product should be genuinely unique. Over-saturation of any product is closely monitored. For example, if there are already coffee shops in close proximity (the same block as the cart opening), the concept of a coffee cart is not realistic.

a. Describe product(s) to be sold:	Price
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

b. What makes this a quality and unique product with good value? (process ... ingredients ... materials ... design)

c. If your product is sold elsewhere in the immediate vicinity, list those stores/restaurants:

_____	\$ _____
_____	\$ _____
_____	\$ _____

d. Who is your intended market?

3. Contribution to the Rifle Community (10 points)

a. How would your cart contribute to and strengthen the community and its activities through additional dining options, ambience, employment, or other community benefits?

b. Are the owners/operators of the cart residents of the City of Rifle? If not, where?

c. What locally grown, purchased, or manufactured goods will be used, when possible?

4. Operating Schedule (10 points)

a. List your months, days and hours of operation (points given for more hours):

5. Applicant Cart Experience (5 points)

a. Have you previously owned or operated a mobile vending cart?

_____Yes _____No

If yes, when & where? _____

b. What products were sold?

Applicant Signature Date

Company Name

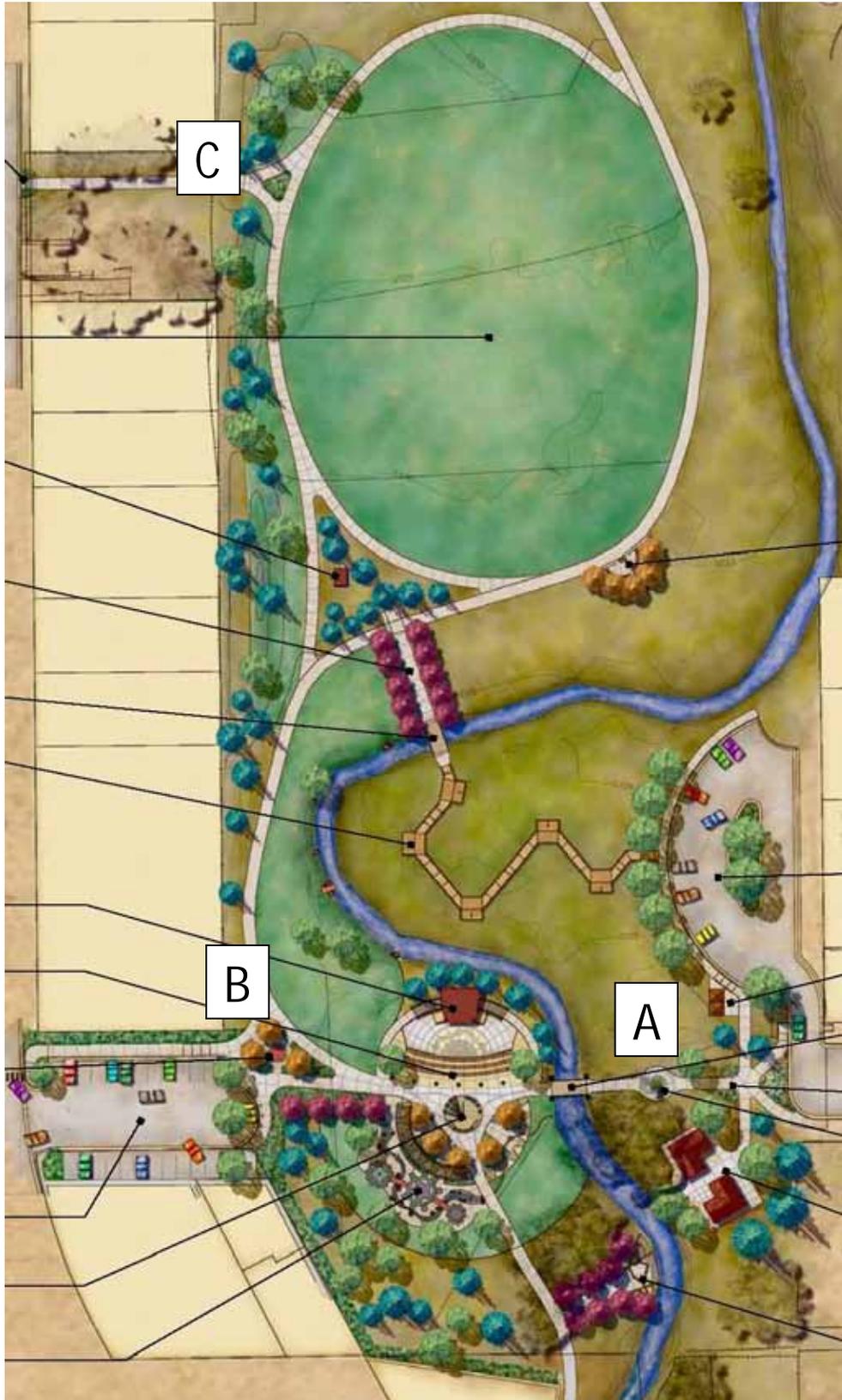
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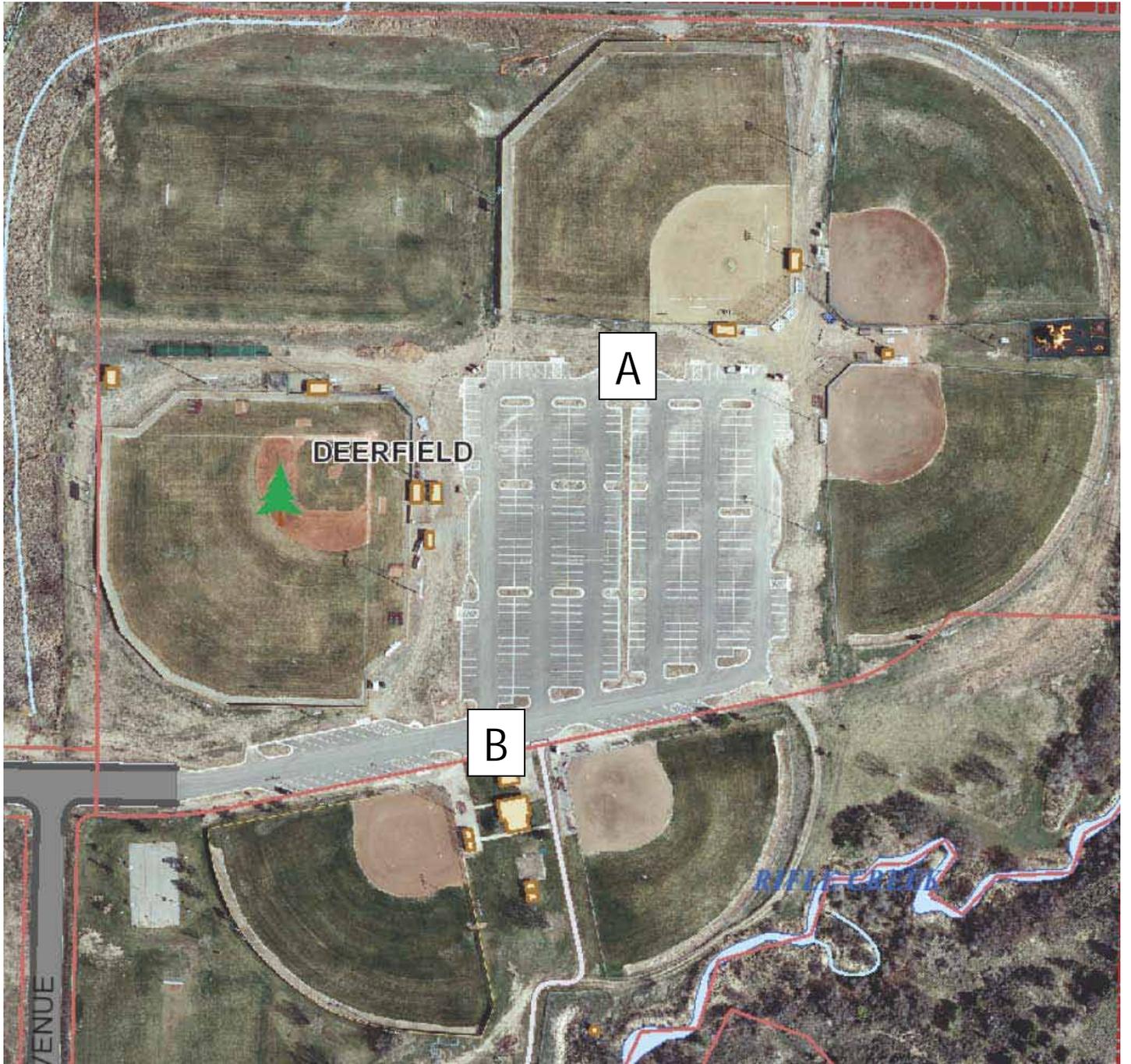
Phone

E-mail

Centennial Park



Deerfield Park



**CITY OF RIFLE, COLORADO
RESOLUTION NO. 9
SERIES OF 2011**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIFLE,
COLORADO, PROMULGATING SUPPLEMENTAL RULES AND
REGULATIONS FOR MOBILE VENDING IN CITY PARKS.

WHEREAS, Section 11-6-60 of the Rifle Municipal Code authorizes the City Manager to promulgate the rules and regulations governing conduct and activities within all public recreation areas, recreation sites, and parks which are subject to the jurisdiction of the City and to present such proposed rules and regulations for approval by the City Council; and

WHEREAS, by Resolution No. 45, Series of 2006, the City Council approved rules and regulations for public recreation areas, recreation sites, and parks under City jurisdiction, which rules and regulations were introduced in writing by the City Manager in accordance with RMC Section 11-6-60; and

WHEREAS, the Rifle Parks and Recreation Department has requested that supplemental rules and regulations be adopted concerning food and merchandise mobile vending in City public recreation areas, recreation sites, and parks; and

WHEREAS, the City Council finds and determines that approval of the Rifle Parks Vending Policy attached hereto as Exhibit A will promote the public health, safety, and welfare by providing for uniform regulation of mobile vending in City parks and wishes to adopt such rules and regulations 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 policies attached hereto as Exhibit A as the official Rifle Parks Vending Policy and orders staff to post such rules and regulations at City Hall. To the extent that the Rifle Parks Vending Policy conflicts with the general rules and regulations for City parks adopted by Resolution No. 45, Series of 2006, the specific provisions of Exhibit A shall govern mobile vending in City recreation areas, recreation sites, and parks.

THIS RESOLUTION was read, passed, and adopted by the Rifle City Council at a regular meeting held this 15th day of June, 2011.

CITY OF RIFLE, COLORADO

By: _____
Mayor

ATTEST:

City Clerk

Resolution No. 9, Series of 2011
Exhibit A

Rifle Parks Vending Policy

- a) Any vendor desiring to sell food or merchandise in any Rifle park shall first obtain and complete a Rifle Parks Vending Permit application from the City of Rifle Parks and Recreation Department.
- b) Payment of the permit fee is required at submission of the vending permit application to the Parks and Recreation Department and a permit fee shall be paid for each park in which the vendor seeks a permit.
- c) The annual Rifle Parks Vending Permit fee shall be \$50.00 and shall not be pro-rated. Rifle Parks Vending Permits shall be valid from April 1st through March 31st regardless of when issued.
- d) A Rifle Parks Vending Permit entitles a vendor to an exclusive vending location for each park in which a permit is obtained. Vendors may not vend from sites other than their approved exclusive location. Vendors may request a specific location but all vending locations are subject to approval by the Recreation Director. Locations with electrical connections are limited and vary by park. An additional annual charge, to be set annually by the Recreation Director, will be assessed at the time of permit application if a vendor requests a location with electrical connection. Due to limited availability of such locations, the additional charge will apply whether or not the vendor uses the electrical connection. A vendor shall not connect to any City electrical without approval and payment of the aforementioned additional fee. The use of fuel-burning electrical generators by vendors is prohibited.
- e) A single vendor shall hold no more than one Rifle Parks Vending Permit per park.
- f) The number of Rifle Parks Vending Permits available per park is limited as follows and is subject to change based upon the determination of the Recreation Director:
 - Centennial Park: 3
 - Deerfield Park: 2
 - All other City of Rifle parks, including the Remote Control Park and Mountain Park, shall be limited to one each per park.
- g) The size of a vendor's trailer, cart or temporary structure and type of vending may be restricted or prohibited depending on the park and/or desired vending location within the park.
- h) All vending related equipment and temporary structures must be removed from the vending location daily. No on-site storage will be allowed.
- i) All permitted vendors shall comply with all applicable City, State and Federal laws and regulations and will be required to furnish a copy of their Rifle Sales Tax Permit, workers

compensation insurance (if applicable) and, for food vendors, appropriate health inspections/permits.

- j) All permitted vendors provide a certificate of insurance with the following information: \$1,000,000.00 combined single coverage indemnifying the City of Rifle. Insurance documents must list the City of Rifle as an additional insured. Insurance will be required prior to receiving a Rifle Parks Vending Permit.
- k) Rifle Parks Vending Permits must be reapplied for annually and are not transferable.
- l) Rifle Parks Vending Permits may be revoked by the City at anytime, for any reason, without notice or reimbursement of any or all fees paid.
- m) Permitted vendors shall only operate during the days and times a park is open to the public.
- n) Exceptions: Permitted special events or sporting events in Rifle parks may result in the City offering limited-term additional vending permits and locations and/or allow non-profit and civic groups to vend in Rifle parks free of charge without a Rifle Parks Vending Permit.

Manager's Report

June 9, 2011

I will not be able to attend the June 15th City Council Meeting, therefore this report is brief.

I primarily would like to update you on flooding issues. As you are aware, we experienced extensive flooding in Rifle Mountain Park this past week, and resultantly, we closed the park. It has been re-opened as of June 8th.

The low lying areas south of the Rest Area entrance flooded on Tuesday, June 7th. City crews assisted CDOT with construction of a berm along the north side of the Lions Park Circle, and the berm did hold back some flood waters.

There are several homes lying in the low area/ south of the Lions Park Circle. Two of these homes were flooded and at least four homes experienced flooding in the areas around the homes.

City crews conducted a sand bagging operation and several drainage ways were sand bagged to reduce the flow of water around the low lying homes. The correctional center provided inmate help, and at least 800 sand bags were filled.

The Fire Department assisted City crews with pumps, and the two flooded home were eventually pumped dry.

Our crews continue to monitor the situation and additional sand bags have been filled as a precaution.

We are very thankful to the Rifle Fire Department, the correctional center, and CDOT for all the assistance they provided.

Sincerely yours,

John Hier
City Manager



Lisa Cain

From: Jason Haber [jason@aspencore.org]
Sent: Wednesday, June 08, 2011 3:16 PM
To: Lisa Cain
Subject: CORE Economic Development Report
Attachments: Prioritizing Clean Energy_CORE.PDF

Lisa –

Thank you for offering to forward this request to Mr. Hier. As I mentioned, CORE is very interested in discussing the attached report with the Rifle City Council, and would love to have the City included in our official list of supporters when we submit this document to our state legislators later this month. If possible, we would appreciate it if this could be scheduled on the Council's upcoming agenda.

Recognizing that the number one priority for most Coloradoans is to invigorate the economy and create jobs, Governor Hickenlooper launched his *Bottom-Up Economic Development Initiative* earlier this year. The goal of the Initiative is to create an economic development plan for the state through strategies suggested via county governments and the 14 regional Colorado Council of Governments.

CORE wholeheartedly supports the Governor's Initiative and has been fortunate to be involved in regional meetings. However, after attending several meetings and in discussing this process with our partners, we felt there was a need to specifically address Colorado's clean tech and efficiency markets in the state's strategy. The clean tech industry in Colorado saw an 18% growth in jobs from 1998-2007, while the state average for remaining sectors during that time period was only 8%. To sustain such momentum, stimulate the economy and protect the environment, Colorado must continue to make the clean tech sector a state priority.

Attached you will find CORE's report "Prioritizing Clean Energy and Energy Conservation in Colorado's Economic Development Strategy." Prepared by CORE staff and partners, the report outlines the economic opportunities in the clean tech industry and what Colorado legislators can do to ensure these opportunities are not overlooked. Please keep in mind that this report is in no way meant to be comprehensive. We are aware that many more opportunities exist, but we simply could not cover them all. Rather, we chose to put forward a diverse set of options for Colorado lawmakers to consider. Our primary goal was to illustrate the myriad financial opportunities available to homeowners, business owners and investors in Colorado.

We are asking that your organization schedule time to discuss this report and consider signing on as a supporter of its recommendations. After we have collected a sufficient number of signatures, the report will be sent to members of the State Senate and House of Representatives. In June, CORE staff and partners will meet with legislators to discuss in depth the economic opportunities outlined in the report and how best to promote them in the legislature.

We also respectfully request that you forward this letter and report to other colleagues in Colorado and elsewhere. The more signatures we have, the more attention we will bring to the issues!

We hope you'll find this work broadly representative of your wishes for Colorado's economic future as much as we do.

Thank you for your time and support!

Jason Haber
Energy Programs Manager

Community Office for Resource Efficiency

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PRIORITIZING Clean Energy and Energy Conservation in
Colorado's Economic Development Strategy



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Energy Smart Resource Center
111 ABC, Suite M
Aspen, CO 81612

CORE
520 S Third St
Carbondale, CO 81623

WWW.ASPENCORE.ORG

Prioritizing Clean Energy and Energy Conservation in Colorado's Economic Development Strategy

5/11/2011

To Governor Hickenlooper and Staff,

We are writing in regard to your Bottom Up Economic Development Initiative. CORE's Board, staff and partners have attended a number of county and regional meetings, and we found them productive and thoughtful. Thank you for creatively addressing Colorado's economic needs.

However, due to the size and scope of this effort, we found it necessary to submit a recommendation that specifically addresses economic growth through the support of efficient and clean uses of energy. This report is divided into five concise sections: energy efficiency and conservation, clean energy, transportation, fossil fuels, and market synergy. Significant economic potential exists in each of these areas.

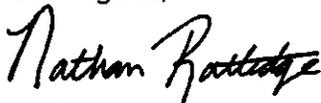
Your predecessor, Governor Ritter, and thousands of students, CEOs, elected officials and activists around the state have made Colorado a leader in innovative energy investment. Moreover, Colorado is blessed with a bounty of solar access and wind potential, universities, laboratories, investors, and utilities equipped to capitalize on new opportunities. The recommendations discussed in this report create financial growth and savings potential for a broad spectrum of Coloradans.

Instituting progressive policy measures in support of clean energy and efficiency has a litany of domestic and international success stories. Germany's electricity Feed-In Law supporting clean energy has created a job sector that now outnumbers their famous automobile industry. Since 2009, a similar effort in Ontario, Canada has created over 20,000 jobs. In Colorado, the Governor's Energy Office, the Office of Economic Development and International Trade and stakeholders around the state have brought clean tech companies to Colorado: between 2008 and 2010 the state added an estimated 4,500 new jobs in the clean energy economy.

Investing in efficiency, renewables, and community-based transportation initiatives retains more money in the local economy, hedges against rising energy costs and fosters greater economic competitiveness for Colorado businesses. Combined, these efforts help establish Colorado as an international hub for clean energy technologies and innovation.

We, and the forthcoming list of signatories, urge you to consider each of the recommendations addressed. We look forward to your continued leadership in pursuing timely state legislation that supports clean energy, resource conservation and environmental protection.

Best regards,



Nathan Ratledge
Executive Director
Community Office for Resource Efficiency

CC: All State Senate and House Representatives



ENERGY EFFICIENCY AND CONSERVATION

"Energy efficiency is not just the low hanging fruit; it's the fruit laying on the ground."¹ —US Secretary of Energy Stephen Chu

What's the Issue?

According to a recent study published by McKinsey, the United States could reduce energy consumption by over 20% by 2020, a reduction that would lead to \$1.2 trillion in savings.² A national energy efficiency campaign would be a boon for the economy — putting people back to work completing upgrades, saving property owners cash on their utility bills, and stimulating innovation and industry to do more with less. Dollars not spent on energy costs are dollars spent improving our communities, schools, neighborhoods and businesses.³



What's happening now?

Boulder County was one of the first jurisdictions in the country to establish a Property Assessed Clean Energy (PACE) program. In its first two rounds in 2009, the County used its bonding authority to push over \$9M in funding for home energy improvement loans. This funding went directly into the local economy, stimulating jobs and sustaining businesses during tough economic times. Every dollar loaned through PACE generated at least an additional \$0.53 in economic activity in Boulder County.⁴

The Department of Energy (DOE) and the Governor's Energy Office (GEO) have invested millions in projects around the state to support similar efficiency efforts. Two cluster areas in Colorado — Boulder, Denver and Garfield County and Eagle, Gunnison and Pitkin Counties— are participating in the DOE's Better Buildings Program. Better Buildings has provided 3-year funding and technical support for communities to establish comprehensive retrofit programs. The programs are meant to test various retrofit tactics, from grassroots marketing and workforce development, to financing tools, data management systems, and utility partnerships. Ultimately, the goal of these programs is to normalize efficiency improvements and transform the residential retrofit market.

Progressive building codes have also mandated that energy efficiency become standard.⁵ For example, Aspen/Pitkin established the Renewable Energy Mitigation Program (REMP) in 2000 to curtail excessive household energy consumption. (See highlight box for details.) REMP has since been replicated in several jurisdictions around the state. The Governor's Energy Office has also supported more progressive energy codes with grant funding, workshops, and publications.⁶

Legislative action, such as House Bill 07-0137, has increased the uptake in efficiency programs as well.⁷ HB 07-1037 requires that Investor-Owned Utilities (IOUs) provide efficiency programs that are cost effective to their customers. Since all efficiency programs must pass a cost benefit analysis, the mandate has allowed utilities to invest in efficiency improvements without hurting their bottom line.

What are the opportunities?

Provide state and federal tax incentives for efficiency improvements. Between 2005 and 2010, the federal government allowed taxpayers to claim a 30% federal tax credit for efficiency improvements such as increased insulation or new windows. The tax credit decreased to 10% with a cap of \$500 for 2011 and to date has not been extended past December 31st, 2011. The state should lobby the federal government to continue the credit indefinitely, as it provides a huge stimulus to the industry. The state should also examine developing a state tax incentive program.

Enhance building energy codes. In 2007, HB-1146 required that all communities with a building code adopt the 2003 International Energy Conservation Code (IECC). The state should look into expanding this provision to communities not currently captured by the 2007 legislation. Energy codes stimulate the marketplace, creating demand for efficient products and materials and a more educated workforce. Furthermore, the IECC published a new code



in 2009, which has been adopted in several communities around the state. The state should continue educating communities about the 2009 Code and additional 'above code' training activities, particularly in places that do not currently have a code in place.

REMP

The Renewable Energy Mitigation Program (REMP), established in 2000, is a component of the Aspen/Pitkin County Building Code that establishes an interior and exterior energy budget for new construction projects. The goal of the program is to encourage energy conservation and efficiency. However, excess consumption can be mitigated through the installation of an onsite renewable energy system or an in-lieu fee. Since 2000, REMP has reduced energy use, supported a thriving solar industry and raised over \$9M. All of the revenue is redistributed to the community via grants and rebate offerings. REMP has provided rebates to hundreds of solar installations and leveraged millions of dollars in community-based efficiency upgrades. REMP has also served as a unique outreach vehicle to keep citizens educated and engaged on energy and resource conservation issues. Similar provisions have been established in Crested Butte, Basalt, Carbondale, Snowmass Village, Eagle County, Teton County, WY and Martha's Vineyard, MA.



Encourage the real estate community to include efficiency improvements within the Multiple Listing Service. Consumers need to see that investing in energy efficiency pays off on the assessment of their home. The GEO should continue its work with Eco Brokers International, IRES, Metrolist, USGBC-Colorado and realtor associations to establish a statewide standard that ensures the MLS accounts for efficiency improvements. The GEO should also continue to work with the Appraisal Foundation and the Appraisal Standards Board to establish clear standards for reflecting the value associated with a home's energy use.

Extend Demand-Side Management (DSM) programs. The Public Utilities Commission (PUC) requires IOUs to implement cost effective efficiency programs. However, rural cooperatives and municipal utilities are currently exempt from this provision. State legislators should examine efforts to extend these programs to all utilities in the state, potentially through a public benefits charge (PBC) on utility bills or an efficiency provision placed on franchise fees. (The provision would require a percentage of all franchise fees go to local efficiency programs.) PBCs in 12 states generated \$870 million in 2002/2003 and yielded nearly 2.8 million MWh in savings. At an average \$ 0.03/kwh saved, PBCs are a much more cost-effective way to provide energy than new generation.⁸

Encourage Implementation of Energy Audit and Disclosure Ordinances. Several cities have implemented a point of sale energy disclosure requirement with various mechanisms for compliance, including incentives and fees.⁹ In 2009, Austin Energy passed an ordinance that requires buildings over 10 years old to provide proof of an energy audit prior to the sale of the property. By establishing a negotiating option at the point of sale that highlights efficiency investments, the program has enabled the City of Austin to get closer to reaching its climate action and energy conservation goals.¹⁰



Financing Investments in Energy Efficiency

Coloradans need greater access to capital and affordable financing in order to invest in energy efficiency. Unfortunately, the lending limits and underwriting criteria of conventional loan products (i.e. home equity loans and lines of credit) leave many homeowners, landlords, and businesses unable to access the capital needed to invest in upgrading their properties. The irony of this situation, and perhaps the greatest justification for finding solutions to the problem, is that financing efficiency improvements ultimately save the borrower money, thereby improving their ability to service debt and strengthening our collective economic condition.

While the state and a handful of Colorado counties have taken measures to establish PACE financing programs (authorized under HB 08-1350 and expanded under SB 10-100 and HB 10-1328), objections at the federal level have put these programs on hold. This is regrettable. Had property owners been given the ability to finance energy improvements on their property, PACE could have provided a direct and leveraged cash infusion of tens of millions of dollars into the economy, allowing property owners across the state to improve the efficiency of their properties, while creating hundreds of new jobs, primarily in the construction trades. We encourage the state to pursue every effort to revive PACE as soon as possible.

GREEN FINANCE UK

A new partnership between the UK's Carbon Trust (an independent non-profit established by the British government) and Siemens Financial Services will provide nearly \$900 million (USD) worth of financing over the next three years, enabling UK businesses to invest in cost-effective energy efficient equipment upgrades, such as lighting retrofits and biomass heating. All UK businesses are eligible to apply for financing as of April 2011.

Under an agreement signed between the two parties, Siemens Financial Services will provide the financial backing and manage the provision of funding, while the Carbon Trust will use its expertise concerning carbon savings from efficiency upgrades to assess the carbon, energy and cost savings of any proposed application. This arrangement is designed to enable the financing to pay for itself through energy savings. The program is expected to deliver lifetime energy cost savings of nearly \$2 billion (USD) and over 6 million tons of carbon.

Several counties across the state are actively working to develop loan programs that benefit from various types of credit enhancements. Partners include the GEO, the Colorado Housing Finance Administration (CHFA), and the private banking industry. Loan products could include a loan loss reserve or a rate buy-down fund, in order to extend more favorable terms and qualifying criteria to borrowers interested in making energy improvements to their properties. We encourage the state to continue to enhance and expand energy efficiency lending under CHFA's Colorado Credit Reserve (CCR) and Green CCR.

Colorado's SB 08-184 authorized the Colorado Clean Energy Finance Program and enabled the state treasurer to invest up to \$10 million per year (over three years) to provide below market-rate loans to homeowners. With these loans, home improvements for energy efficiency and renewable energy may be financed. The program is designed to be self-sustaining as it is to be funded with securities payable from loan payments. The state treasurer and the GEO should be encouraged to streamline their administrative planning efforts and roll this program out immediately.

Finally, Energy Performance Contracting is a financing and implementation model that has benefited greatly from contract oversight and facilitation provided through the GEO; however, its use has been largely limited to public sector facilities. As a partnership model, we would encourage expanding the use of this concept to commercial and multi-family residential sectors.

CLEAN ENERGY

*"According to the Union of Concerned Scientists, the generation of 20% of electricity from renewable sources by 2020 will lead to the creation of 4,100 new jobs; \$331 million in income to farmers, ranchers, and rural landowners; an increase of \$2.5 billion in capital investment; \$62 million in new local tax revenues; and, \$1 billion in energy savings by 2030—\$200 for every (Colorado) state resident."*¹¹



What's the issue?

Nationally, the clean energy sector is booming.¹² From 2006-2008, Colorado attracted more than \$600M in venture capital funding for clean energy projects. In 2007 there were 2,639 jobs in clean energy in Colorado; by 2010 that number ballooned to over 7,000.^{13, 14} Colorado is one of the leading states for renewable energy development, ranking in the top ten for resources, generation and jobs created. However, with the industry growing as rapidly as it is, it's important that Colorado maintains its competitive advantage by supporting progressive state policies that attract investment and jobs to the state.

What's happening now?

One of Colorado's best assets is its access to an established research network and highly trained workforce.¹⁵ Federal institutions such as the National Renewable Energy Laboratory (NREL), the National Institute of Standards and Technology, and the National Center for Atmospheric Research have propelled Colorado's research capabilities to one of the top in the country. Clean tech programs at the University of Colorado and Colorado State University have also groomed a workforce ready to be the next leaders in the country. Colorado ranks 3rd in the nation for engineers and 6th in the nation for computer specialists.¹⁶

From transportation networks to proximity to major energy markets to good old-fashioned wind and sunshine — Colorado has it all. The state is perfectly situated to provide materials to wind developers (the top 13 windiest states are within 750 miles¹⁷). Moreover, Colorado ranks high for actual renewable resources at 5th and 11th in solar and wind, respectively.^{18, 19} Several multinational companies have taken note and moved their operations to Colorado. The world's leading wind turbine manufacturer, Vestas, opened its only plant in the United States, in Colorado in 2007. Other global companies such as Abengoa, SMA Solar, and GE Energy Controls have also established operations in Colorado.

Policymakers in Colorado have put the state at the forefront of renewable energy generation. In 2004, voters supported a measure to establish a mandatory Renewable Portfolio Standard (RPS) for utilities. Since then the mandate has grown from 10% to 30% of an IOU's portfolio, making it one of the more aggressive mandates in the country. Policies such as this have provided investors and businesses a signal that Colorado is open and ready for clean tech business. Since 2005, Colorado's solar generation has grown one hundred-fold, from 1 MW in 2005 to 103 MW in 2010.²⁰

What are the opportunities?

Actively recruit clean energy companies. There are several reasons Vestas came to Colorado; however, one oft-cited is Colorado's leadership on clean energy.²¹ At the time, Governor Ritter was espousing the New Energy Economy in boardrooms, state capitols and conference rooms around the country. Vestas listened, coming to Colorado despite better financial incentives from other competing states. It is vital the state dedicate human resources to recruiting 'game changer' companies like Vestas, whose arrival precipitated the relocation of six of its suppliers to Colorado.

Make regulatory environment more amenable. The Governor's Energy Office had a huge success in 2010 working with the Federal Energy Regulatory Commission to set up a pilot fast track process for small hydro projects. The GEO will help 20 projects through the pilot program before starting work with FERC on an extended effort. Streamlining the regulatory process is imperative to Colorado's success with renewable generation. Several in-state developers have also acknowledged delayed transmission construction as a detriment to doing business in Colorado.²² Working closely with FERC, the PUC, GEO and utilities, the State should establish a more coherent and speedy regulatory process, which prevents the lengthy delay of projects.

FEED-IN LAW

A feed-in law enables the rapid absorption of renewable energy onto the electric grid through a long-term agreement between renewable generators and electric utilities. Renewable generators are paid a premium price for their power, which provides assurance to investors that there is a secure return on investment. Utilities pass a modest increase on to their rate base in order to cover the increase cost in power. In Gainesville, FL, for example, the feed-in law required an increase of just \$0.43 per month to each customer. Similar programs in Ontario, Canada, Spain and Germany have created tens of thousands of new jobs.

Given Colorado's superlative wind, solar, geothermal and biomass resources, it is well positioned to incentivize additional renewables with this policy. Energy efficiency, storage technology, waste-heat-recapture from coal fired power plants or orphan natural gas wells could also be included in the policy.

Establish robust workforce training hubs. Thanks to some of the best research facilities in the country, Colorado's workforce is well educated and excels at advanced research. However, Colorado lacks some of the specialized technicians needed to maintain and manage some of the larger wind farms and geothermal projects in the state. State legislators should promote training opportunities close to clean tech hubs through the Colorado Renewable Energy Collaboratory (CREC) network so that companies do not need to recruit out of state.

Enhance commercialization of research. For all of its advantages as a tech hub in the Rockies, Colorado ranks 20th for the number of patents in the clean energy sector.²³ Colorado legislators need to help bridge the gap from the lab to Main Street. A possible solution is to extend state tax credits to companies that use technologies developed or manufactured within the state, like New Jersey's Renewable Energy Manufacturing Incentive (NJREMI) program. (See the Market Synergy section for more information.)

Financing Clean Energy Investments

Many concepts that support clean energy also benefit energy efficiency and vice versa. As with energy efficiency, Coloradans need access to financial resources in order to invest in clean energy projects. Colorado should continue to improve access to financial tools that enable property owners to increase their energy independence, hedge against volatility and long-term increases in utility pricing, and reduce their carbon footprint.

Renewable energy systems are typically eligible to be financed with a PACE loan. This tool has proven effective in the past, and again, would benefit greatly from the state's influence in altering PACE to be a permitted financing tool under federal regulations.

The Power Purchase Agreement (PPA) has proven to be another effective model for financing clean energy investments. This arrangement can be applied to various renewable energy technologies and can benefit private property owners, as well as public sector entities, such as schools and governments. The state should continue to facilitate partnerships and consider the deployment of state-owned assets for PPA's, as they are a rapid way to increase renewable energy interest and generation in Colorado.



EXAMPLE PROGRAMS IN OREGON

Beginning in 1980, the Oregon Department of Energy emerged as a leader in clean energy financing with the creation of their State Energy Loan Program. The program is self-supporting, as expenses are paid by borrowers and loan funds are raised using general obligation bonds. By the end of 2008, the program had financed more than \$420 million in local energy investments.

In 2011, Oregon introduced another innovative program, residential energy tax credits for solar installations. This program allows homeowners to receive credits toward their Oregon income taxes for adding solar systems to their property.

TRANSPORTATION

What's the Issue?

Colorado's economic drivers are found both in its metropolitan areas and rural recreation and amenity-based communities. Mobility for this diverse workforce is critical to economic growth. For many Colorado communities, transportation energy costs are a significant portion of their cost of living. With housing costs becoming increasingly unaffordable in resort areas, it is often low-income workers who are disproportionately affected by high transportation costs.

In 2008 Coloradans drove 46 billion miles, 70 percent more than in 1990 even though the state's population only grew by 16%. Between 2002 and 2007, gasoline expenditures rose 86 percent in the state, causing Coloradans to spend \$2.6 billion more to fuel their cars than they had just five years earlier. At the same time, transportation-based greenhouse gases increased 62 percent between 1990 and 2007 in Colorado.²⁴



What's Happening Now?

Driven by convenience, safety and savings, demand for public transit is increasing. In 2008, 74 percent more Coloradans chose to ride transit than in 1991. An average commuter traveling 30 miles round trip for a full time position would save approximately \$1,200 per year by transitioning to public transportation.²⁵ Additionally, analysis has shown that within a given commuting zone, the growth in average net earnings are greater in rural counties with transit systems, than in rural counties without transit systems.²⁶

House Bill 1331, "Incentives for Efficient Motor Vehicles," created financial incentives to help consumers purchase efficient motor vehicles. HB 1331 extends tax credits to consumers who purchase or convert vehicles that use "cutting edge" technology and petroleum reduction technology, including plug-in hybrid electric conversion technology. The bill, which extends tax credits until 2015 for most technologies, encourages consumers to consider a vehicle's air pollution score, its fuel economy, and its carbon footprint before making a vehicle purchase.

What are the Opportunities?

Advocate for walkable communities and bike corridors. Several areas around the country, including Boulder, CO, Charlottesville, VA and Austin, TX, have developed pedestrian walkways that bring substantial economic revival to previously underutilized areas. The state should provide additional transit funding for communities to invest in walkability measures, such as a pedestrian mall, rails to trails design and other similar efforts. Bike programs, such as Denver's Bike Sharing Program, also reduce traffic congestion and promote livability.

Support regional planning organizations (RPOs) with dedicated funding. Developing independent RPOs allows for a variety of stakeholders and sectors to contribute to a comprehensive transit plan, which would provide a regional blueprint for economic growth and expansion of communities. Further, following such a blueprint provides better guidance for developing transit-ready growth, which helps reduce cost and supports Colorado's mobile workforce.



Promote electric car charging stations and infrastructure. The market for electric cars is growing rapidly. One of the greatest inhibiting factors is a lack of charging station infrastructure. Supporting the installation of charging stations would reduce fuel emissions, save drivers money and further establish Colorado as a leader in the clean tech marketplace.

Encourage additional light rail services. Rail service connecting goods, services and the workforce to regional and national transport hubs is a significant opportunity to grow Colorado's economy. The Rocky Mountain Rail Authority estimates a high-speed rail network linking Fort Collins, Pueblo, Eagle County and DIA could bring \$33 Billion to the state economy with new jobs, income and increased property values.²⁷ Continued support of these efforts and coordination with similar federal planning efforts will ensure Colorado takes advantage of its diverse economic resources.

FOSSIL FUELS

What's the issue?

As of 2009, Colorado was the ninth largest coal producer in the US.²⁸ Colorado is also fortunate to have one of the largest natural gas fields in the country, the Piceance Basin. All told, the energy extraction industry in 2007 employed roughly 25,000 people, though this was largely (50%) comprised of "support activities for mining."²⁹ While the coal, oil and gas industries are large economic drivers for the state, Coloradans are not reaping the full economic benefit from the development of their natural resources, nor are they adequately protected from industry risks.

For example, reports by Headwaters Economics and CORE's longtime Director, Randy Udall, illustrate the sizeable loopholes in Colorado's severance tax policy for the natural gas industry.^{30,31} The tens of millions of dollars in lost annual revenue could otherwise be supporting community development or public education, for which it is primarily used in Wyoming.

A myriad of other issues are also at play, including water use and water contamination from fracking and community and wildlife disruption from well pad development. Each of these scenarios presents significant negative externalities, such as the release of carcinogens into local water sources, which could easily affect the local economic livelihood.

What's Happening Now?

In 2010, the Clean Air-Clean Jobs Act was signed into law. The goal was to help 'clean' Colorado's energy supply and air quality. The Oil and Gas Conservation Commission was also recently expanded to include a greater diversity of members. The Commission then developed a series of new regulations addressing the location and effect of drilling rigs.

Unfortunately, there is still much left to be done. As an example, a recent House Energy and Commerce Committee report "shows that 1.5 million gallons of fracking fluid containing a carcinogen were used in Colorado" between 2005 and 2009, a statistic that ranks Colorado 2nd in the country in the use of fracking contaminants.³² Contaminated water not only affects the health of Coloradans, but it has a deleterious effect on the state's economy. A large portion of Colorado's economy relies on tourism and its natural resources. Healthy rivers and healthy ecosystems are imperative to keeping tourism a prominent part of the economy.

What Are the Opportunities?

Fix the severance tax loopholes for the natural gas industry. There are currently two major loopholes in Colorado's severance tax policy. First, the "stripper well" exemption, which requires no severance tax payment from wells that produce less than 90,000 cubic feet of natural gas per day or less; and secondly, the "ad valorem" deduction, which allows energy companies to deduct their county property taxes from their severance tax payment. Following are a few facts that illustrate the effect of these two loopholes:³³

- Roughly three fourths of Colorado oil and gas wells pay no severance tax at all.
- In 2005, Colorado collected \$132M in severance taxes. In Wyoming the same amount of production would have raised \$382M, almost three times as much.
- In 2004, Noble Energy produced about \$500M of natural gas in Weld County. They paid zero dollars in severance taxes to the State of Colorado.

Analyze and re-assess potential impacts from fracking. Nationally and internationally hydraulic fracturing (fracking) has come under increased scrutiny, primarily due to the unknown and hazardous chemicals that are used – and with good reason. A group of investigative journalists, ProPublica, "has documented more than 1,000 cases of water contamination near U.S. shale sites."³⁴ A recent New York Times article further supports these concerns.³⁵ Moreover, the recent Oscar-nominated documentary, Gasland, highlighted similar water contamination complaints in Garfield County. The potential for increased fracking and increased contamination represents a huge financial uncertainty for the natural gas industry and local communities.



Help small towns avoid boom/bust cycles from energy extraction. Colorado's history is riddled with stories of mining's boom/bust cycle. Whether the mining was for silver in the 1880's or natural gas today, local communities have suffered from the surge and dearth of economic resources. Some of the factors contributing to this phenomenon are out of Colorado's hands. Other factors are not. One of the most important things the state can do, for communities sited near extractive energy sources, is to help create a diversified economy, which includes protecting natural resource and public lands for hunting, fishing, ranching and recreational activities.

MARKET SYNERGY

What's the Issue?

Several of Colorado's largest economic sectors have benefited from growing the clean energy economy. Improving the way Colorado uses energy helps protect the natural resources that attract tourists. Supporting progressive energy policies inspires confidence in renewable energy service companies considering expansion or looking for a place to gain footing in a rapidly expanding market. Likewise, making Colorado a hub of clean tech research and development strengthens the universities and workforce to deliver higher paying jobs and professional careers.

What Are the Opportunities?

Manufacturing

In order to reduce imports and increase exports, Colorado should focus efforts on developing products for which a local or regional market exists, such as wind and solar energy technologies. A good example of a successful program is New Jersey's Renewable Energy Manufacturing Incentive (NJREMI), which provides rebates to New Jersey residents, businesses, local governments, and non-profit organizations that purchase and install solar panels, inverters, and racking systems manufactured in New Jersey. In order to qualify as a certified New Jersey manufacturer under this program, companies must supply products manufactured with at least 50 percent of the product cost – including the labor, overhead, components, and raw materials – from facilities located in New Jersey. The Program's economic development impact is two-fold: first, incentivizing private investments in renewable energy technologies (creating jobs for system installers, electricians, and engineers), and secondly, helping to establish a market for clean energy products manufactured in the state (creating manufacturing jobs).

Higher Education

Colorado should continue to invest in businesses and institutions that build our intellectual capital. We should take advantage of the opportunity to create and fill new professional level jobs with talented scientists and executives being trained in the state's numerous energy-related higher education programs, as well as at the National Renewable Energy Lab (NREL). Governor Ritter developed the Colorado Renewable Energy Collaboratory (CREC) to build on the individual merits and developments being made at the Colorado School of Mines, CSU and CU. The Collaboratory's key goals are to create private-public research relationships that provide rapid transfer of technology to the marketplace. As such, the center is not only grooming some of the best minds in the field, but also garnering financial interest from companies worldwide to invest in Colorado.

Although Colorado's budget is strained, maintaining funding for higher education is absolutely essential to develop the state's capacity in the energy sector and remain competitive in national and international markets.

Tourism

Based on 2007 data, the Colorado Tourism Office (CTO) estimates that approximately 200,000 jobs, \$9.8 billion in visitor spending, and \$763 million in state and local taxes are attributable to the tourism industry. While the industry benefits from a diverse mix of cultural and recreational attractions for visitors across the state, it is well known that outdoor recreational activities represent a significant draw for visitors. Whether it's skiing, hunting, fishing, cycling or camping, a healthy natural environment, including the production of clean energy, is a major economic asset to our state. As such, Colorado, its municipalities, the CTO and tourism partners should





continually and consistently tout the many efforts aimed at protecting our natural resources and preserving vibrant ecosystems throughout the state.

Given the numerous statewide efforts to protect the health of our natural environment, whether establishing conservation funds, spearheading clean energy technologies, or improving our mass transit infrastructure, Colorado has an opportunity to claim a niche as a sustainability-oriented tourism destination. Aspen Skiing Company, as an example, has successfully used their energy and environmental commitments in national marketing campaigns.

PITKIN COUNTY'S HEALTHY RIVERS AND STREAMS FUND

Acknowledging the economic and recreational value of the county's rivers and streams, in 2008, voters in Pitkin County approved a sales tax of 0.1% to be dedicated to establishing a Healthy Rivers and Streams Fund. The purpose of the fund is to maintain and improve water quality, protect water rights, preserve minimum stream flows, and ensure ecological health, recreational opportunities, and wildlife and riparian habitat within the Roaring Fork Watershed. The fund is also directed to promote water conservation and maintain capital improvements. Since its passage, this tax has generated approximately \$675,000 per year to protect the county's natural resources and recreational assets.

Overall, the market synergies realized when sustainable energy policy is applied among the manufacturing, education and tourism sectors demonstrates how a shared commitment to a clean energy future can help us collectively increase the state's economic potential. As noted, continuing our commitment to growing clean energy investments will bring complementary growth to some of our largest industries. Additionally, we have a substantial interest in preserving the quality and beauty of our natural environment, arguably the lifeblood of our state economy. Changing course now would be a detriment to the physical and economic health, safety and welfare of all Coloradans.

CONCLUSION

Colorado experienced an 18% growth in clean tech jobs from 1998 to 2007 even as the industry was just gaining a foothold nationally.³⁶ As the clean tech sector grows—which it inevitably will as technologies improve, alternative energy prices fall and carbon mandates are implemented—it is imperative Colorado remain a leading state in the industry. By continually developing progressive policies, Colorado will encourage greater industry investment and ensure Colorado's inclusion in the clean tech market.

The state must not abandon its support of the Governor's Energy Office and the agency's mission to advocate for energy efficiency and renewable energy. The GEO has played an integral role in elevating Colorado to its leadership position and will continue to provide critical support. By promoting the adoption of progressive energy legislation, the GEO helped attract \$30 million in Better Buildings funding from the Department of Energy. CORE and its regional partners urge Governor Hickenlooper to provide dedicated, long term funding to ensure this agency remains fully staffed.

Furthermore, we ask Governor Hickenlooper to consider the implications of climate change when developing Colorado's future economic strategy. According to a recently published American Security Project report, Colorado will incur increased economic stresses due to climate change.³⁷ These effects should not and cannot be ignored as we plan for the future of our state. Just as Colorado has thus far benefited from being a leader in the clean tech sector, it will reap rewards from leading on innovative carbon reduction policies as well. Moreover, implementing additional clean energy and efficiency strategies will protect natural habitats, secure clean air and clean water, and benefit public health.

Most importantly, we encourage Governor Hickenlooper to look at our energy and environmental situation through an honest and realistic lens, with a sense of opportunity – an opportunity to protect our cherished heritage and natural assets, an opportunity to spur technological innovation, an opportunity to improve the lives of residents throughout the state, and an opportunity to grow Colorado's economy through the support of new, sustainable industry sectors.



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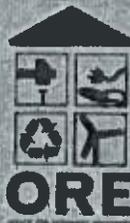
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