



**AGENDA**  
**TOWN OF PARACHUTE**  
**BOARD OF TRUSTEES REGULAR MEETING**  
**MAY 21, 2015**  
**222 GRAND VALLEY WAY, PARACHUTE, CO**  
**6:30 P.M.**

**(A) ROLL CALL**

**(B) PLEDGE OF ALLEGIANCE**

**(C) APPROVE AGENDA**

**(D) CONSENT AGENDA:**

- (1) MINUTES FROM THE APRIL 16, 2015, REGULAR MEETING
- (2) EXPENDITURES PAID IN APRIL 2015

**(E) COMMENTS FROM CITIZENS NOT ON THE AGENDA**

The Board of Trustees welcomes you and thanks you for your time and concerns.

If you wish to address the Board of Trustees, this is the time set on the agenda for you to do so. When you are recognized, please step to the podium, state your name and address then address the Board. Your comments will be limited to **three (3) minutes**. The Board may not respond to your comments this evening, rather they may take your comments and suggestions under advisement and provide direction to the appropriate member of Town Staff for follow-up. Thank you.

**(F) DEPARTMENTAL REPORTS:**

- (1) Mayor and Board of Trustees ..... Mayor and Trustees
- (2) Town Manager Monthly Update..... Stuart McArthur, Town Manager
- (3) Police Department Monthly Update ..... Cary Parmenter, Police Chief
- (4) Public Works Monthly Update ..... Mark King, Director of Public Works
- (5) Code Enforcement Officer.....Derek Wingfield

**(G) BOARD APPOINTMENT OF TRUSTEE FROM LETTERS OF INTEREST:**

LETTER OF INTEREST: Daniel Manzanares

**(H) EXECUTIVE SESSION**

**For the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators, under C.R.S. Section 24-6-402(4)(e); Tells Meadow**

STAFF: STUART McARTHUR, TOWN MANAGER  
 JEFFREY CONKLIN, TOWN ATTORNEY

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**(I) CONTINUATION OF PUBLIC HEARING BEFORE THE BOARD OF TRUSTEES FOR A SPECIAL REVIEW APPLICATION FROM URSA OPERATING COMPANY**

**APPLICANT/OWNER:** Ursa Operating Company, LLC  
792 Buckhorn Drive  
Rifle, CO 81650  
  
B&V Developers LLLP  
259 CR 320  
Rifle, CO 81650

**PROJECT NAME:** Special Review Use to seek authorization from the Town of Parachute to produce oil and natural gas products from Natural Gas Extraction Support Facilities in an area (Spring Lake Estates) that is currently zoned Service Commercial.

**PROJECT LOCATION:** Spring Lakes Estates Subdivision

**LEGAL DESCRIPTIONS:** Parcel # - 2407-073-07-018: Section: 7 Township: 7 Range: 95 Subdivision: SPRING LAKE ESTATES, PHASE II Lot: 18 A RESUB OF LOTS 1,2 &3, SEC A;LOTS 1,2 & 3, SEC D;LOT 1, SEC B;& LOTS 1-A & 3, SEC C  
Parcel # - 2407-073-07-019: Section: 7 Township: 7 Range: 95 Subdivision: SPRING LAKE ESTATES, PHASE II Lot: 19 A RESUB OF LOTS 1,2 &3, SEC A;LOTS 1,2 & 3, SEC D;LOT 1, SEC B;& LOTS 1-A & 3, SEC C  
Parcel # - 2407-073-07-020: Section: 7 Township: 7 Range: 95 Subdivision: SPRING LAKE ESTATES, PHASE II Lot: 20 A RESUB OF LOTS 1,2 &3, SEC A;LOTS 1,2 & 3, SEC D; LOT 1, SEC B; & LOTS 1-A & 3, SEC C  
Town of Parachute  
County of Garfield  
State of Colorado

**STAFF:** STUART McARTHUR, TOWN MANAGER

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**(J) BOARD APPROVAL OF RESOLUTION NO. 2015-07**  
**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF PARACHUTE, COLORADO APPROVING SPECIAL REVIEW USE PERMIT FOR NATURAL GAS EXTRACTION SUPPORT FACILITIES FOR URSA OPERATING COMPANY, LLC**

**STAFF:** STUART McARTHUR, TOWN MANAGER

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**(K) CONSIDERATION OF A LIQUOR LICENSE RENEWAL FOR A BEER AND WINE LICENSE**

**Applicant:** Hong's Garden Inc.  
**D.B.A.** Hong's Garden  
**Location:** 333 E. 2<sup>nd</sup> Street Parachute  
**Address:** P.O. Box 173, Parachute, CO 81635  
**STAFF:** S. DENISE CHIARETTA, TOWN CLERK

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**(L) PRESENTATION OF DRAFT OF THE TOWN OF PARACHUTE INFRASTRUCTURE MASTER PLAN BY THE FARNSWORTH GROUP**

STAFF: MARK KING, PUBLIC WORKS DIRECTOR  
MARK AUSTIN, TOWN ENGINEER

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**(M) CONSIDERATION OF INTERGOVERNMENTAL AGREEMENT (IGA) BETWEEN THE TOWN OF PARACHUTE AND THE CITY OF RIFLE REGARDING INMATE TRANSPORT SERVICES FROM THE RIFLE CORRECTIONS FACILITY TO THE CITY OF RIFLE OPERATIONS AND MAINTENANCE FACILITY AND APPROVE MAYOR TO SIGN**

STAFF: MARK KING, PUBLIC WORKS DIRECTOR

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**(N) BOARD APPROVAL OF RESOLUTION NO: 2015-08**

**A RESOLUTION OF THE TOWN OF PARACHUTE, COLORADO, APPROVING THE GRANT AGREEMENT BETWEEN THE TOWN OF PARACHUTE AND THE GARFIELD COUNTY FEDERAL MINERAL LEASE DISTRICT FOR THE COTTONWOOD PARK ELECTRICAL UPGRADE PROJECT**

STAFF: STUART McARTHUR, TOWN MANAGER

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**(O) BOARD CONSIDERATION OF AGREEMENT BETWEEN THE TOWN OF PARACHUTE AND THE GARFIELD COUNTY FEDERAL MINERAL LEASE DISTRICT TO REGARDING A GRANT FOR \$25,000 TO BE USED TO UPGRADE THE ELECTRICAL SYSTEM AT COTTONWOOD PARK AND APPROVE MAYOR TO SIGN.**

STAFF: STUART McARTHUR, TOWN MANAGER

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**(P) BOARD APPROVAL OF RESOLUTION NO: 2015-09**

**A RESOLUTION OF THE TOWN OF PARACHUTE, COLORADO, APPROVING THE GRANT AGREEMENT BETWEEN THE TOWN OF PARACHUTE AND THE GARFIELD COUNTY FEDERAL MINERAL LEASE DISTRICT FOR THE COUNTY ROAD 215 MAJOR MAINTENANCE PROJECT.**

STAFF: STUART McARTHUR, TOWN MANAGER

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**(Q) BOARD CONSIDERATION OF AGREEMENT BETWEEN THE TOWN OF PARACHUTE AND THE GARFIELD COUNTY FEDERAL MINERAL LEASE DISTRICT TO REGARDING A GRANT FOR \$250,000 TO BE USED TO PERFORM MAJOR MAINTENANCE TO COUNTY ROAD 215 AND APPROVE MAYOR TO SIGN.**

STAFF: STUART McARTHUR, TOWN MANAGER

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**(R) BOARD CONSIDERATION OF A GRANT AGREEMENT BETWEEN STATE OF COLORADO DEPARTMENT OF LOCAL AFFAIRS (DOLA) AND THE TOWN OF PARACHUTE REGARDING THE RECONSTRUCTION OF PARACHUTE BOULEVARD PHASE II AND APPROVE THE MAYOR TO SIGN**

STAFF: STUART McARTHUR, TOWN MANAGER

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**(S) BOARD CONSIDERATION OF AN AMENDMENT TO THE CONTRACT AGREEMENT BETWEEN THE TOWN OF PARACHUTE AND THE COLORADO STATE DEPARTMENT OF LOCAL AFFAIRS**

**EXTENDING THE DEADLINE OF THE GRANT FOR THE COMPREHENSIVE PLAN UPDATE TO JULY 31, 2016 AND APPROVE MAYOR TO SIGN.**

STAFF: STUART McARTHUR, TOWN MANAGER

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- (T) **BOARD CONSIDERATION OF AN ENGAGEMENT LETTER FROM DAZZIO AND PLUTT, LLC, REGARDING THE PROVISION OF AUDITING SERVICES FOR THE TOWN OF PARACHUTE FOR THE YEAR ENDED DECEMBER 31, 2014 AND APPROVE MAYOR TO SIGN.**

STAFF: STUART McARTHUR, TOWN MANAGER

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- (U) **BOARD CONSIDERATION OF A REVOCABLE LICENSE AGREEMENT BETWEEN THE TOWN OF PARACHUTE, COLORADO AND DAVID L. AND PAMELA M. STANSBURY AND APPROVAL OF THE MAYOR TO SIGN**

STAFF: STUART McARTHUR, TOWN MANAGER

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- (V) **OTHER MATTERS**

**THANK YOU:  
THE STUDENTS AT GRAND VALLEY HIGH SCHOOL**

**INVITATION:  
THE 8<sup>TH</sup> ANNUAL TEACHER OF THE YEAR LUNCHEON**

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- (W) **MOTION TO ADJOURN**
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Adjourned at: \_\_\_\_\_ p.m.

**MINUTES OF A REGULAR MEETING  
OF THE BOARD OF TRUSTEES  
OF THE TOWN OF PARACHUTE  
APRIL 16, 2015**

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Meeting called to order at 6:30 p.m. by Mayor McClung

**ACTION MINUTES**

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**(A) ROLL CALL**

**TRUSTEES PRESENT:** Norman Feck, Timothy Olk, Tom Rugaard and Juanita Williams

**TRUSTEES ABSENT:** John Loschke

**STAFF PRESENT:** Town Manager Stuart McArthur, Town Clerk Denise Chiaretta, Public Works Director Mark King Police Chief Cary Parmenter

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**(B) PLEDGE OF ALLEGIANCE**

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**(C) APPROVE AGENDA**

Moved and seconded by Trustees Rugaard / Williams to Approve the Agenda

Vocal Vote- unanimously approved

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**(D) CONSENT AGENDA:**

- (1) MINUTES FROM THE MARCH 19, 2015, REGULAR MEETING *(Will be a Handout)*
- (2) EXPENDITURES PAID IN MARCH 2015

Moved and seconded by Trustees Rugaard / Williams to approve the Consent Agenda

Motion passed unanimously.

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**(E) COMMENTS FROM CITIZENS NOT ON THE AGENDA**

Laural Koning RE: Movies under the stars. Ms. Koning came before the Board to request funds for the 2015 Movies under the stars, the Board had donated to the 2014 program and she is hope full the Board will consider Movies Under the Stars again this year.

After some discussion it was decided the Town would donate \$250.00 this year.

Ryan Hoffman introduced himself to the Board, he is the new editor for the Citizen Telegram and it is his plan to attend the Board Meetings.

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**(F) DEPARTMENTAL REPORTS:**

- (1) Mayor and Board of Trustees..... Mayor and Trustees  
Mayor McClung informed the Board that SB 15-255 is going to take severance tax monies away from towns on the Western Slope to supplement the Cities in Eastern Colorado that are not impacted by the drilling.  
T. Williams did attend the AGNC meeting again and realizes that they are going to be a force to be reckoned with.  
T. Williams stated that they are trying to get neighborhood watch going again.
- (2) Town Manager Monthly Update ..... Stuart McArthur, Town Manager  
T.M. McArthur informed the board of his concerns regarding sales tax decreases and has reduced his original projections by 30% and then went over other funds he has reduced and is not going to replace staff that have left and estimates \$132,000.00 in savings.  
T.M. McArthur the Town had received \$ 980,000.00 in grants in the last year.  
T. M. McArthur went over the request for sponsorship from the High School, and the Rural Philanthropy Days and man power for the Kiwanis Annual Golf Tournament.  
T.M. McArthur gave an over view of his monthly report.  
The Board decided that the Town would be donate \$125.00 to the Kiwanis Annual Golf Tournament and \$150.00 to the High School for After Prom.
- (3) Police Department Monthly Update..... Cary Parmenter, Police Chief  
Police Chief Parmenter explained that the department has received several grants that help keep the officers out on the streets for DUI & Click or ticket and has also received grants for Drug recognition training and has also received some equipment form the county.  
Has also put the neighborhood watch web page up.
- (4) Public Works Monthly Update.....Mark King, Director of Public Works  
PWD King asked if there were any questions.  
Mayor McClung asked how the irrigation was holding up. PWD King stated that at this time it is ok but the weather is still cool so it is just waiting to see how it holds up but it would be a good idea to ask people to water odd and even days.  
PWD King stated that he is working on an ordinance to fairly charge residents that have to use potable water to water their lawns.  
Trustee Feck asked what percentage of residents do not have irrigation.  
PWD King stated about 5%.
- (5) Code Enforcement Monthly Update .....Derek Wingfield, Community Development Specialist  
Code Enforcement Wingfield.  
T. Williams asked T. M. how the funds for Oktoberfest are being effected by the drop in revenue.

T.M. McArthur stated that it was an in and out of funds so it is still in the works

Mayor McClung reminded the Board that May 2<sup>nd</sup> is cleanup day.

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**(G) PRESENTATION BY WILLIAMS REGARDING THE STATUS OF THE NATURAL GAS SPILL IN PARACHUTE CREEK**

WILLIAMS: PAT McCOWN

No benzene in the creek since November of 2014

Phase 1 and Phase 2 of the the remediation on the creek has been turned off butt they are still monitored and are showing no contamination.

Phase 2B is the area that is still showing benzene.

There was some discussion with Mr McCOWN regarding the amount of the spill and how well the cleanup has proceeded.

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**(H) PUBLIC HEARING BEFORE THE BOARD OF TRUSTEES FOR A SPECIAL REVIEW APPLICATION**

**APPLICANT/OWNER:** Ursa Operating Company, LLC

792 Buckhorn Drive  
Rifle, CO 81050

**PROJECT NAME:** Special review to seek authorization from the Town of Parachute to produce oil and natural gas products in an area (Spring Lake Estates) that is currently zoned Service Commercial.

**PROJECT LOCATION:** Spring Lakes Estates Subdivision

**LEGAL DESCRIPTION:** Section: 7  
Township: 7  
Range: 95  
Subdivision: SPRING LAKE ESTATES, PHASE II Lots: 18, 19, and 20  
A RESUB OF LOTS 1,2 &3, SEC A;LOTS 1,2 & 3, SEC D;LOT 1, SEC B;& LOTS 1-A & 3, SEC C  
Town of Parachute  
County of Garfield  
State of Colorado

**STAFF:** STUART McARTHUR, TOWN MANAGER

Public hearing called to order at 7:30 p.m

Mayor McClung ask T.M. McArthur if the meeting has been properly noticed.

T.M. McArthur replied yes.

Staff presentation T.M. McArthur explained the reason for the public hearing and also why he is requesting a continuation of the public hearing due to the fact the application was not complete.

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**MOTION NO. 3:**

Moved and Seconded by Trustees Rugaard / Feck to Continue the **Public Hearing Before the Board of Trustees for a Special Review Use Application** to the May 21, 2015 Board Meeting.

Motion passed unanimously.

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**(I) JOINT MEETING WITH THE TOWN OF PARACHUTE BOARD OF TRUSTEES AND THE GRAND VALLEY PARKS ASSOCIATION BOARD OF DIRECTORS REGARDING THE PROPOSED EVENTS CENTER.**

Phil Vaughan of Vaughan introduced himself and Board Members President Juanita Satterfield, Secretary Dusty Richards, Director Mary Satterfield, Judith Hayward Director at large of the Grand Valley Park Association.

Mr. Vaughan gave an over view of what the GVPA gave him direction on moving forward to gain the support of the Town of Parachute in developing the event center.

Mr. Vaughan stated that Mayor McClung would be willing to work with the GVPA in the design of the events center.

Mayor McClung asked the other board members if they were all right with the items that were presented in his presentation.

Mayor McClung asked President Satterfield if the GVPA Board was also in agreement. There was general discussion on the parking area.

Mr. Vaughan explained about the drainage and grading, utility installation and stated the restrooms and concession would be on skids.

The GVPA would invoice the town as work is done.

Mr. Vaughan suggested that the town and the GVPA get together soon to discuss dates for 2016 Grand Valley Days

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**(J) BOARD CONSIDERATION OF ORDINANCE NO. 681 AMENDING THE TOWN OF PARACHUTE'S MUNICIPAL CODE REGARDING BULK WATER RATES.**

**AN ORDINANCE OF THE TOWN OF PARACHUTE, COLORADO, AMENDING SECTION 9.17.120 OF THE PARACHUTE MUNICIPAL CODE CONCERNING THE TOWN'S DOMESTIC WATER SYSTEM SERVICE FEES BY ESTABLISHING RATES FOR THE USE OF BULK WATER.**

T. M. McArthur stated that this was brought up at the last meeting and after calling surrounding Towns it was decided the amount should be \$8.00 pr 1,000 gallons.

**MOTION NO. 5:**

Moved and Seconded by Trustees Rugaard / Olk to adopt Ordinance NO. 681

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*AN ORDINANCE OF THE TOWN OF PARACHUTE, COLORADO, AMENDING SECTION 9.17.120 OF THE PARACHUTE MUNICIPAL CODE CONCERNING THE TOWN'S DOMESTIC WATER SYSTEM SERVICE FEES BY ESTABLISHING RATES FOR THE USE OF BULK WATER*

Motion passed unanimously

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- (K) **BOARD CONSIDERATION OF ORDINANCE NO. 682 REGARDING AMENDING THE TOWN OF PARACHUTE'S MUNICIPAL CODE TO ALLOW FOR CHICKENS TO BE RAISED WITHIN THE TOWN LIMITS**

**AN ORDINANCE OF THE TOWN OF PARACHUTE, COLORADO, AMENDING CHAPTER 0.03.030(B) OF THE PARACHUTE MUNICIPAL CODE, CONCERNING FOWL OR POULTRY PROHIBITED.**

Trustee Williams stated that she pursued this as she would like to have chickens and also it would be good for some of the citizens to have fresh eggs.  
Board discussion followed.

**MOTION NO. 6:**

Moved and seconded by Trustees Feck/ Rugaard to adopt Ordinance **NO.682**

*AN ORDINANCE OF THE TOWN OF PARACHUTE, COLORADO, AMENDING CHAPTER 0.03.030(B) OF THE PARACHUTE MUNICIPAL CODE, CONCERNING FOWL OR POULTRY PROHIBITED.*

Motion passed unanimously

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- (L) **BOARD CONSIDERATION OF A RESOLUTION NO. 2015-06 APPOINTING KARP.NEW.HANLON ATTORNEYS AT LAW AS THE TOWN ATTORNEY.**

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF PARACHUTE, COLORADO APPOINTING AND REPLACING LEGAL COUNSEL FOR THE TOWN.**

T. M. McArthur explained that this was a house keeping resolution for the appointment of the new law firm.

**MOTION NO. 7:**

Moved and seconded by Trustees Rugaard/ Olk to approve Resolution **NO.2015-06**

*A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF PARACHUTE, COLORADO APPOINTING AND REPLACING LEGAL COUNSEL FOR THE TOWN.*

Motion passed unanimously

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- (M) **BOARD CONSIDERATION OF ENTERING INTO AN INTERGOVERNMENTAL AGREEMENT (IGA) BETWEEN GARFIELD COUNTY COMMISSIONERS AND THE TOWN OF PARACHUTE AND THE OTHER MUNICIPALITIES IN THE COUNTY FOR MOSQUITO CONTROL IN THE TOWN AND APPROVE MAYOR TO SIGN.**
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There was some discussion about how effective the larva side and spraying were in keeping the mosquitos down. It was decided that the fogger has to come out earlier to actually kill the adult mosquitos, neighborhoods would have to be notified.

**MOTION NO. 8:**

Moved and Seconded by Trustees Williams/ Olk to enter into an IGA between Garfield County Commissioners and other municipalities for mosquito control in the Town of Parachute and authorizing the Mayor to sign the same.

Motion passed with Trustees Williams, Olk and Mayor McClung voting yes, Trustees Rugaard, Feck voting No

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**(N) BOARD CONSIDERATION OF ENTERING INTO A CONTRACTUAL ARRANGEMENT WITH CODE PUBLISHING FOR PURPOSES OF BRINGING THE TOWN OF PARACHUTE’S MUNICIPAL CODE UP-TO-DATE (RECODIFICATION) AND TO MAINTAIN THE TOWN’S CODE ON A REGULAR BASIS AND APPROVE THE MAYOR TO SIGN.**

T. M. McArthur explained to the Trustees that there has been no codification of the Towns Ordinances and Code since 2011 and there is no one here that can do it.

**MOTION NO. 9:**

Moved and Seconded by Trustee Williams / Feck to enter into a contractual arrangement with Code Publishing to Recodify the Town’s Municipal Code.

Motion passed unanimously

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**(O) BOARD CONSIDERATION OF RENEWING RENTAL AGREEMENT BETWEEN THE TOWN OF PARACHUTE AND THE LITTLE COFFEE SHACK AND APPROVING THE MAYOR TO SIGN.**

T.M. McArthur stated that this rental agreement and the one for the Running Burrito were the same as in the past they are just renewing for another year.

**MOTION NO. 10:**

Moved and Seconded by Trustees Rugaard / Olk to renew rental agreement between the Town of Parachute and the Little Coffee Shack and approve the Mayors signature.

Motion passed unanimously

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**(P) BOARD CONSIDERATION OF RENEWING RENTAL AGREEMENT BETWEEN THE TOWN OF PARACHUTE AND THE RUNNING BURRITO AND APPROVING THE MAYOR TO SIGN.**

**MOTION NO. 11:**

Moved and Seconded by Trustees Rugaard / Olk to renew the rental agreement between the Town of Parachute and the Running Burrito and approve the Mayors signature.

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Motion passed unanimously

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**(Q) BOARD CONSIDERATION OF ENTERING INTO A PROFESSIONAL SERVICES AGREEMENT BETWEEN BETTER CITY AND THE TOWN OF PARACHUTE TO PROVIDE CONSULTING SERVICES TO UPDATE THE TOWN OF PARACHUTE COMPREHENSIVE PLAN AND APPROVING THE MAYOR TO SIGN.**

T. M. gave an overview of the process he went through to make the decision to contact Better City to replace RPI as our company to do our Comprehensive Plan.

**MOTION NO.12:**

Moved and Seconded by Trustees Williams / Rugaard to enter into a professional services agreement between Better City and the Town of Parachute to provide consulting services to update the town of Parachute Comprehensive Plan and approve the Mayor's signature

Motion passed unanimously

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**(R) EXECUTIVE SESSION:**  
No Executive Session was held.

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**(S) OTHER MATTERS:**  
Correspondence from Mary Lee Mohrlang Up Date Concerning KSUN Community Radio's upgrade.

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**(T) MOTION TO ADJOURN**  
Moved and Seconded by Trustees Rugaard / Olk to adjourn meeting  
Vocal vote approved unanimously

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Adjourned at: 8:42 p.m.

APRIL 2015 PAID EXPENSES		Check	Check
Payee or Description	Date	Number	Amount
Payflex Healthhub HRA Reimbursement Ref#11	4/3/2015	1	\$ 445.57
Payflex Healthhub HRA Reimbursement Ref#12	4/3/2015	2	\$3,595.57
CDM Ref. # 13. Payflex Healthhub Reimbursement	4/20/2015	3	\$5,582.03
Payflex Health Hub HRA CDM REF # 14	4/27/2015	4	\$996.07
CASELLE INC	4/7/2015	19850	\$3,400.00
JAMES KELLY	4/7/2015	19851	\$200.00
QUILL CORPORATION	4/7/2015	19852	\$764.99
SNOB PRODUCTIONS INC	4/7/2015	19853	\$4,000.00
FIRE AND POLICE PENSION ASSOC.	4/16/2015	19854	\$1,722.07
ORCHARD TRUST COMPANY, LLC	4/16/2015	19855	\$2,121.53
AFLAC	4/1/2015	19905	\$657.93
AIRGAS USA, LLC	4/1/2015	19906	\$63.27
ALEXANDER GRAHAM	4/1/2015	19907	\$243.88
BATTLEMENT MESA TRUE VALUE	4/1/2015	19908	\$51.02
CEBT	4/1/2015	19909	\$17,763.10
CENTURY LINK	4/1/2015	19910	\$918.04
CHEMA TOX LABORATORY INC	4/1/2015	19911	\$20.00
CIRSA	4/1/2015	19912	\$10,812.50
COLUMBINE FORD	4/1/2015	19913	\$219.95
COMCAST CABLE	4/1/2015	19914	\$147.85
DEPENDABLE WASTE SERVICES	4/1/2015	19915	\$4,605.00
EVOQUA WATER TECHNOLOGIES LLC	4/1/2015	19916	\$43.24
FIKES WEST, INC.	4/1/2015	19917	\$64.00
FIRE AND POLICE PENSION ASSOC.	4/1/2015	19918	\$1,722.07
GRAND VALLEY HIGH SCHOOL	4/1/2015	19919	\$250.00
HILL AND ROBBINS P.C.	4/1/2015	19920	\$583.70
KANSAS CITY LIFE INS.	4/1/2015	19921	\$730.71
KONICA MINOLTA	4/1/2015	19922	\$1,117.49
LAW ENFORCEMENT ALLIANCE FOR DEFENSE	4/1/2015	19923	\$21.00
LIBERTY NATIONAL LIFE INSURANCE CO.	4/1/2015	19924	\$151.78
MESA COUNTY HEALTH DEPT.	4/1/2015	19925	\$40.00
NEVE'S UNIFORMS, INC.	4/1/2015	19926	\$843.21
ORCHARD TRUST COMPANY, LLC	4/1/2015	19927	\$1,905.24
PAYFLEX SYSTEMS, USA INC.	4/1/2015	19928	\$150.00
RICOH USA, INC	4/1/2015	19929	\$31.30
RICOH USA, INC.	4/1/2015	19930	\$149.01
RIFLE LOCK & SAFE	4/1/2015	19931	\$328.37
ST. PAUL STAMP WORKS INC.	4/1/2015	19932	\$61.02
USA BLUE BOOK	4/1/2015	19933	\$393.65
VALLEY LUMBER	4/1/2015	19934	\$53.94
VERIZON WIRELESS	4/1/2015	19935	\$642.47
WELLS FARGO BUSINESS	4/1/2015	19936	\$90.76
WELLS FARGO BUSINESS	4/1/2015	19937	\$38.38
WELLS FARGO BUSINESS	4/1/2015	19938	\$264.27
WELLS FARGO BUSINESS CARD	4/1/2015	19939	\$609.86

WELLS FARGO VISA	4/1/2015	19940	\$867.93
WELLS FARGO VISA	4/1/2015	19941	\$811.36
<b>TOTAL</b>			<b>\$ 70,295.13</b>



# Town of Parachute

*A Safe Place to Land*

Stuart S. McArthur, Town Manager

*Integrity • Respect • Teamwork • Pride • Innovation • Diversity*

222 Grand Valley Way • Parachute, CO 81635 • (970) 285-7630

**DATE:** May 21, 2015  
**TO:** Board of Trustees  
**FROM:** Stuart S. McArthur, Town Manager  
**SUBJECT:** TOWN MANAGER MONTHLY REPORT – MAY 2015

The purpose of this memo is to report to the Board of Trustees the activities of the Town during the past month and to review issues for upcoming meetings.

1. Sales tax report showing current month sales tax and comparing the last three years is attached to this report. You will note that sales tax YTD is down over 29% from last year at this time. I am watching this trend carefully and necessary actions are being taken to reduce expenditures. I can review cost savings, if you would like.
2. The Comprehensive Plan is back on track. We have spent two days with the consultants during which they met with many leaders and residents of the community; and business representatives. The next advisory committee/public meeting is scheduled for June 18<sup>th</sup>. Only half of the amount for the Comp Plan has been included in the 2015 budget. If I cannot find other savings in the budget, I will bring forth a supplemental appropriation for the project for \$62,500.
3. I attended the Energy Symposium in April. It was a very enlightening experience. Early in the agenda, representatives from the U.S. Chamber of Commerce and the University of Colorado presented information about the economic impact of the oil and gas and the downturn that it is currently experiencing. In addition to these presenters, Mr. John Harpole, a professional consultant, presented his forecast for the industry. He talked about the socio-political influences that are directly affected the world oil and gas market. He forecasts that the industry will not turn around for, at least, two years – probably three years.
4. During the 2015 Colorado State Legislative Session, AGNC and CML (Colorado Municipal League) lobbied hard on the behalf of Western Colorado jurisdictions with mixed results. The direct distribution of Severance Tax took a hit.

5. On May 12<sup>th</sup>, I attended a meeting in Grand Junction that was sponsored by AGNC (Associated Governments of Northwest Colorado). Governor Hickenlooper was a guest at the meeting. Several issues that have a direct impact on northwest Colorado. Topics included: Greater Sage Grouse, Severance Taxes, LNG Exports, Water, and the Oil Shale Trust Fund. I have attached the agenda for your reference.
6. AGNC has considered seeking support for legislation that would remove Severance Taxes from the General Fund, thus they would not be subject to the TABOR refund.
7. I attended a meeting in Craig pertaining to the Enterprise Zone that is administered by AGNC. The zones are being “redefined.” We are working with the State to ensure that all of the Parachute and Battlement Mesa area are included in the Zone.
8. On April 30, an article regarding the economic situation of the Town was published in the Post Independent. The writer was Ryan Hoffman. The article outlined the situation well. Ryan is working hard to provide more attention to the Parachute and Battlement Mesa area. I have included the article for your reference.
9. **Upcoming Issues:**
  - a. Pursuant to Trustee Feck’s request to follow up on recycling opportunities in the Town, I have communicated with Mr. Scott Eaton to discuss the potential and his availability of presenting to the Board. He indicated that his schedule did not allow him to attend this meeting, but has penciled in the date of the next Board meeting in June. He informed me that some news regarding his company should be announced on May 29<sup>th</sup>.
  - b. One hundred year celebration is scheduled for July 4, 2015. Kiwanis is asking the Town to participate in the event primarily through volunteer support. Is the Board interested and willing to participate by helping to cook the hamburgers? Staff will do what we need to do to get the park into shape for the event, including ensuring the grills are in working order.
  - c. I have communicated with Bonnie Peterson, Director of AGNC. She has agreed to present to the Board during the June regular meeting.
  - d. Plans for Oktoberfest are moving along. As part of the festivities planning, we are intending to bring an application for a Special Events Liquor license for the Town to the Board.
  - e. Mayor Pro Tem Williams has asked me to consider ordinances to allow rabbits and honey bees in the Town. Does the Board desire me to bring back ordinances to address these issues?

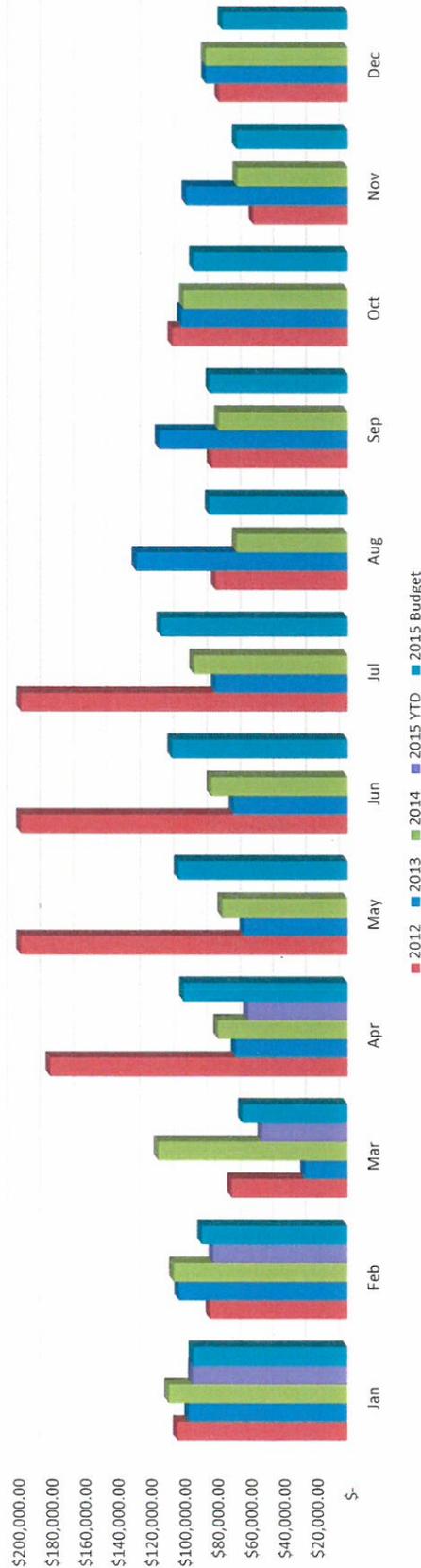
If you have questions or concerns, contact me at 970.285.7630 or [stuartmc@parachutecolorado.com](mailto:stuartmc@parachutecolorado.com).

**Town of Parachute  
Sales Tax Trend Analysis - 2015**

Month Received	Month Paid*	Actuals											
		2012	2013	2014	2014 YTD 2015	2015 YTD	2015 Budget	% Over / -Under Budget	YTD % Compared to 2014	Actual Compared to Budget			
Jan	Nov	\$ 102,462.53	\$ 95,706.59	\$ 107,541.87	\$ 107,541.87	\$ 93,340.02	\$ 93,034.20	0.33%	-13.2%	0.3%			
Feb	Dec	\$ 82,967.67	\$ 101,588.06	\$ 104,702.30	\$ 104,702.30	\$ 81,163.74	\$ 88,027.22	-7.80%	-22.5%	-7.8%			
Mar	Jan	\$ 70,051.54	\$ 25,564.29	\$ 113,904.74	\$ 113,904.74	\$ 51,821.09	\$ 63,761.46	-18.73%	-54.5%	-18.7%			
Apr	Feb	\$ 178,676.32	\$ 67,891.55	\$ 78,277.62	\$ 78,277.62	\$ 60,420.09	\$ 98,857.22	-38.88%	-22.8%	-38.9%			
May	Mar	\$ 196,401.77	\$ 62,753.99	\$ 75,764.05	-	-	\$ 101,923.05	-100.00%					
Jun	Apr	\$ 196,401.77	\$ 69,165.79	\$ 82,490.46	-	-	\$ 105,921.28	-100.00%					
Jul	May	\$ 196,401.77	\$ 79,877.98	\$ 92,727.04	-	-	\$ 112,296.42	-100.00%					
Aug	Jun	\$ 79,785.87	\$ 127,189.55	\$ 67,447.53	-	-	\$ 83,512.60	-100.00%					
Sep	Jul	\$ 82,319.43	\$ 113,405.91	\$ 77,887.19	-	-	\$ 83,265.97	-100.00%					
Oct	Aug	\$ 105,816.61	\$ 100,377.26	\$ 99,147.71	-	-	\$ 92,921.78	-100.00%					
Nov	Sep	\$ 57,266.18	\$ 97,548.24	\$ 67,147.25	-	-	\$ 67,547.54	-100.00%					
Dec	Oct	\$ 77,708.49	\$ 85,800.99	\$ 86,001.23	-	-	\$ 75,931.28	-100.00%					
<b>Total</b>		<b>\$ 1,426,259.95</b>	<b>\$ 1,026,870.20</b>	<b>\$ 1,053,038.99</b>	<b>\$ 404,426.53</b>	<b>\$ 286,744.94</b>	<b>\$ 1,067,000.00</b>		<b>-29.10%</b>	<b>-73.1%</b>			

\* There is a two month delay of when sales tax paid and when received by the Town.

**Sales Tax Trend**





ASSOCIATED GOVERNMENTS  
OF NORTHWEST COLORADO

AGENDA

MEETING WITH GOVERNOR HICKENLOOPER

Tuesday, May 12, 2015

4:45 pm – 6:00 pm

Mesa County Workforce Center

510 29 ½ Road, Grand Junction, CO 81501

4:45 PM      **Welcome and Introductions** – Jeff Eskelson, Chairman

Thank you - Jeff Eskelson

Discussion Topics:

- Greater Sage Grouse – Where do we Stand – Tom Jankovsky, Garfield County & Chuck Grobe, Moffat County
- Severance Tax Issues – Martin Chazen, City of Grand Junction
- Coal Concerns - Mark Roeber, Delta County
  - EPA 111(d) Rules

5:30 PM      Other Topics for Discussion:

- LNG Exports
- Water
- Oil Shale Trust Fund

Questions from Others

6:00 PM      Adjourn

**From:** Stuart McArthur  
**Sent:** Monday, May 04, 2015 9:44 AM  
**To:** Cary Parmenter; Mark King; Denise Chiaretta; Derek Wingfield (DWingfield@parachutecolorado.com); Lynn Stroud (LynnS@parachutecolorado.com)  
**Subject:** Glenwood Springs Post-Independent

## **Glenwood Springs Post-Independent**

### **Parachute sales tax revenue plummets**

Ryan Hoffmann

PARACHUTE — To understand the importance of the energy industry in Parachute, look no further than its 2015 sales tax revenue.

The town of about 1,100 residents finds itself coping with the economic fallout of yet another slowdown in natural gas development that — unlike in other cities and towns in Garfield County — is having an immediate and noticeable impact.

Sales tax revenue for the first three months of 2015 is down nearly 31 percent compared with the first three months of 2014. The most significant drop came in March, when the town collected \$51,821 — less than half of March 2014 receipts and nearly \$12,000 less than what was budgeted.

Meanwhile, most neighboring communities are seeing more stable collections, including Rifle, where revenue for the first three months of the year is up 2 percent compared with 2014. Glenwood Springs' revenue was up 7.4 percent last year and has remained strong in 2015.

“The town of Parachute, more so than any other town in the county, is predominantly dependent on the oil and gas industry,” said Stuart McArthur, town administrator.

That dependence on a currently stagnating industry is forcing the town to tighten its belt. Three vacant positions, including one in the police department and another in public works, will not be filled, McArthur said. Parks are being mowed less frequently and the police department is relying on help from the Garfield County Sheriff's Office to fill any gaps in law enforcement.

“We have to look at what absolutely has to get done and then go down the priority list from there and see what we can go without for the time being,” McArthur said.

While the town is trying to cover revenue shortfalls, those who depend on the oil and natural gas business for employment are seeing jobs disappear — an all too common experience.

“You get used to it when you live here long enough,” said Mayor Ray McClung. “It's never easy to take, but you come to expect it.”

McClung, a fourth-generation Parachute resident who has spent much of his working life in the energy industry, recently lost his job with an energy resource and development company. At his former employer's request, McClung declined to name the company but said it likely fired around 80 percent of its workforce at the facility where he was stationed.

McClung's situation is not uncommon. Plummeting oil and natural gas prices have forced producers across the country to find a break-even point, which translates to layoffs and a freezing or reducing of activity, said Brian Lewandowski, associate director of the Business Research Division in the Leeds School of Business at the University of Colorado Boulder. While the drop has been good for consumers, the slowdown will likely have an overall negative impact on the state's economy, said Lewandowski, who spoke Wednesday at the 2015 Energy and Environment Symposium in Rifle.

In Garfield County, the number of active rigs stands at seven, down from 10 in December 2014, according to the most recent rig data from Community Counts and data presented to the Garfield County Energy Advisory Board in February.

WPX Energy operates two of those seven rigs. In March, the company announced it was eliminating 11 jobs at its Parachute office, along with 156 jobs at its regional office in Denver.

With so much uncertainty in the energy sector, more belt tightening is not outside the scope of possibility, but the company is very flexible and could increase operations if the prices start climbing, said Susan Alvillar, WPX spokeswoman.

Despite the current state of the industry, McArthur and McClung are optimistic about Parachute's future. In the short term, the town is pushing events, such as the annual Oktoberfest and Grand Valley Days, to bring in sales tax revenue. More importantly, though, the town must diversify its economy, a fact that McArthur said he realized immediately after taking the job in February 2014.

"I saw very quickly that the town is so very dependent on oil and natural gas that we had to do something to diversify," he said.

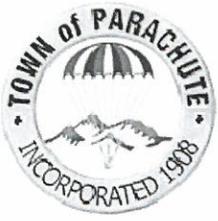
In late April, the town started working with Better City, a consulting firm specializing in economic development, to draft a comprehensive plan with the goal of attracting more businesses to the area. The company's track record gives reason to be optimistic, according to McArthur.

In the meantime, the town is doing its best, said McClung.

"There is a lot of caution," he said. "People are hunkering down, but at the same time I think everybody is optimistic. You have to be optimistic to survive."

*Stuart S. McArthur*  
Town Manager  
Town of Parachute, Colorado  
970-285-7630





# Town of Parachute

A Safe Place to Land  
Cary Parmenter, Police Chief

Integrity • Respect • Teamwork • Pride • Innovation • Diversity

222 Grand Valley Way • Parachute, CO 81635 • (970) 285-7630

April, 2015

The Police Department has been recruiting for reserve officers for several months now, we are looking for officers with experience and are willing to donate their time to the citizens of Parachute and to the Police Department and help alleviate the overtime officers are working and give them some needed time off.

We have hired Justin Mayfield as a Reserve Police Officer. Justin brings over ten years of police experience and has worked for the Garfield County Sheriff's Office and the New Castle Police Department. Justin works for the Garfield County School District and lives on the Battlement Mesa, we are excited to have him as part of the team.

Officers contacted 389 vehicles for traffic violations and issued 48 citations, for an 80/20 ratio. Officers were dispatched to 143 calls for service and made 60 arrests and completed 37 crime reports.

*In April 9 News aired a story called "Citation Nation" which covered how municipalities use their police departments to offset the budgets. Per their story, the average police department generates up to 14% of the budget by fines and costs. Parachute was on their map as well and showed our fines at 2.7%, well below the average. The highest was 98% and the police department has one officer.*

Liquor License: ~~No report.~~

*Longs Bar den*

*Cary Parmenter*  
Police Chief



# Town of Parachute

A Safe Place to Land

Mark King, Public Works Director

Integrity ▪ Respect ▪ Teamwork ▪ Pride ▪ Innovation ▪ Diversity

222 Grand Valley Way ▪ Parachute, CO 81635 ▪

**Date:** May 21<sup>st</sup>, 2015  
**To:** Board of Trustees  
**From:** Mark King, Public Works Director  
**Subject:** Public Works Monthly Report

We have had two sizeable water leaks this month; the first one was at the intersection of Evans and Watson the poly was split three inches and we were able to repair the leak without any interruption to any other residents. The 2<sup>nd</sup> leak was on 3<sup>rd</sup> street; there were several leaks in the service line and we replaced the line from the main to the edge of the property on both locations. We will continue to encounter more and more water leaks as the poly pipe continues to age.

The final draft for the infrastructure master plan is complete. It will be presented to the Board of Trustees on the 21<sup>st</sup> of May.

The rain has caused several problems with run off we had our 4 inch diesel pumps diverting the water from the run off ditch to our storm drain, we have asked Austin Civil Group to assist us in finding a solution going forward.

The rains have caused the weeds and grass to get out of control. Derrick Wingfield has been assisting Public Works by mowing right of ways with the brush hog and has been a great help with the shortage of staff.

I have been working with Mark Austin on the scope of work on for Parachute Park Boulevard and CR 215. We should have the RFP out by the end of May. I am also working with Blain Buck with Big Horn Engineering to get the scope of work for the electrical at Cottonwood Park. We should have the RFP for that project by the end of May also.

If you have any questions call me at (970) 986-1821



# Town of Parachute

*A Safe Place to Land*

Derek Wingfield, Community Development

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2 2 2 Grand Valley Way • Parachute, CO 8 1 6 3 5 • ( 9 7 0 ) 2 8 5 - 7 6 3 0

Date: May 14, 2015

To: Board of Trustees

From: Derek Wingfield, Community Development

Subject: Community Development Monthly Report- April 2015

Annual Clean-Up Day is May 2 went great. I made it through the day with just a mere flesh wound. Waiting on final reports but we over doubled the intake from last year. The tires collected removed 257 tires from the area and the state covered the cost of removal. The general trash collected filled 4 roll-offs and the cash intake should cover the cost. The televisions and monitors are the gamble we took in over 20 yards. The metal and recycled materials will be applied to the disposal cost. I will report on that once we get the reports back. I have worked with our new attorney to help moving forward with code enforcement. Jeffrey is very motivated to assist and move on the problem areas of the Town. I have sent/hand delivered nearly 65 post cards on current non-compliant properties, this number will probably repeat the next two to three months if we keep getting the rain.

The state has now changed project managers on the pay online project. I think we are closer and the state has realized we are not going to be pushed back and put on hold. Unfortunately this does not give me a timeline until completion.

Oktoberfest is moving along, working on vendor recruitment. We will be running a beer trailer on our own event license. This will give us a greater profit. The electrical will be getting upgraded and the grounds manicured to accommodate larger parking needs.

50+ pieces of correspondence have been delivered for code violations, mostly overgrowth due to the weather. Several of the biggest complaint properties did take advantage of several trips to the dumpsters.

I attended a "Shop Local" meeting with other area leaders and will work with them to promote local economy and shopping.

I have been working to keep rights of way mowed and trimmed to keep the Town above reproach. The John Deere and I are becoming great friends. I also got to learn a bit about water leaks with the public works department.

30 April 2015

To Whom It May Concern:

I, Daniel Manzanares would like to express my interest in the vacant position on the Board of Trustees for the Town of Parachute. I have lived at 324 Laurel Drive in Parachute since July of 2014 and lived at the Cottonwood View Apartment Homes in Parachute prior to that from September 2013 to June of 2014. Aside from living in Parachute for the past 20 months I lived in Parachute from the age of 10 to 18, graduating from Grand Valley High School. I have also worked for the Parachute/Battlement Mesa Recreation District and coached multiple sports at the high school and middle school. Please take my name into consideration for the vacant position on the Board of Trustees. Thank you for your time and I look forward to speaking with you all.

Sincerely,

A handwritten signature in black ink that reads "Daniel Manzanares". The signature is written in a cursive style with a long horizontal line extending from the end of the name.

Daniel Manzanares

APR 30 2015 16:18  
SAD

**Land Use Applications  
Quasi-Judicial Hearing Script**

*[For your use, we have set forth below a form script for use in the public hearings on proposed land use matters. This script should be used to ensure compliance with state law requirements governing land use applications as well as compliance with Town Ordinances. Text appearing in italics is for reference and is not to be read as part of the hearing. Proposed motions are also set forth below.]*

---

**SCRIPT:**

**MAYOR:** I will now re-open the public hearing for a Special Review Use to seek authorization from the Town of Parachute to produce oil and natural gas products from Natural Gas Extraction Support Facilities in an area (Spring Lake Estates) that is currently zoned Service Commercial.

The Board of Trustees will follow these procedures in conducting the public hearing for this item. This item must be evaluated under criteria established under the Parachute Municipal Code and other applicable laws.

To properly evaluate the application, the Board will hear from the applicant, Town staff, and the public before it decides whether the application should be granted, denied, or a decision deferred until a later date. Everyone wishing to speak will be given the opportunity. The order of the hearing shall be as follows:

- Town staff introduction of applicant and staff report.
- Applicant presentation.
- Public comment.
- Applicant rebuttal/response.
- Final call for questions from the Board.
- Close the public hearing.

Anyone from the public desiring to speak on the subject matter of the public hearing should sign in at the door, if he or she has not already done so. Questions raised by the public will be noted and addressed after all public comment is taken. This hearing is being electronically recorded.

Prior to referring the agenda item to the Board for discussion and action, I will close the public hearing. After the public hearing is closed, no further comment from the applicant or public will be taken, unless I reopen the public hearing. However, the Board may ask for clarification from Town staff without reopening the public hearing.

Is the applicant present? *[Applicant, if present, will answer in the affirmative.]*

Town Clerk, for the record, please state whether this hearing has been properly noticed and do you have proof of publication? *[Town Clerk to state “yes” providing the hearing has been properly noticed.]*

Is there proof of the certified mailings to property owners? *[Town Clerk to state “yes” providing if she has proof of mailings to property owners.]*

Are there any Board disclosures? *[Trustees are to declare if they have any personal interests in the subject property/application.]*

At this time, I'll enter into the record the Town staff report, application materials and other exhibits pertaining to this application as forwarded to the Board. Are there any additional documents that Town Staff desires to have entered into the record? *[If so, Clerk shall read list of items to be included in the record that were not included in packet.]*

Applicant, are you ready to proceed? If so, and if you have no objections to the procedures that have been described, we will proceed with the hearing.

Mr. McArthur, please introduce the applicant and provide your staff report.

*[STAFF INTRODUCTION OF APPLICANT & STAFF REPORT]*

**MAYOR:** If the representative of the applicant that will be giving the presentation could please come forward and state your name and address for the record.

*[APPLICANT INTRODUCTION]*

**MAYOR:** Would you make your presentation, please.

*[APPLICANT PRESENTATION]*

**MAYOR:** Do any of the Trustees have questions of the Applicant or Town Staff?

*[QUESTION AND ANSWER]*

**MAYOR:** We now come to the public comment portion of the public hearing. Please keep public comment limited to the issue before the Board. Each speaker is asked to limit comment time, unless the speaker represents a group of citizens, in which event additional time may be allocated; provided redundant public comment is minimized. Please respect these limitations. I reserve the right to limit public comment that is inappropriate under these guidelines or otherwise improper. I also reserve the right to limit testimony or questioning that is repetitive, cumulative, argumentative, or not pertinent to the issues, and to set a limit on the duration of testimony if I determine it to be necessary in light of the number of persons who have signed up to testify. Once I have confirmed that there is no further public

comment, I will close the public comment portion of the hearing. No further public comment will be taken unless I reopen the public comment portion of the hearing.

Has anyone signed up to speak at this public hearing? *[This question should be directed to the Clerk; if more than one person has signed in the Chair will call them in order.]*

Is there any interested party in the audience that has not signed up, but who wishes to speak regarding the application? *[If so, have each state name and address. Also permit the Board to ask questions.]*

*[PUBLIC COMMENT]*

**MAYOR:** A. *[If there is no public comment.]*

Hearing no calls from the public for an opportunity to comment, I now close the public comment portion of the public hearing.

B. *[If public comment is completed.]*

Does anyone else from the public wish to speak regarding the application? Hearing none, I now close the public comment portion of the public hearing.

**MAYOR:** Does the applicant have any rebuttal evidence?

**MAYOR:** Does any member of the Board have questions for Town Staff or the applicant?

*[QUESTION AND ANSWER]*

**MAYOR:** I will now close the public hearing. At this time, I will call for member discussion and comments.

*[BOARD SHOULD DISCUSS APPLICATION, NOTING ATTRIBUTES THAT SUPPORT A DETERMINATION TO APPROVE OR DENY APPLICATION IN ACCORDANCE WITH TOWN ORDINANCES.]*

**MAYOR:** I am in need of a motion to grant the application, grant the application with conditions, or deny the application.

**MOTION TO GRANT APPLICATION:**

**Motion 1:** I move that the Board of Trustees adopt Resolution No. \_\_\_\_\_, A Resolution Approving the Ursa Special Review Use for Natural Gas Extraction Support Facilities.

**MOTION TO GRANT APPLICATION WITH CONDITIONS:**

**Motion 1:** I move that the Board of Trustees adopt Resolution No. \_\_\_\_\_, A Resolution Approving the Ursa Special Review Use for Natural Gas Extraction Support Facilities with follow conditions:

1. A final fencing design plan must be submitted and shall be subject to review and approval by the Town staff.
2. The applicant shall submit a drainage plan that conforms to the recommendations of the Town engineer and the Parachute Public Works Manual for review and approval by Town staff prior to initiation of construction.
3. The applicant should work with the Town on vacation of or realignment of Spring Lake Boulevard to a location around the well pad.
4. Pursuant to the Parachute land use regulations on fence height, the Trustees should approve use of the proposed 32-foot sound wall to mitigate sound and other drilling impacts on this site.
5. A site access plan should be presented to the public works department for review and approval. The access plan should include a gravel pad to prevent mud, dirt and debris from being tracked onto the public right-of-way and the applicant should be required to clean up a material carried onto the street as needed.
6. The Town should establish procedures for addressing and mitigating complaints that are brought to the attention of the Town and which the Board of Trustees direct the applicant to mitigate.
7. All representations made by the applicant verbally or in writing and in all application materials presented to the Planning Commission and/or Board of Trustees are considered part of the application and binding on the applicant.
8. Applicant shall reimburse the Town for any and all fees, including consulting costs, incurred in the review of the Application.

**MOTION TO DENY APPLICATION:**

**Motion 1:** I move the Attorney for the Town be directed to prepare draft findings and conclusions, and a Resolution denying the Ursa Special Review Use for Natural Gas Extraction Support Facilities for the Board's consideration and final action at its next regular meeting to be held on June 18, 2015.

**NOTE: Next meeting must be within 30 days, or a special meeting must be called. C.R.S. 12-47-312(3).**

**\* PROCEDURE FOR ADMITTING ADDITIONAL EXHIBITS AT THE REQUEST OF APPLICANT:**

**After a request is made for admission of an exhibit, the exhibit should be marked for identification (lettered or numbered consecutively); then the Mayor should state as follows:**

“The exhibit has been marked for identification as Exhibit \_\_\_\_\_. Does any person have any objection to the admission of Exhibit \_\_\_\_\_? Hearing no objection, Exhibit \_\_\_\_\_ is admitted.”



# Town of Parachute

*A Safe Place to Land*  
 Davis Farrar, Town Planner

222 Grand Valley Way • Parachute, CO 81635 • (970) 285-7630

**Town of Parachute Board of Trustee Meeting**  
**Thursday May 21, 2015 - 6:30 PM**  
**Ursa Natural Gas Extraction Support Facilities Special Review Use**  
**Staff Report**

Report Date - 5/15/15

PROJECT INFORMATION	
<b>Name of Project:</b>	B&V Natural Gas Extraction Support Facilities
<b>Type of Request:</b>	Special Review Use - Natural Gas Extraction Support Facilities
<b>Name of Applicant:</b>	Ursa Operating Company, LLC - Applicant Representative, Jeff Powers
<b>Address:</b>	792 Buckhorn Drive, Rifle, CO 81650
<b>Phone:</b>	303-571-7451 Telephone, 303-294-2088 Fax
<b>Property Owner:</b>	B&V Developers, LLLP c/o Ted Vaughan
<b>Property Owner Address/Phone:</b>	0259 County Rd. 320, Rifle, CO 81650
<b>Parcel Number</b>	2407-073-07-019, 2407-073-07-020, 2407-073-07-018
<b>Existing Zoning</b>	Service Commercial
<b>Surrounding Zoning:</b>	<i>North</i> - Residential Medium Density, Neighborhood Commercial, Service Commercial, <i>East</i> - Service Commercial, <i>South</i> - Rural Agriculture, <i>West</i> - Residential Medium Density, Rural Agriculture.
<b>Existing Land Use:</b>	Vacant Land
<b>Surrounding Land Uses:</b>	<i>North</i> - Commercial, <i>East</i> - commercial, <i>South</i> - Open Space & Colorado River, <i>West</i> – Residential.
<b>Proposed Use:</b>	Natural Gas Extraction Support Facilities.
<b>Lot Size</b>	9.018 acres, 2.047 acres & 3.456 acres = 14.521 Acres
<b>Minimum Lot Size</b>	Service Commercial 6,000 ft. <sup>2</sup>

<b>Property Legal Description</b>	Parcel # - 2407-073-07-018: Section: 7 Township: 7 Range: 95 Subdivision: SPRING LAKE ESTATES, PHASE II Lot: 18 A RESUB OF LOTS 1,2 &3, SEC A;LOTS 1,2 & 3, SEC D;LOT 1, SEC B;& LOTS 1-A & 3, SEC C Parcel # - 2407-073-07-019: Section: 7 Township: 7 Range: 95 Subdivision: SPRING LAKE ESTATES, PHASE II Lot: 19 A RESUB OF LOTS 1,2 &3, SEC A;LOTS 1,2 & 3, SEC D;LOT 1, SEC B;& LOTS 1-A & 3, SEC C Parcel # - 2407-073-07-020: Section: 7 Township: 7 Range: 95 Subdivision: SPRING LAKE ESTATES, PHASE II Lot: 20 A RESUB OF LOTS 1,2 &3, SEC A;LOTS 1,2 & 3, SEC D;LOT 1, SEC B;& LOTS 1-A & 3, SEC C
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**Project Location:** South of Cardinal Way, Near the Intersection of Callahan Way and north of the lake adjacent to Spring Lake Estates.



## **I. Description of Application:**

The applicant is requesting a special review use approval for natural gas extraction support facilities associated with an approved gas well to be located on approximately 2.93 acres within the Spring Lake Estates Subdivision.

In 2014, the Colorado Oil and Gas Conservation Commission (COGCC) granted approval for a gas well pad site at the proposed location in the subdivision. The gas well pad may consist of 27 “well slots” to be directionally drilled. The Town of Parachute does not have land-use jurisdiction over permitting well pads. The Town’s authority vests with land-use approval over natural gas extraction support facilities through the special review use process.

The site is to include eight (8) produced water and two condensate tanks located in the southwest portion of the pad site. “Proposed temporary completion tanks” are planned along the north and east boundaries of the pad site. A 32-foot high sound wall will surround the pad site during drilling and well completion operations. After the drilling is completed and the sound wall is removed, a privacy fence is to be installed around the site. The application did not include a description of the privacy fence.

During the production phase of the site development, it is anticipated that between 1-4 vehicles will visit the site on a daily basis.

All required lighting on the pad will be directed inward. The 32-foot high sound wall should mitigate much of the impact from lighting.

Access to the drill pad site will be from Cardinal way on a gravel roadway.

Ursa states in their application that they do “not anticipate drainage from the site. However, in the circumstance of a major storm event, the storm water BMPs (best management practices) that are installed at the time of the pad construction will mitigate all possible drainage mitigation issues.”

The eight (8) produced water tanks and two (2) condensate tanks will be permanently located on the site, monitored on a daily basis by Ursa personnel, and emptied as necessary.

All driving and parking surfaces on the site will be covered with gravel.

Ursa is required to have an emergency response plan at the pad location at all times. This plan is required to be submitted to local emergency responders. Fire extinguishers are required by all on-site personnel.

No on-site toilet facilities are anticipated, but the applicant may occasionally place a portable toilet on the site when “major maintenance on the location is necessary”.

No potable water supply will be located on the site.

The applicant notes that natural gas could be produced from this location for up to 30 years. A 12-inch gas pipeline is proposed to carry produced gas from the site. The final route for the pipeline has not been finalized. The applicant states that they will provide the Town with “a diagram of the pipeline on this property when we have finalized the route.”

## **II. Requested Actions:**

The applicant is requesting a Special Review Use for natural gas extraction support facilities. The subject property was rezoned from high density residential to service commercial in the fall of 2014. Additionally, the Town of Parachute approved a zoning text amendment to allow “Natural Gas or Oil Extraction Support Facilities” by special review use permit.

The following Code language describes a special review use. “Uses designated as special review uses are contingent uses which may or may not be appropriate in a particular location depending on the nature of the proposed use, its relationship to surrounding land uses and its impact on traffic capacities, potential environmental effects, compatibility with the neighborhood, and conformance with the Parachute Plan. It is the intent of these Regulations to provide a review of special review uses so that the community is assured that any proposed special review uses are suitable for the proposed location and are compatible with the surrounding land uses.” Applications for special review uses will be reviewed according to the procedures set forth in Chapter 15.05 and listed below. The Board of Trustees may require a Development Improvements Agreement for special review uses if it is deemed necessary for construction of public or other improvements associated with the special review use.

It should be noted, "Fences or walls shall not exceed seven feet (7') in height except a higher fence may be required by the Town as a condition of approval of a special review use. The height shall be measured at the finished grade on the side nearest the street or abutting property." In this case, the applicant is proposing to construct a 32-foot high sound wall to mitigate the impact of the drilling operations due to the proximity of residential and commercial uses.

If the Town approves a special review use, "the record of decision shall be recorded in the real estate section of the records of the Garfield County Clerk and Recorder."

The review criteria for Special Review Uses are as follows:

1. Conformance of the proposal with the Town of Parachute Municipal 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;
3. The desirability for the proposed use in the specific area of the Town;
4. The potential for adverse environmental effects that might result from the proposed use;
5. Compatibility of the proposed use and the site (or subdivision) plan with the Parachute Plan; and
6. Conformance of any plan with the requirements of the Town of Parachute Public Works Improvements Manual.

### III. Application Comments/Issues/Concerns:

**Site Infrastructure** - The proposed facility will not require water or sewer utilities from the Town. The location of the well pad lies across the originally platted Spring Lake Boulevard. At a minimum, the Town should consider a license allowing the applicant to occupy the right-of-way for drilling purposes. In the long term and with the permanent nature of the wells, Parachute should consider vacating all or a portion of the right-of-way and working with the property owner to re-plat the roadway alignment.

**Site Access** - Access to proposed site is off Cardinal Way. Although this access is temporary, the applicant should work with the public works department on the roadway entrance to ensure compliance with public works design standards. Consideration should be given to a gravel mud pad where the site access intersects Cardinal Way to minimize tracking of mud and other debris onto the roadway. The applicant should be responsible for maintaining Cardinal Way in a clean condition in the event material is tracked onto the street.

**Drainage** - The applicant's representative has stated that they "do not anticipate drainage from the site" and will utilize best management practices if there is a major storm event. The applicant should ensure that historic flows off the property are not increased and that drainage is directed to proper drainage facilities. Recommendations on drainage should be solicited from the Public Works department and/or Town engineer.

**Lighting** - The applicant states that lighting at the facility will be directed inward and the 32-foot sound wall will minimize impacts on adjacent properties. The height of the drill rig will extend above the sound wall and the rig tower will be illuminated for operational purposes. The applicant should consider mitigation measures in the event that there are complaints from nearby residential properties.

**Project Site Plan** - The applicant submitted a site plan showing the anticipated layout of the drill-pad and the natural gas extraction support facilities. The Planning Commission should keep in mind that their authority relates to the support facilities and not the drilling operations. When the final alignment of the 12-inch gas pipeline is known, the applicant should submit that information to the Town for review.

**Site Fencing** - The application notes that there will be a 32-foot high sound wall during drilling operations. After the drilling is completed, the site will be fenced. The applicant should present a fence plan to the Town for staff review and approval unless this design is submitted for review and approval by the Board of Trustees.

#### IV. Review Agency Comments

The application should be subject to examination and comment by the Town's review agencies. Ideally, written review agency comments should be delivered for review prior to the Board of Trustees public hearing on this application. Staff will review any other agency comments and incorporate feedback into the revised staff report for the Board of Trustees public hearing. As of the date of this memorandum, no comments have been received.

*Public Works* - No comments received.

*Fire Department* - No comments received.

*Police Department* - No comments received.

*Town Engineer* - No comments received.

#### V. Special Review Use.

When considering a special review use the Trustees must evaluate the proposal based upon compliance with the following criteria:

1. *Conformance of the proposal with the Town of Parachute Municipal Code.*

Staff Comment. Ursa will be required to conform to all of the requirements of the Municipal Code, public works manual, building/fire codes, national electric codes and other applicable regulations.

**Access** - The access-ways within the project are proposed to be gravel without a paved surface.

Staff Comment. The applicant should install adequate road base on the drive surfaces in conformance with the Parachute Design Standards and be subject to public works or the Town engineer's review and approval.

**Storm Drainage Facilities** - This topic was discussed previously in this memorandum.

Staff Comment. The applicant is required to comply with Town of Parachute drainage requirements that will be subject to review and approval by the Town prior to initiation of construction.

2. *The compatibility of the proposal with the character of the surrounding area including, but not limited to, the architectural character of the neighborhood.*

Staff Comment. The proposed use is adjacent to undeveloped lands on the south, north and east. There are residential uses on the west. The gas extraction support facilities subject to this permit process should have minimal impacts on adjoining properties. Again, these comments relate to the support facilities and not the drilling operations that have been approved by the COGCC. The proposed use is generally compatible with the location. There is no "architectural character" associated with the support facilities. These improvements should be painted to blend with the site and minimize their appearance.

3. *The desirability of the proposed use in the specific area of the Town.*

Staff Comment. Staff finds that the proposed use is necessary in this specific area of the Town of Parachute in order to support the approved drilling operation.

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

Staff Comment. The proposed use is governed by regulations of the State of Colorado and EPA. The produced water and condensate tanks site should be bermed or otherwise protected to contain the liquids in the event of a leak or spill. The proposed support facilities are not anticipated to create adverse environmental effects if they are properly constructed and maintained. There is separation of this facility from nearby uses that will minimize adverse effects from this use. The applicant should utilize best management practices for all facilities on the site.

**5. Compatibility of the proposed use and the site (or subdivision) plan with the Parachute Plan.**

**Staff Comment.** The Parachute Comprehensive Plan does not specifically address this type of use at this location.

**VI. Planning Commission Recommendation to the Board of Trustees:** The Planning Commission met on Thursday May 14, 2015 and unanimously recommended approval of the Special Review Use Application as follows.

**Special Review Use -** The Parachute Planning and Zoning Commission recommends **APPROVAL** of the Ursa Special Review Use for Natural Gas Extraction Support Facilities with the following conditions:

1. A final fencing design plan must be submitted and shall be subject to review and approval by the Town staff.
2. The applicant shall submit a drainage plan that conforms to the recommendations of the Town engineer and the Parachute Public Works Manual for review and approval by Town staff prior to initiation of construction.
3. The applicant should work with the Town on vacation of or realignment of Spring Lake Boulevard to a location around the well pad.
4. Pursuant to the Parachute land use regulations on fence height, the Trustees should approve use of the proposed 32-foot sound wall to mitigate sound and other drilling impacts on this site.
5. A site access plan should be presented to the public works department for review and approval. The access plan should include a gravel pad to prevent mud, dirt and debris from being tracked onto the public right-of-way and the applicant should be required to clean up a material carried onto the street as needed.
6. The Town should establish procedures for addressing and mitigating complaints that are brought to the attention of the Town and which the Board of Trustees direct the applicant to mitigate.
7. All representations made by the applicant verbally or in writing and in all application materials presented to the Planning Commission and/or Board of Trustees are considered part of the application and binding on the applicant.
8. Applicant shall reimburse the Town for any and all fees, including consulting costs, incurred in the review of the Application.

**VII. Recommended Motion:**

The recommended motion on this request is as follows.

**Motion -** I move that the Board of Trustees adopt Resolution No. \_\_\_\_\_, A Resolution Approving the Ursa Special Review Use for Natural Gas Extraction Support Facilities with follow conditions:

1. A final fencing design plan must be submitted and shall be subject to review and approval by the Town staff.
2. The applicant shall submit a drainage plan that conforms to the recommendations of the Town engineer and the Parachute Public Works Manual for review and approval by Town staff prior to initiation of construction.
3. The applicant should work with the Town on vacation of or realignment of Spring Lake Boulevard to a location around the well pad.
4. Pursuant to the Parachute land use regulations on fence height, the Trustees should approve use of the proposed 32-foot sound wall to mitigate sound and other drilling impacts on this site.

5. A site access plan should be presented to the public works department for review and approval. The access plan should include a gravel pad to prevent mud, dirt and debris from being tracked onto the public right-of-way and the applicant should be required to clean up a material carried onto the street as needed.
6. The Town should establish procedures for addressing and mitigating complaints that are brought to the attention of the Town and which the Board of Trustees direct the applicant to mitigate.
7. All representations made by the applicant verbally or in writing and in all application materials presented to the Planning Commission and/or Board of Trustees are considered part of the application and binding on the applicant.
8. Applicant shall reimburse the Town for any and all fees, including consulting costs, incurred in the review of the Application.



TOWN OF PARACHUTE  
 PO BOX 100  
 222 GRAND VALLEY WAY  
 PARACHUTE, CO 81635

**LAND USE APPLICATION**

Name of Applicant: Ursa Operating Company LLC, 792 Buckhorn Drive, Rifle, CO  
(INCLUDE ADDRESS AND TELEPHONE NO.)

Project Name: BTU Pod - operations

Project Location: NE 1/4 SW 1/4 Section 7, Township 7 South, Range 95 West

LEGAL DESCRIPTION: " "

Existing Zoning: Service Commercial Proposed Zoning: \_\_\_\_\_

**Type of Application (check all that apply):**

**SUBDIVISION:**

- |                                     |                      |                          |                                   |                          |       |
|-------------------------------------|----------------------|--------------------------|-----------------------------------|--------------------------|-------|
| <input type="checkbox"/>            | MINOR SUBDIVISION    | <input type="checkbox"/> | PRELIMINARY                       | <input type="checkbox"/> | FINAL |
| <input type="checkbox"/>            | MAJOR SUBDIVISION    | <input type="checkbox"/> | PRELIMINARY                       | <input type="checkbox"/> | FINAL |
| <input type="checkbox"/>            | RE-SUBDIVISION       | <input type="checkbox"/> | PRELIMINARY                       | <input type="checkbox"/> | FINAL |
| <input type="checkbox"/>            | P. U. D.             | <input type="checkbox"/> | PRELIMINARY                       | <input type="checkbox"/> | FINAL |
| <input type="checkbox"/>            | BUILDING DIVISIONS   | <input type="checkbox"/> | PRELIMINARY                       | <input type="checkbox"/> | FINAL |
| <input type="checkbox"/>            | AMENDED PLAT         | <input type="checkbox"/> | PRELIMINARY                       | <input type="checkbox"/> | FINAL |
| <input type="checkbox"/>            | REZONING             | <input type="checkbox"/> | SIGN VARIANCE                     |                          |       |
| <input type="checkbox"/>            | ZONING VARIANCES     | <input type="checkbox"/> | FLOOD PLAIN DEVELOPMENT           |                          |       |
| <input checked="" type="checkbox"/> | SPECIAL REVIEW USE   | <input type="checkbox"/> | VACATION OF STREET, ALLEY, R.O.W. |                          |       |
| <input type="checkbox"/>            | GEOLOGIC DEVELOPMENT | <input type="checkbox"/> | ANNEXATIONS                       |                          |       |
| <input type="checkbox"/>            | LOT CONSOLIDATION    | <input type="checkbox"/> | WATERSHED PERMIT                  |                          |       |

PROPERTY OWNER: BTU Developers LLC - Ted Vaughan  
970-379-0504  
(INCLUDE NAME, ADDRESS, AND TELEPHONE NO.)

PROJECT ENGINEER/SURVEYOR:  
Ursa Operating Company LLC - 970-309-9359 - Jeff Powers  
(INCLUDE NAME, ADDRESS, AND TELEPHONE NO.)

(INCLUDE NAME, ADDRESS, AND TELEPHONE NO.)

ADJACENT PROPERTY OWNERS: (attach separate sheet if needed)

Name

Address

"See Attached"  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

MINERAL RIGHTS OWNERS & LESSEES OF SUBJECT PROPERTY (attach separate sheet if needed) \*PLEASE NOTE ALL MINERAL RIGHTS OWNERS AND LESSEES MUST BE NOTIFIED 30 DAYS IN ADVANCE TO APPLICATION REVIEW. PLEASE INDICATE ALL MINERAL RIGHTS OWNERS, & LESSEES AS (MR), OR (L)

Name

Address

B4U Developers LLC  
"Ted Vaughan"  
\_\_\_\_\_  
\_\_\_\_\_

0259 C.R. 320 Rifle, CO 81650  
\_\_\_\_\_  
\_\_\_\_\_

DESCRIPTION OF PROPOSAL: (INCLUDE PROPOSED USE, ACREAGE, ETC.)

The purpose of this proposal is to receive authorization from the Town, through special review, to produce oil + natural gas products from the B4U Pad location operated by Ursa Operating Company LLC.

Describe how this Proposed Land Use Application Complies with the Town of Parachute Land Use Regulations and the Town of Parachute Master Plan 2002.

The production of natural gas from this location will support the town's master development plan by promoting economic growth and development within the town.

Describe any possible Flood Plain issues:

None

Describe Traffic Impact Fees Proposal: (Standard Calculation or Individual Traffic Study)

None

Describe Land Dedication Proposal:

N/A

Describe Water Rights Dedication Proposal:

N/A

I Certify that the information and exhibits herewith are true and correct to the best of my knowledge, and that in filing this application, I am acting with knowledge and consent of those persons listed above without whose consent the requested action cannot lawfully be accomplished.

Name:(print) JEFF POWERS - Ursa Operating Company LLC.  
Address: 712 Beckhorn Drive Rifle, CO 81650  
Signature: [Signature] Date: 3-18-15

INSTRUCTIONS:

1. **Read both sides of application thoroughly.**
2. **Complete all of the requested information.**
3. Descriptions of property and dedication proposals on this form should be general and brief.
4. All applications must include a **CURRENT TITLE POLICY**, indicating ownership and encumbrances.
5. All applications must include **PROOF OF TAXES PAID**.
6. Applicants should review the Town of Parachute Land Use Regulations 15.01, 15.03, 15.04, 15.05, 15.06, and any other sections specified for the proposed request.
7. **All applicants who are not property owners must present a Letter of Representation, signed and notarized by the property owners.**
8. **Applications not signed and lacking any of the requested information will be deemed incomplete and will not be scheduled for a Planning and Zoning Commission review.**

ADMINISTRATIVE PERSONNEL:

APPLICATION FEE: \_\_\_\_\_

APPLICATION RECEIVED DATE: \_\_\_\_\_ COMPLETE DATE: \_\_\_\_\_

PLANNING & ZONING HEARING: \_\_\_\_\_ BOT HEARING: \_\_\_\_\_

MAILINGS DATE: \_\_\_\_\_ PUBLICATION DATE: \_\_\_\_\_

P&Z APPROVAL DATE: \_\_\_\_\_ BOT APPROVAL DATE: \_\_\_\_\_



LABELS	PARCEL	NAME
1	240707307019	B & V DEVELOPERS, LLC
2	240707307020	B & V DEVELOPERS, LLC
3	240707302006	B & V DEVELOPERS, LLLP
4	240912400059	ERTL ENTERPRISES, LLC
5	240912400060	WISSLER TRUST
6	240912436011	FEDERAL HOME LOAN MORTGAGE CORPORATION
7	240912436010	TO, MARIA
8	240912436009	ANDERSON, JUSTIN
9	240912436008	COLONNA, PATRICIA & BERNARD
10	240912425016	RADEL, LOREN & EDITH
11	240912425015	STEIMEL, FRANK & KARMEN
12	240912425014	NELSON, ROBERT & DIANNE
13	240912425027	SADLER, LORRAINE
14	240912425026	ROMO, ARNOLDO
15	240912425009	JARRETT, RONALD & PAMELA
16	240707307018	B & V DEVELOPERS, LLC
17	240707307015	VALLEY CREEKSIDE, LLC
18	240707307014	VALLEY CREEKSIDE, LLC
19	240707307013	VALLEY CREEKSIDE, LLC
20	240707307012	VALLEY CREEKSIDE, LLC
21	240707306001	MOUNTAIN & LAKE SUITES, INC
22	240707306002	HIGH COUNTRY HOSPITALITY, LLC
23	240707307021	VALLEY CREEKSIDE, LLC
24	240707307022	B & V DEVELOPERS, LLC

Town of Parachute  
222 Grand Valley Way  
PO Box 100  
Parachute CO 81635

970-285-7630

Receipt No: 3.030836

Apr 21, 2015

URSA

Previous Balance: .00  
Planning & Zoning  
P & Z Charges for 250.00  
Services  
10-34-180  
P & Z CHARGES FOR SERVICES

Total: -----  
250.00  
=====

Check  
Check No: 19970 250.00  
Total Applied: 250.00  
-----

Change Tendered: .00  
=====

Duplicate Copy  
05/06/2015 08:44AM



# Ursa Operating Company LLC

1050 17<sup>th</sup> St., Suite 2400, Denver, CO 80265

---

April 21, 2015

Mr. Davis Farrar  
Town of Parachute Planner  
0165 Basalt Mtn. Drive  
Carbondale, CO 81623

RE: Agent Authorization for B&V Pad Permitting

Dear Mr. Farrar,  
I, Ted Vaughan, Managing Partner of B&V Developers LLLP, authorize Ursa Operating Company LLC to act on behalf of and represent us in all matters related to land use permitting in the Town of Parachute for the B&V Pad location.

Please contact me with any questions you may have.

Sincerely,

Ted Vaughan  
Managing Partner of B&V Developers LLLP  
0259 County Road 320  
Rifle, CO 81650

QUITCLAIM DEED

THIS DEED is dated April 15, 2008, and is made between EDWARD H. KOCH AND BILLIE SUE KOCH, the "Grantor," of the County of Delaware and State of Arkansas, and B&V DEVELOPERS, L.L.P., a Colorado limited liability limited partnership, the "Grantee," whose legal address is 259 County Road 320, Rifle, CO 81650, of the County of Garfield and State of Colorado.

WITNESS, that the Grantor, for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby remise, release, sell and QUITCLAIM unto the Grantee, and the Grantee's heirs and assigns, forever, all the right, title, interest, claim and demand which the Grantor has in and to all minerals and mineral rights, including but not limited to, oil, gas, coal, coal bed methane, hydrocarbons, metals of every kind and nature, and geothermal energy or water, on or under the real property, located in the County of Garfield and State of Colorado, described as follows:

Lots 12-22, inclusive, Spring Lake Estates - Phase II, according to the plat thereof recorded in the office of the Garfield County Clerk and Recorder on November 11, 2007, as Reception No. 736910.

also known by street address as: N/A  
and assessor's schedule or parcel number:

TO HAVE AND TO HOLD the same, together with all and singular the appurtenances and privileges thereunto belonging, or in anywise thereto appertaining, and all the estate, right, title, interest and claim whatsoever of the Grantor, either in law or equity, to the only proper use, benefit and behoof of the Grantee, and the Grantee's heirs and assigns, forever.

IN WITNESS WHEREOF, the Grantor has executed this deed on the date set forth above.

Edward H Koch  
EDWARD H. KOCH  
Billie Sue Koch  
BILLIE SUE KOCH

STATE OF ARKANSAS )  
County of Fulton ) ss.

The foregoing instrument was acknowledged before me this 14<sup>th</sup> day of April, 2008, by Edward H. Koch and Billie Sue Koch.

Witness my hand and official seal.  
My commission expires: 11-7-2017

[Signature]  
Notary Public



No. 933 Rev. 1-85 QUITCLAIM DEED  
RETURN TO: B&V DEVELOPERS  
259 CR 320 RIFLE CO 81650



Reception#: 747878  
 04/22/2008 04:46:53 PM Jean Alberico  
 1 of 1 Rec Fee: \$6.00 Doc Fee: 0.00 GARFIELD COUNTY CO

**SPECIAL WARRANTY DEED**

THIS DEED is dated April 15, 2008, and is made between EDWARD H. KOCH AND BILLIE SUE KOCH, the "Grantor", of the County of Arkansas and State of Arkansas, and B&V DEVELOPERS, L.L.P., a Colorado limited liability limited partnership, the "Grantee," whose legal address is 259 Courty Road 320, Rifle, CO 81650, of the County of Garfield and State of Colorado.

WITNESS, that the Grantor, for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, hereby grants, bargains, sells, conveys and confirms unto the Grantee and the Grantee's heirs and assigns forever, all mineral rights, interest in oil, gas, other minerals, geothermal energy or water (as excepted therefrom in the General Warranty Deed by Grantor made August 6, 2004, and recorded in the office of the Garfield County Clerk and Recorder on January 19, 2006, at Reception No. 690780) (collectively, the "Minerals") on or under the real property, located in the County of Garfield and State of Colorado, described as follows:

Lot 3, Section A, of Spring Lake Estates as shown on the Final Plat thereof recorded on December 16, 1980 at Reception No. 310277, in the office of the Clerk & Recorder, Garfield County, Colorado, and consisting of approximately 2.87 acres.

also known by street address as: N/A  
 and assessor's schedule or parcel number.

TOGETHER with all and singular the hereditaments and appurtenances thereto belonging, or in anywise appertaining, the reversions, remainders, rents, issues and profits thereof, and all the estate, right, title, interest, claim and demand whatsoever of the Grantor, either in law or equity, of, in and to the above bargained Minerals, with the hereditaments and appurtenances;

TO HAVE AND TO HOLD the said Minerals above bargained and described, with the appurtenances, unto the Grantee and the Grantee's heirs and assigns forever. The Grantor, for the Grantor and the Grantor's heirs and assigns, does covenant and agree that the Grantor shall and will WARRANT AND FOREVER DEFEND the above described Minerals in the quiet and peaceable possession of the Grantee and the heirs and assigns of the Grantee, against all and every person or persons claiming the whole or any part thereof, by, through or under the Grantor except and subject to  none; or  the following matters:

IN WITNESS WHEREOF, the Grantor has executed this deed on the date set forth above.

Edward H Koch  
 Edward H. Koch  
Billie Sue Koch  
 Billie Sue Koch

STATE OF ARKANSAS )  
 County of Arkansas ) ss.

The foregoing instrument was acknowledged before me this 14 day of April, 2008, by Edward H. Koch and Billie Sue Koch.

Witness my hand and official seal.  
 My commission expires: 11-7-2017

[Signature]  
 Notary Public



No. 16, Rev. 10-05, SPECIAL WARRANTY DEED (Page 1 of 1)

RETURN TO: B+V DEVELOPERS  
 259 CR 320 RIFE CO 81650

# Garfield County Treasurer

## Receipt of Tax Payment

<b>Account</b>	<b>Parcel Number</b>	<b>Receipt Date</b>	<b>Receipt Number</b>
R044753	240707307020	Feb 26, 2015	2015-02-26-CB-1378

B & V DEVELOPERS, LLC  
 0259 COUNTY ROAD 320  
 RIFLE, CO 81650

**Situs Address**

**Payor**

B & V DEVELOPERS, LLC  
 0259 COUNTY ROAD 320  
 RIFLE, CO 81650

**Legal Description**

Section: 7 Township: 7 Range: 95 Subdivision: SPRING LAKE ESTATES, PHASE II Lot: 20 A RESUB OF LOTS 1,2 & 3, SEC A; LOTS 1,2 & 3, SEC D; LOT 1, SEC B; & LOTS 1-A & 3, SEC C

Property Code	Actual	Assessed	Year	Area	Mill Levy
VACANT RESIDENTIAL LOTS - 0100	50,280	14,580	2014	048	51.468

**Payments Received**

Check Multi-Account Payment  
 Check # 1314

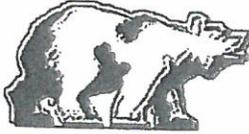
**Payments Applied**

Year	Charges	Billed	Prior Payments	New Payments	Balance
2014	Tax	\$750.40	\$0.00	\$375.20	\$375.20
				\$375.20	\$375.20
				<b>Balance Due as of Feb 26, 2015</b>	<b>\$375.20</b>

ALL CHECKS ARE SUBJECT TO FINAL COLLECTION.

Thank you for your payment!

Garfield County Treasurer  
 109 8th Street, Suite 204  
 Glenwood Springs, Colorado 81601  
 970-945-6382  
[www.garfield-county.com](http://www.garfield-county.com)



# Ursa Operating Company LLC

792 Buckhorn Drive, Rifle, CO 81650

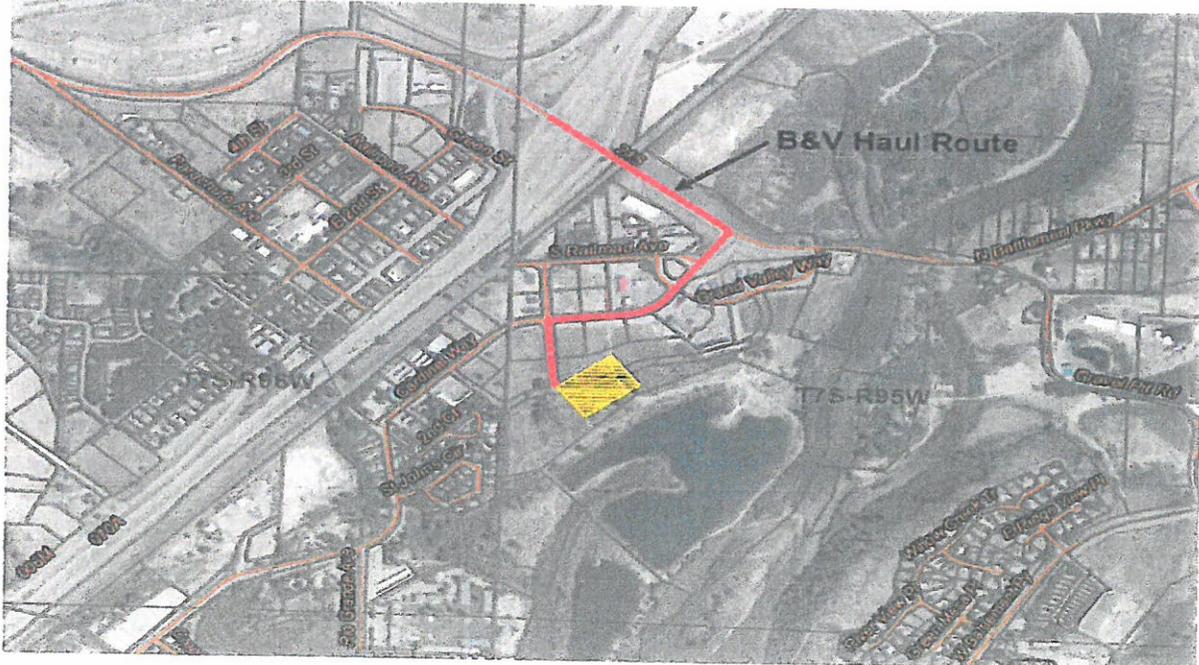
Hand Delivered Flyer - March 11, 2015

## RE: Ursa Operating Company - B&V Pad Construction

Dear Community Member,

As per the public meeting that Ursa held on February 19, 2015 at the Parachute Library, this is a note to remind you that Ursa plans on beginning construction of the B&V Pad location on or around **March 19 2015**.

See Diagram for reference:



For questions please contact us at the information provided below.

Jeff Powers – Ursa Landman

970.309.9359 – Cell

970.329.4376 - Office

[jpowers@ursaresources.com](mailto:jpowers@ursaresources.com)

**TOWN OF PARACHUTE, COLORADO**  
**AGREEMENT FOR PAYMENT OF LAND USE APPLICATION FEES**

I, B&V DEVELOPERS, LLLP as property owner and  
I, Ursa Operating Company LLC as authorized applicant, if different from  
Owner, (Collectively "Applicant"), agree as follows with the TOWN OF PARACHUTE, COLORADO ("Town"),  
in consideration of the Town's acceptance of Applicant's application for the land use approval as further  
described below:

1. Applicant has submitted to the TOWN an application for approval of:  
A Special use review for B&V Developers LLLP /  
Spring Lake Estates.
2. Applicant acknowledges and understands that the Board of Trustees has established a fee structure in Section 15.01.108 of Title 15, Town of Parachute Land Use Regulations for Land Use Applications. This includes a non-refundable deposit which must be paid prior to the Town's acceptance of any application for processing, and the provisions for billing the Applicant for any costs accrued above the non-refundable deposit amount. The Town's land use application fee schedule in Title 15 and this Agreement shall govern the payment of fees for processing applications.
3. The Application shall not be accepted for processing unless the property owner of record of the property included in the Application signs this Agreement. In the case of multiple property owners, the Town Clerk shall have the discretion to determine which owner shall sign.
4. The Applicant shall be billed by the Town for all actual costs for attorney's fees, consultant's fees, engineering fees, surveyor's fees, mailing, copying and publication and any other fees incurred by the Town, which the Town has accrued to date in processing the Application. The Town will bill the Applicant until all costs are paid.
5. The Applicant agrees to pay all such bills in full, and by whatever manner of payment is specified by the Town, by delivery made to the Town no later than thirty (30) days after the billing date. The Town shall have the discretion to suspend processing of the Application if any payments under this agreement are not made on time. This suspension may involve the postponement of scheduled Planning and Zoning Commission or Board of Trustees hearings or meetings and the incurrence of additional costs such as for re-notification or re-publication. Similarly, the Town shall have the discretion to terminate the processing of any Application for which any billed payment is more than forty-five (45) days overdue.
6. The person whom the Applicant designates to receive all billings for fees under this Agreement is as follows (Include full name and mailing address):  
Ursa Operating Company LLC - Attn: Jeff Powers  
792 Buckhorn Drive, Rifle, CO 81650

Any billing mailed to this person. /address and not returned to the Town shall be deemed to

have been received. The Applicant may change the billing address under this paragraph by providing written notification of such change to the Town.

- 7. All land use application fees, other fees and costs authorized by Title 15 of the Parachute Municipal Code, and all actual review costs including but not limited to, the cost of outside Town consultants, engineers and Town legal fees shall constitute a lien upon any lot, land, building or premises which is the subject of a land use application until fully paid. If said fees and costs are not paid when due, the Town Treasurer may certify the amount of the same to the County Treasurer, to be placed on the tax list for the current year, and to be collected in the same manner as other taxes are collected, with eighteen percent (18%) added thereto to defray the costs of collection, in accordance with Section 31-20-105, C.R.S. All laws of this State for the assessment and collection of general taxes, including the laws for the sale of property for taxes and redemption of the same, shall apply.

In addition, failure to pay the fees and costs authorized by Title 15 of the Parachute Municipal Code when due and owing shall constitute grounds to deny any pending land use application and shall also constitute grounds to revoke any prior land use approval related to such unpaid fees and costs.

- 7. Any agreement by the Town to forego any of the judicial or administrative remedies available to it under this Agreement in response to the late payment or nonpayment of fees, shall not in any way constitute a waiver by the Town of any rights to collect fees or appropriately process the Application as provided herein.
- 8. This Agreement shall be construed and enforced in accordance with the ordinances and laws of the Town and the State of Colorado.

**APPLICANT:**

(Property owner to sign per paragraph 3, above)

*Ursa Operating Company LLC.*

By: *Jeff Powers* - 

Date: *5/4/15*

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

Date: \_\_\_\_\_

**TOWN OF PARACHUTE, COLORADO**  
**A home rule municipal corporation**

By: 

Town Manager

Date: *5/5/14*



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Parachute CO 81635-9611

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Valley Creekside, LLC  
600 Cardinal Way  
Parachute CO 81635-9690

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Lincoln NE 68506-0608

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Vista Del Rio Village HOA  
Attn: Jan Enlow  
11 St. Johns Circle  
Parachute CO 81635-9647

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9421 Crosspointe Ave.  
Las Vegas NV 89117-0227

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P.O. Box 6608  
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ERTL Enterprises, LLC  
1130 Francis Street, 7159  
Longmont CO 80501-3704

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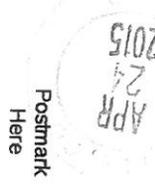


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**TOWN OF PARACHUTE, COLORADO**  
**RESOLUTION NO. 2015-07**

---

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF  
PARACHUTE, COLORADO APPROVING SPECIAL REVIEW USE  
PERMIT FOR NATURAL GAS EXTRACTION SUPPORT FACILITIES  
FOR URSA OPERATING COMPANY, LLC**

**WHEREAS**, Applicant, Ursa Operating Company, LLC (“Ursa”), wishes to operate natural gas extraction support facilities on property located in Parachute, identified as Garfield County Parcel Nos. 2407-073-07-019, 2407-073-07-020, 2407-073-07-018 (the “Property”);

**WHEREAS**, the Property is vacant land, owned by B&V Developers, LLLP, and zoned Service Commercial;

**WHEREAS**, Service Commercial zoning does not allow for natural gas extraction facilities as a use by right and, therefore, Applicant has applied for a special review use permit for such use on the Property (the “Application”);

**WHEREAS**, Section 15.05 of the Parachute Municipal Code (the “Code”) allows for special review use to be approved as follows:

Uses designated as special review uses are contingent uses which may or may not be appropriate in a particular location depending on the nature of the proposed use, its relationship to surrounding land uses and its impact on traffic capacities, potential environmental effects, compatibility with the neighborhood, and conformance with the Parachute Plan. It is the intent of these Regulations to provide a review of special review uses so that the community is assured that any proposed special review uses are suitable for the proposed location and are compatible with the surrounding land uses.

**WHEREAS**, the Planning Zoning Commission of the Town of Parachute reviewed the Application and has recommended approval, subject to the conditions set forth in Exhibit A which is incorporated herein (the “Conditions”); and.

**WHEREAS**, the Board of Trustees has reviewed the Applicant’s Application for a Special Review Use Permit to allow for natural gas extraction facilities to be located on the Property and finds that it conforms with the terms and conditions of Chapter 15.05 of the Code subject to the Conditions and, therefore, wishes to approve such permit.

**NOW, THEREFORE, BE IT RESOLVED, BY THE BOARD OF TRUSTEES OF THE TOWN OF PARACHUTE, COLORADO THAT:**

Section 1. The foregoing recitals are incorporated herein as if set forth in full.

Section 2. Applicant's Application for a special review use permit for natural gas extraction support facilities on the Property is hereby approved, subject to the Conditions set forth in Exhibit A.

**THIS RESOLUTION** was read, passed, and adopted by the Board of Trustees of the Town of Parachute at a regular meeting held this 21<sup>st</sup> day of May, 2015.

TOWN OF PARACHUTE, COLORADO

By \_\_\_\_\_  
Roy B. McClung, Mayor

ATTEST:

\_\_\_\_\_  
S. Denise Chiaretta, Town Clerk

The Parachute Planning and Zoning Commission recommends **APPROVAL** of the Ursa Special Review Use for Natural Gas Extraction Support Facilities with the following conditions:

1. A final fencing design plan must be submitted and shall be subject to review and approval by the Town staff.
2. The applicant shall submit a drainage plan that conforms to the recommendations of the Town engineer and the Parachute Public Works Manual for review and approval by Town staff prior to initiation of construction.
3. The applicant should work with the Town on vacation of or realignment of Spring Lake Boulevard to a location around the well pad.
4. Pursuant to the Parachute land use regulations on fence height, the Trustees should approve use of the proposed 32-foot sound wall to mitigate sound and other drilling impacts on this site.
5. A site access plan should be presented to the public works department for review and approval. The access plan should include a gravel pad to prevent mud, dirt and debris from being tracked onto the public right-of-way and the applicant should be required to clean up a material carried onto the street as needed.
6. The Town should establish procedures for addressing and mitigating complaints that are brought to the attention of the Town and which the Board of Trustees direct the applicant to mitigate.
7. All representations made by the applicant verbally or in writing and in all application materials presented to the Planning Commission and/or Board of Trustees are considered part of the application and binding on the applicant.
8. Applicant shall reimburse the Town for any and all fees, including consulting costs, incurred in the review of the Application.

## LIQUOR OR 3.2 BEER LICENSE RENEWAL APPLICATION

HONG'S GARDEN  
 PO BOX 173  
 PARACHUTE CO 81635-0173

Fees Due	
Renewal Fee	\$351.25
Storage Permit \$100 x _____	_____
Optional Premise \$100 x _____	_____
Related Resort \$75 x _____	_____
<b>Amount Due/Paid</b>	

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 may collect the payment amount directly from your banking account electronically.

**PLEASE VERIFY & UPDATE ALL INFORMATION BELOW**

**RETURN TO CITY OR COUNTY LICENSING AUTHORITY BY DUE DATE**

Licensee Name <b>HONG'S GARDEN INC</b>		DBA <b>HONG'S GARDEN</b>		
Liquor License # <b>42697130000</b>	License Type <b>Beer &amp; Wine (city)</b>	Sales Tax License # <b>42697130000</b>	Expiration Date <b>6/4/2015</b>	Due Date <b>4/20/2015</b>
Street Address <b>333 E 2ND STREET PARACHUTE CO 81635</b>				Phone Number <b>(970) 285 6888</b>
Mailing Address <b>PO BOX 173 PARACHUTE CO 81635-0173</b>				
Operating Manager	Date of Birth	Home Address		Phone Number

1. Do you have legal possession of the premises at the street address above?  YES  NO  
 Is the premises owned or rented?  Owned  Rented\* \*If rented, expiration date of lease 06/01/2019
2. Since the date of filing of the last annual application, has there been any change in financial interest (new notes, loans, owners, etc.) or organizational structure (addition or deletion of officers, directors, managing members or general partners)? If yes, explain in detail and attach a listing of all liquor businesses in which these new lenders, owners (other than licensed financial institutions), officers, directors, managing members, or general partners are materially interested.  YES  NO  
**NOTE TO CORPORATION, LIMITED LIABILITY COMPANY AND PARTNERSHIP APPLICANTS:** If you have added or deleted any officers, directors, managing members, general partners or persons with 10% or more interest in your business, you must complete and return immediately to your Local Licensing Authority, Form DR 8177: Corporation, Limited Liability Company or Partnership Report of Changes, along with all supporting documentation and fees.
3. Since the date of filing of the last annual application, has the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) been convicted of a crime? If yes, attach a detailed explanation.  YES  NO
4. Since the date of filing of the last annual application, has the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) been denied an alcohol beverage license, had an alcohol beverage license suspended or revoked, or had interest in any entity that had an alcohol beverage license denied, suspended or revoked? If yes, attach a detailed explanation.  YES  NO
5. Does the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) have a direct or indirect interest in any other Colorado liquor license, including loans to or from any licensee or interest in a loan to any licensee? If yes, attach a detailed explanation.  YES  NO Sang Chong owns Sang Garden Rest in G.J.
6. **SOLE PROPRIETORSHIPS, HUSBAND-WIFE PARTNERSHIPS AND PARTNERS IN GENERAL PARTNERSHIPS:** Each person must complete and sign the DR 4679: Affidavit – Restriction on Public Benefits (available online or by calling 303-205-2300) and attach a copy of their driver's license, state-issued ID or valid passport.

**AFFIRMATION & CONSENT**

*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.*

Type or Print Name of Applicant/Authorized Agent of Business <u>Sang C Hong</u>	Title <u>President</u>
Signature 	Date <u>4-15-15</u>

**REPORT & 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

# Infrastructure Master Plan

## For the Town of Parachute



Prepared By:



Farnsworth Group  
1612 Specht Point Rd. Ste. 105  
Fort Collins, Colorado

Project No.: 0141231.00

May 2015

## TABLE OF CONTENTS

<b>I. EXECUTIVE SUMMARY .....</b>	<b>1</b>
A. Purpose .....	1
B. Scope .....	1
C. Recommendations .....	2
<b>II. SERVICE AREA AND POPULATION PROJECTIONS .....</b>	<b>6</b>
A. Service Area .....	6
B. Land Use .....	8
<b>III. WATER USE .....</b>	<b>9</b>
A. Water Use Characteristics .....	9
B. Annual Use .....	9
C. Maximum Daily Demand and Peak Hour Demand .....	10
D. Future Water Demand Projections .....	10
<b>IV. CRITERIA USED FOR WATER SYSTEM ANALYSIS .....</b>	<b>11</b>
A. Pressures .....	11
B. Fire Flows .....	12
C. Storage Requirements .....	13
D. Main Sizing .....	13
<b>V. WATER SYSTEM ANALYSIS .....</b>	<b>15</b>
A. Water Right .....	15
B. Water Treatment .....	15
C. Transmission Lines .....	15
D. Pressure Zones .....	17
E. Zone Configuration .....	17
1. <i>Current Operation</i> .....	17
2. <i>Proposed Long-term Operation</i> .....	17
F. Computer Model .....	20
1. <i>Model Development</i> .....	20
2. <i>Demand Allocation</i> .....	20
G. Storage .....	21
H. Water Treatment/Pumping Capacity .....	21
I. Infrastructure Review .....	22
J. Current Water System Analysis Results .....	22
1. <i>Water System Analysis – Under Current PHD Condition</i> .....	22
2. <i>Water System Analysis – Under Current ADD Condition</i> .....	24
3. <i>Water System Analysis – Under Current MDD+2,500 gpm Fire Flow Condition</i> .....	25
K. 2020 Water System Analysis .....	26
1. <i>Water System Analysis – Under 2020 PHD Condition</i> .....	26
2. <i>Water System Analysis – Under 2020 ADD Condition</i> .....	28
3. <i>Water System Analysis – 2020 MDD+2,500 gpm Fire Flow Condition</i> .....	29
L. 2030 Water System Analysis .....	30
1. <i>Water System Analysis – Under 2030 PHD Condition</i> .....	30
2. <i>Water System Analysis – Under 2030 ADD Condition</i> .....	31
3. <i>Water System Analysis – 2030 MDD +2,500 gpm Fire Flow Condition</i> .....	32
<b>VI. PROPOSED WATER SYSTEM IMPROVEMENTS .....</b>	<b>33</b>
A. Proposed Capital Improvement Projects .....	33
B. Improvement Recommendations .....	36

<b>VII. WASTEWATER SYSTEM ANALYSIS .....</b>	<b>38</b>
A. Existing System .....	38
B. Existing Wastewater System Flows .....	40
C. Future Wastewater Flow Projections .....	40
D. Evaluation of Wastewater System .....	41
<b>VIII. PROPOSED WASTEWATER SYSTEM IMPROVEMENTS .....</b>	<b>42</b>
A. Capital Improvement Projects .....	42
B. Improvement Recommendations .....	42
<b>IX. FINANCIAL ANALYSIS .....</b>	<b>43</b>
A. Introduction .....	43
B. Current Budget .....	45
C. Capital Project Impact on the Funds .....	46
1. <i>Water Rate Impact of the West I-70 Interchange Improvements</i> .....	47
2. <i>Wastewater Rate Impact of the West I-70 Interchange Improvements</i> .....	49

### List of Tables

Table I-1: Proposed Water and Sewer System Improvements .....	2
Table II-1: Population Projections .....	7
Table III-1: Current Average Daily Demand Calculations .....	8
Table III-2: Future Water Projections .....	9
Table IV-1: Design Pressures .....	11
Table IV-2: Residential Fire Flows .....	12
Table IV-3: Minimum Standards Distribution Piping – AWWA .....	14
Table IV-4: Rural Line Capacities .....	14
Table V-1: Zone Service Elevations .....	16
Table V-2: Projected Average Daily Demands by Pressure Zone .....	19
Table V-3: Current Storage Tank Inventory .....	20
Table V-4: Water Storage Tank Evaluation Results .....	20
Table V-5: Water Treatment/Pumping Capacity .....	20
Table VI-1: Improvements for Future Water System Development .....	36
Table VII-1: Characteristics of Existing Wastewater Pumps .....	38
Table VII-2: Current Average Daily Flows .....	40
Table VII-3: Future Wastewater Projections .....	40
Table VIII-1: Improvements for Future Wastewater System Developments .....	42
Table IX-1: Population Projections .....	43
Table IX-2: Current Water and Wastewater Rates .....	44
Table IX-3: Water Fund Revenue/Expenditure Comparison .....	45
Table IX-4: Wastewater Fund Revenue/Expenditure Comparison .....	45
Table IX-5: Proposed Water and Sewer System Improvements .....	46
Table IX-6: Customer Water Use .....	48
Table IX-7: New Water Use .....	48
Table IX-8: Customer Water Use .....	50
Table IX-9: New Wastewater Rates .....	50

## List of Figures

Figure I- 1: Proposed Water System Improvement Projects .....	3
Figure I- 2: Proposed Interim North CR 215 Improvements .....	4
Figure I- 3: Proposed Improvements Near the West I-70 Interchange Corridor.....	5
Figure II-1: Draft Land Use Plan.....	6
Figure IV-1: Distribution System Pressure Criteria .....	10
Figure V-1: Existing Water Distribution System.....	15
Figure V-2: Hydraulic Profile for Current Operation Mode .....	17
Figure V-3: Hydraulic Profile for Proposed Long-term Operation Mode.....	18
Figure V-4: 2015 Peak Hour Pressure Index Map.....	22
Figure V-5: 2014 Average Daily Demand Pressure Index Map.....	23
Figure V-6: 2014 Maximum Daily Demand Plus 2,500 gpm Fire Flow Pressure Index Map.....	24
Figure V-7: 2020 Peak Hour Pressure Index Map.....	26
Figure V-8: 2020 Average Daily Demand Pressure Index Map.....	27
Figure V-9: 2020 Max Day Demand Plus Fire flow Pressure Index Map.....	28
Figure V-10: 2030 Peak Hour Pressure Index Map.....	29
Figure V-11: 2030 Average Daily Demand Pressure Index Map.....	30
Figure V-12: 2030 Max Day Demand Plus Fire Flow Pressure Index Map.....	31
Figure VI-1: Proposed Interim North CR 215 Improvements.....	33
Figure VI-2: Proposed West I-70 Corridor Improvements.....	34
Figure VI-3: Map of Water System Improvement Projects.....	37
Figure VII-1: Existing Wastewater System.....	39
Figure VII-2: Proposed Submersible Lift Station.....	41

## I. Executive Summary

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### A. Purpose

---

In August, 2009, Farnsworth Group Inc. (FGI) prepared the Water Master Plan for the Town of Parachute (Town). Since then, the Town has expressed an interest in serving new areas, especially the west I-70 Interchange corridor and areas north of the Town. Consequently, the Town determined it was necessary to update the water master plan and develop a new wastewater master plan. The Town contracted with the Farnsworth Group to update the growth projections to evaluate the capital improvement plan and make recommendations for the best mode of long-term operation.

The original water model for the District was created using WaterCad in 2002 and later updated with WaterGEMs in 2009. This master plan update was completed using the software program of WaterGEMs for the water system.

---

### B. Scope

---

The specific tasks involved in the preparation of the Water Master Plan Update for the Town include:

1. Develop a road map for allocating current and future demands especially to the hydraulic model using the Town's billing records and its GIS maps.
2. System analysis to determine if the Town has significant water loss in the system.
3. Review and analyze the current system model for existing conditions and provide a list of improvements required to maintain service pressures and provide adequate fire protection.
4. Analyze the transmission and distribution system with demand projections for 2020 and 2030.
5. Determine what improvements are required to maintain adequate service pressures and to provide fire protection to developments with city growth areas and existing fire hydrants for the projection years of 2020 and 2030.
6. Determine the storage requirements for all zones for each of the above listed years.
7. Prepare a capital improvement plan in order to assist the Town with the budgeting process.
8. Perform water rate study to identify funding needed to address system operation and improvement

The specific tasks involved in the preparation of the Wastewater Master Plan Update for the Town include:

1. Review and analyze the current system model for current conditions and provide a list of improvements required to serve the development changes.
2. Analyze the sewer system with load projections for 2020 and 2030.
3. Determine preferred locations for future lift station and force mains to minimize long term maintenance and operation costs for projection years of 2020 and 2030.
4. Prepare a capital improvement plan in order to assist the Town with the budgeting process.
5. Perform sewer rate study to identify funding needed to address system operation and improvement.

## C. Recommendations

Since the completion of the last master plan the growth in the Town has slowed significantly from the previously projected rates. Consequently, the number of the proposed improvements is reduced from the previous recommendations. Table I-1 shows the proposed water and sewer system improvement projects.

**Table I-1: Proposed Water and Sewer System Improvements**

Item	Recommended Improvement	Time-Frame	Estimated Cost	Benefits
1	Replace existing 4-inch line in First Street with 8" line	2015	\$500,000	Increase system pressure
2	Add 0.5-MG new storage tank to serve Main Zone	When Needed	\$1,200,000	Increase treated water supply capacity
3	Add 0.5-MG new storage tank to serve High Zone (North)	When Needed	\$1,200,000	Booster storage capacity (North)
3a	Instead of new storage tank to serve High Zone, provide interim PS and pipeline (4a and 5a)	As alternative to item 3	See 4a and 5a below	Less expensive interim solution to 3
4	Add one booster station to serve 0.5-MG High Zone Tank (North)	When Needed	\$700,000	Supply water to High Zone (North)
4a	Provide interim PS to feed proposed rodeo site	As alternative to item 4	\$350,000	Less expensive interim solution to 4
5	Add 12" pipeline to feed the proposed 0.5-MG storage tank to serve High Zone (North)	When Needed	\$2,000,000	Supply water to High Zone (North)
5a	Provide pipeline to proposed rodeo site	As alternative to item 5	\$150,000	Less expensive interim solution to 5
6	Add 12" looped pipelines to feed the west I-70 Interchange corridor	When Needed	\$2,600,000	Supply water to new development corridor
7	Add 6" dedicated pipeline to feed the existing storage tanks	When Needed	\$1,000,000	Improve water quality
7a	Add tank mixing system for the existing storage tanks	As alternative to item 7	\$100,000	Less expensive solution to 7
8	Evaluate location and condition of existing water line from the springs	2015	\$50,000	Protect and maintain critical supply link
9	Gravity sewer, lift station, force mains to serve west I-70 corridor	When Needed	\$2,200,000	Sewer service to new development corridor
10	Gravity sewer along CR 215 (North)	When Needed	\$2,200,000	Sewer service to new development corridor
10a	Interim gravity sewer along CR 215 (North)	As alternative to item 10	\$250,000	Less expensive interim solution to 10
11	Replace existing dry pit pumps, add emergency generator	When Needed	\$450,000	Replace equipment, provide backup

Figure I-1 highlights the locations for the proposed water system improvement projects, Figure I-2 shows proposed interim improvements along CR 215, and Figure I-3 highlights proposed improvements near the west I-70 Interchange corridor.

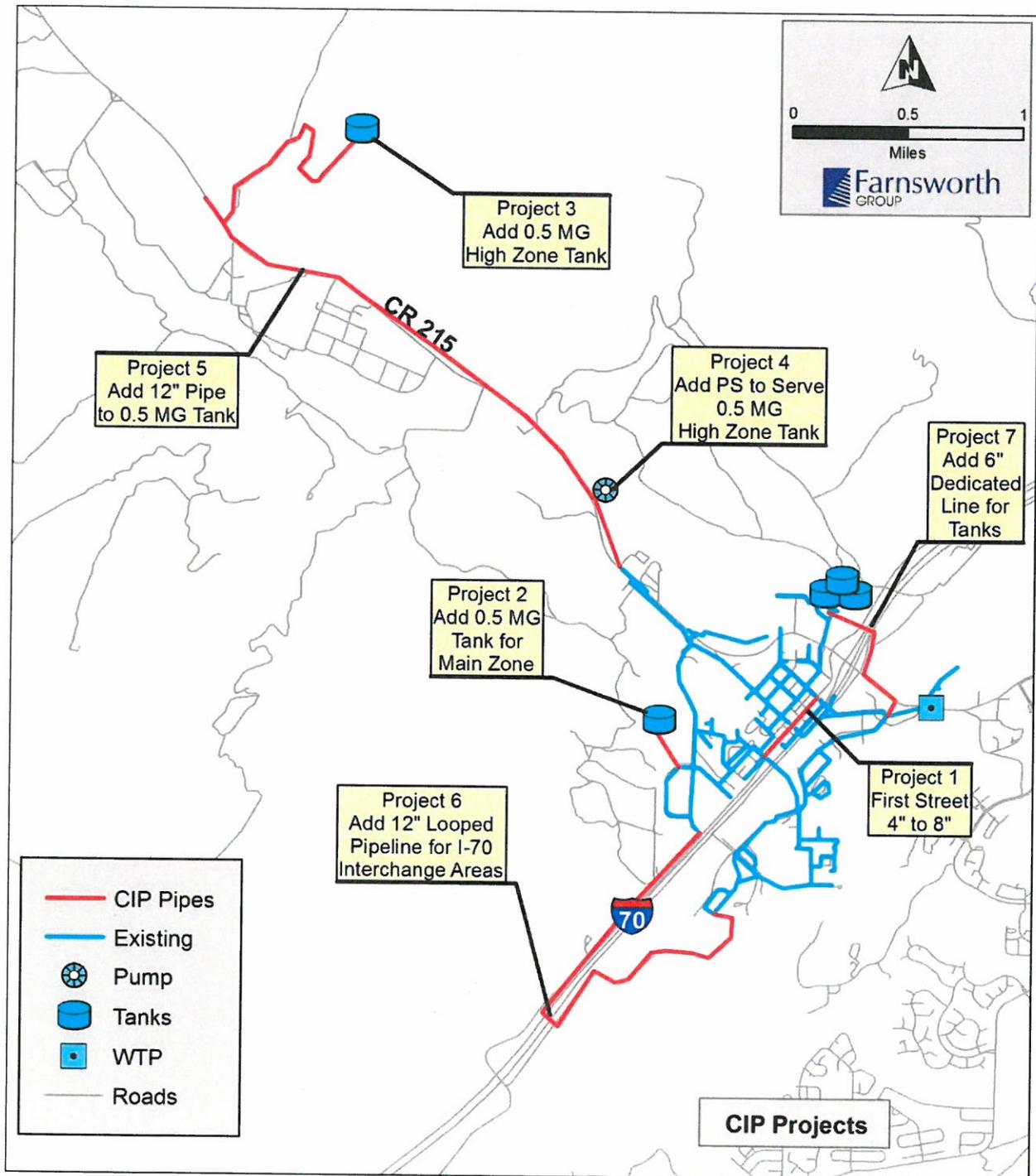


Figure I- 1: Proposed Water System Improvement Projects

Figure 1-2: Proposed Interim North CR 215 Improvements

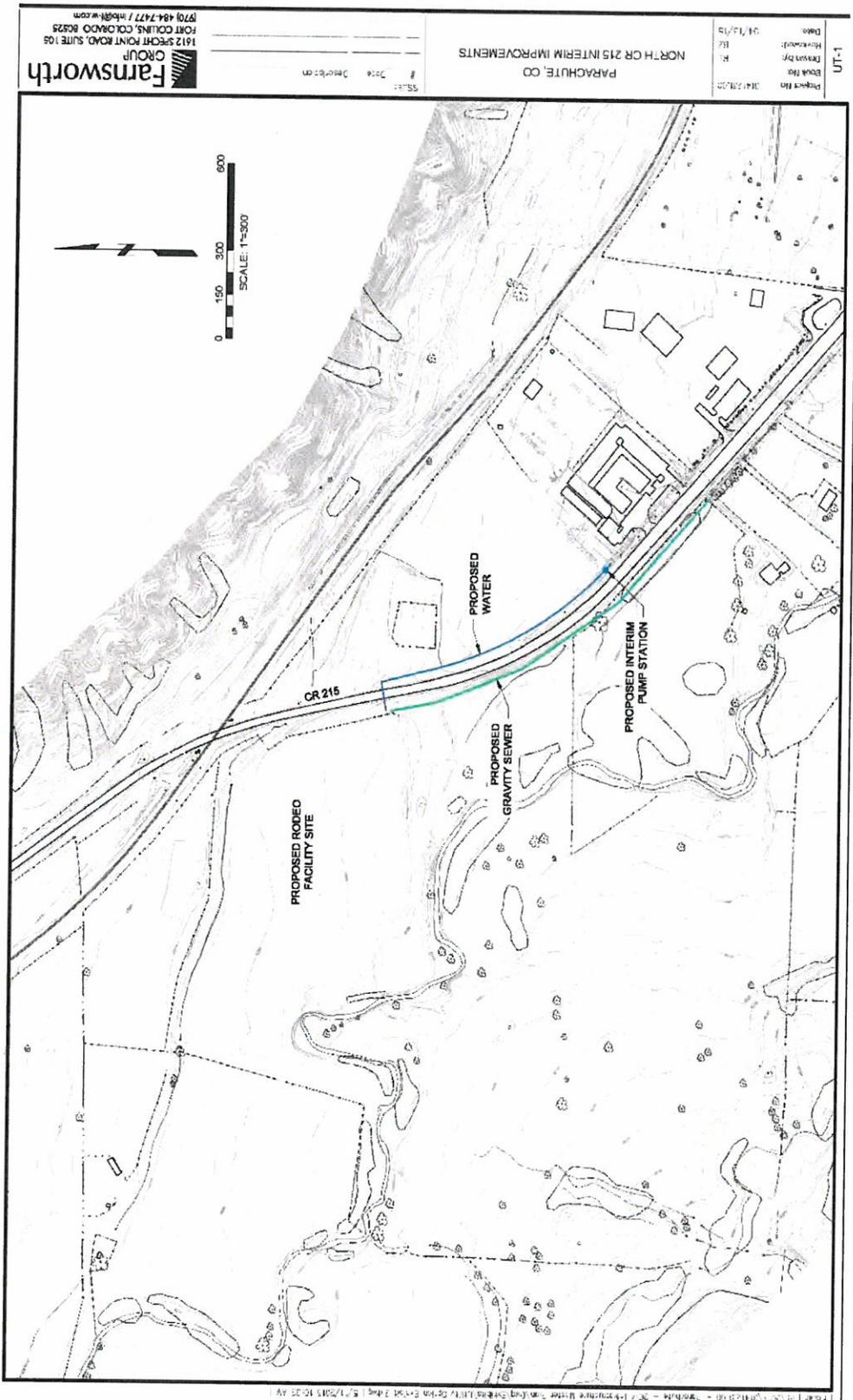
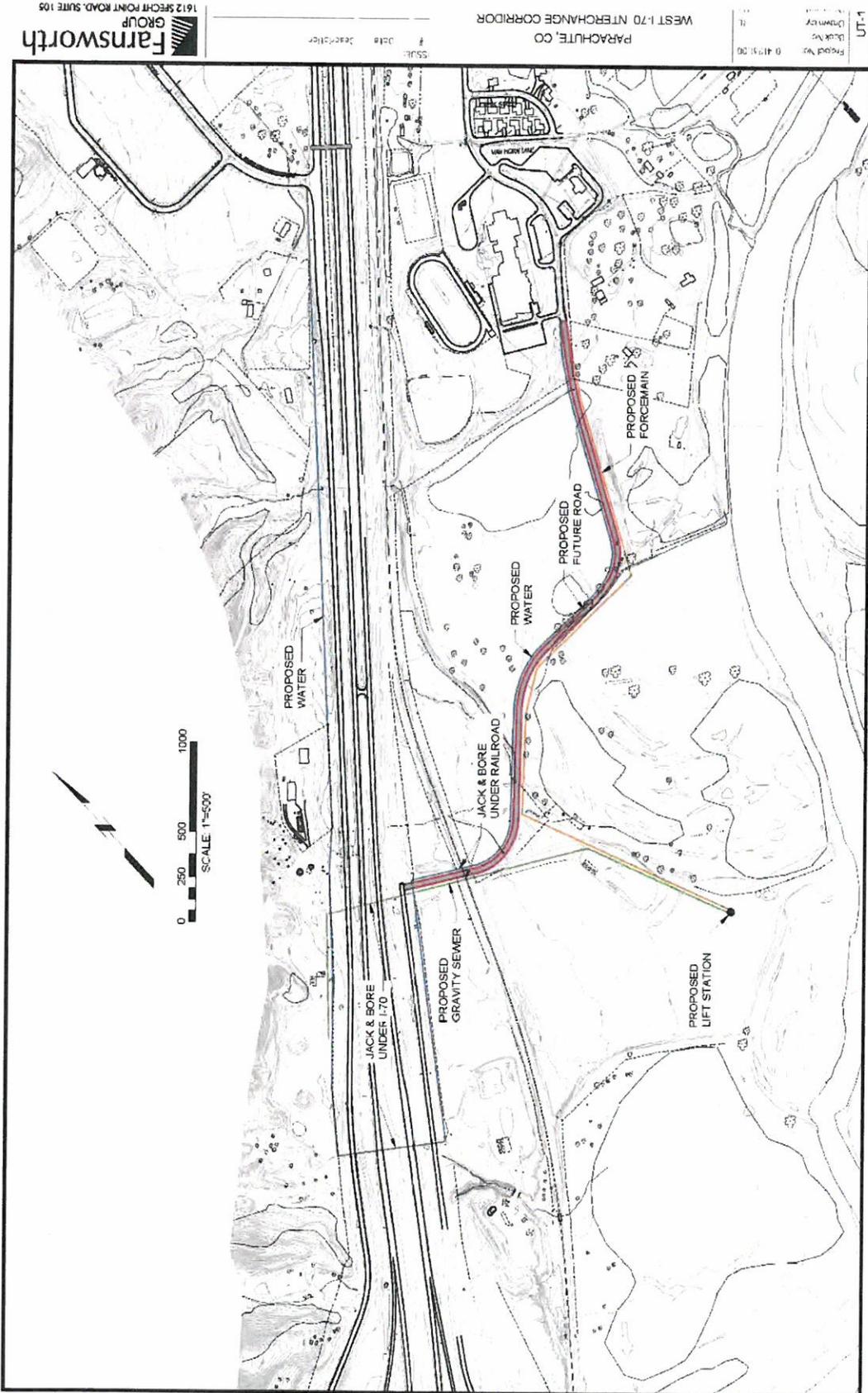


Figure I-3: Proposed Improvements Near the West I-70 Interchange Corridor



## II. Service Area and Population Projections

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### A. Service Area

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The service areas for the Town's water and sewer systems basically coincide with the Town's limits. The Town is presently updating their Comprehensive Plan but, for purposes of this study, a draft land use plan (included as Figure II-1) was provided for the purpose of preparing this report. The service area within the Town is approximately 780 acres. The Town would like to consider extending the service area to the west I-70 Interchange corridor, and to the soda ash plant and the proposed rodeo grounds area on the north.

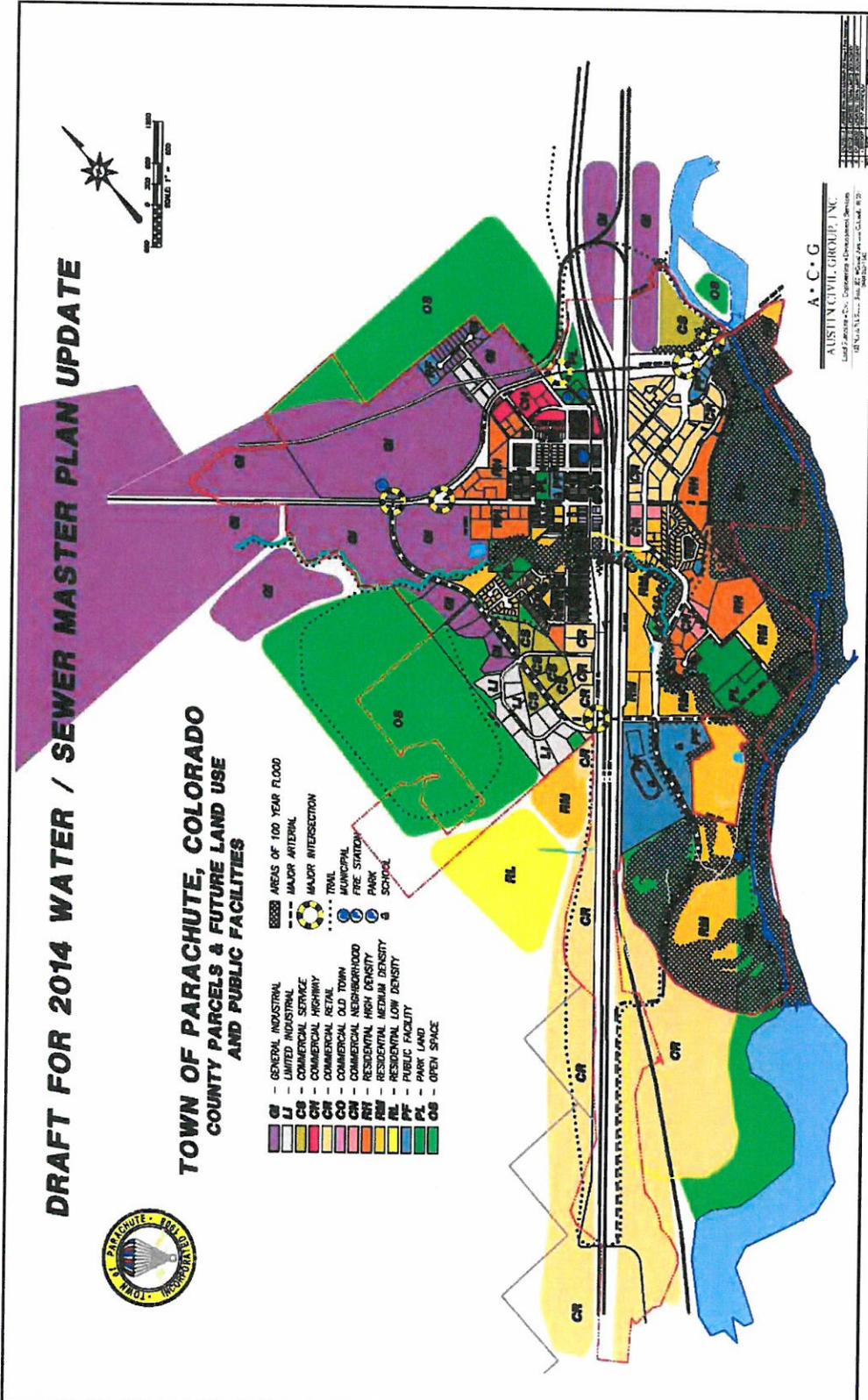
DRAFT

# DRAFT FOR 2014 WATER / SEWER MASTER PLAN UPDATE



## TOWN OF PARACHUTE, COLORADO COUNTY PARCELS & FUTURE LAND USE AND PUBLIC FACILITIES

- |    |                            |
|----|----------------------------|
| GI | GENERAL INDUSTRIAL         |
| LI | LIMITED INDUSTRIAL         |
| CS | COMMERCIAL SERVICE         |
| CH | COMMERCIAL HIGHWAY         |
| CR | COMMERCIAL RETAIL          |
| CO | COMMERCIAL OLD TOWN        |
| CM | COMMERCIAL NEIGHBORHOOD    |
| RT | RESIDENTIAL HIGH DENSITY   |
| RM | RESIDENTIAL MEDIUM DENSITY |
| RL | RESIDENTIAL LOW DENSITY    |
| PF | PUBLIC FACILITY            |
| PL | PARK LAND                  |
| OS | OPEN SPACE                 |
- 
- |           |                         |
|-----------|-------------------------|
| ESSEB     | AREAS OF 100 YEAR FLOOD |
| MAJOR     | MAJOR INTERSECTION      |
| TRAIL     | TRAIL                   |
| MUNICIPAL | MUNICIPAL               |
| FIRE      | FIRE STATION            |
| PARK      | PARK                    |
| SCHOOL    | SCHOOL                  |



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AUSTIN CIVIL GROUP, INC.  
Land Use Planning & Development Services  
1800 N. Mopac Expressway, Suite 200, Austin, Texas 78702  
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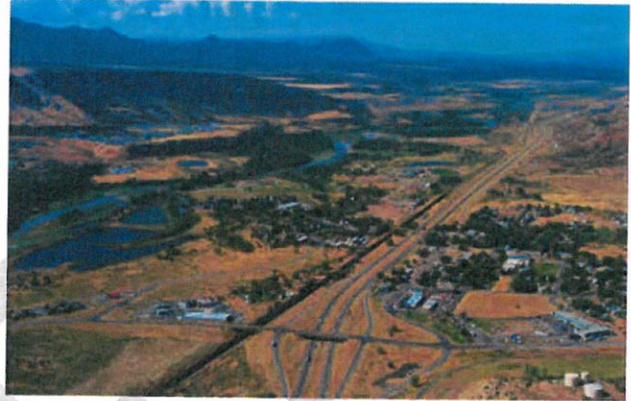
Figure II-1: Draft Land Use Plan

\\P01C159\BAC\1111\Planning and Land Use Maps\2014 Draft 1 Future Land Use Maps\2014 Draft 1 Future Land Use Map.dwg (1/26/14 10:54 AM) (MWS) (1/26/14)

## B. Land Use

Land use in much of the Town's service area continues to change from vacant to municipal use. The Town's Master Plan for Land Use indicates the following:

- Population increases between 1980 and 2007 (from 338 to 1360 persons) were more or less steady at about 2% per year.
- Very recent trends involving the exploration and development of natural gas indicated higher potential rate of growth could occur on the order of 4.3 to 6.5 percent per year.
- Approximately 30% of the currently Zoned land in Town is vacant.



In addition, land use projection indicates that most development will occur in and around existing urban centers. The proposed commercial land use is proposed to happen near the west I-70 Interchange corridor.

Based on studies and data from the Town, a growth rate of 2% is proposed as the population projection for this Infrastructure Master Plan. Thus, the population projections for the year of 2020 and 2030, are outlined in the table below:

**Table II- 1: Population Projections**

Growth Horizon		Population Projections	
Grow Horizon	Year	Annual Growth Rate	Population
	2010		1,085 <sup>1</sup>
5-Year	2015	2%	1,198 <sup>2</sup>
10-Year	2020	2%	1,460
20-Year	2030	2%	2,170

Note: 1. Data from Colorado Department of Local Affairs, 2010 Census Data for Colorado.  
 2.  $(1,085) \times (1+2\%)^5 = 1,198$ .

### III. Water Use

#### A. Water Use Characteristics

Water use parameters are specific to each water distribution system. The parameters that impact the system include: average-day demand, maximum-day demand, peak-hour demand, and fire flow requirements. The average daily consumption is based on the total annual usage and used to determine the raw water supply needs. The max-day demand is used to size the treatment plant, transmission lines, pump stations, and storage tanks. Peak-hour demands are used to size the distribution lines and booster pump stations which do not pump to a tank. Fire flow requirements are used in sizing the distribution lines as well as the storage tanks.

#### B. Annual Use

The annual water usage, or average daily demand (ADD) in the Parachute potable water system is difficult to determine due to several factors, which are listed below:

- **Lack of real-time water billing data** – Not all the customers are metered. The water usage data should be based on the real-time water billing records. The historical data, however, were based on the produced water flow at the water treatment plants. The yearly average flow into the system in 2007 was 198 gallon per minute (gpm), while the same flow data in 2001 was 217 gpm. This represents almost a 10% reduction in annual water usage.
- **Lack of water loss data** – Water loss was not considered in the yearly water usage. In this study, historical water usage data and sewer loads should be compared for water loss study.

The current ADD was determined based on the 2014 production flow data provided by the Town. The monthly average daily demand flows are listed in Table III-1.

Table III- 1: Current Average Daily Demand Calculations

Monthly Flow	UF WTP, gpm	MF WTP, gpm	Monthly Average Flow Total, gpm
January, 2014	131	15	146
February, 2014	133	19	152
March, 2014	130	20	150
April, 2014	131	30	161
May, 2014	130	65	194
June, 2014	134	80	214
July, 2014	140	94	234
August, 2014	147	61	208
September, 2014	143	43	186
October, 2014	154	20	174
November, 2014	152	14	165
December, 2014	151	17	168
<b>Average Daily Demand</b>			<b>179</b>

Based on the data presented in Table III-1, the current yearly average water demand is calculated as 179 gpm or 0.26 mgd.

---

### C. Maximum Daily Demand and Peak Hour Demand

---

The 2014 maximum daily demand (MDD) and peak hour demand (PHD) demand are calculated based on the peak factors as:

- MDD/ADD factor of 2.1
- PHD/ADD factor of 3.0

Thus, the current MDD is calculated as  $179 \times 2.1 = 376$  gpm or 0.54 mgd; and the 2014 PHD is  $179 \times 3.0 = 537$  gpm or 0.77 mgd.

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### D. Future Water Demand Projections

---

The Town of has had a steady population growth of about 2% per year from the 1980's to the year 2000. Therefore, 2% of growth rate per year is used in the study. The population along with projected water demands are presented in Table III-2.

**Table III- 2: Future Water Projections**

Year	Current (2014)	2020	2030
Population	1198	1460	2170
Average Day Demand (ADD), gpm	179	218	266
Average Day Demand (ADD), mgd	0.26	0.31	0.38
Maximum Day Demand (MDD), gpm	376	458	559
Maximum Day Demand (MDD), mgd	0.54	0.66	0.80
Peak Hour Demand (PHD), gpm	537	655	798
Peak Hour Demand (PHD), mgd	0.77	0.94	1.15

## IV. Criteria Used for Water System Analysis

### A. Pressures

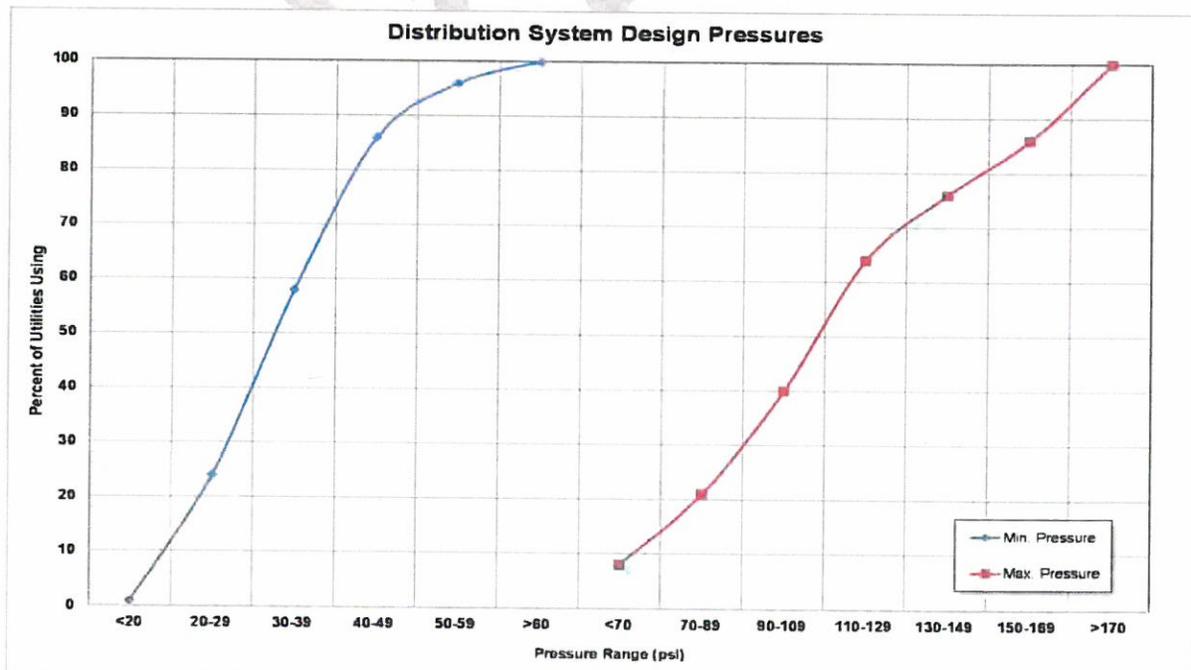
The goal of the design of a water distribution system is to provide the peak-hour demands while maintaining minimum acceptable pressure. In addition, municipal systems should typically be capable of supplying the average demand on the maximum day, plus the needed fire flows, while maintaining a minimum residual pressure throughout the entire system.

summarizes design pressures used as design criteria from other water utilities in this area.

**Table IV- 1: Design Pressures**

Entity	Min. Pressure (psi)	Max. Pressure (psi)	Fire Flow Pressure (psi)
Colorado Dept. of Health	35		20
AWWA MOP M32	30	90	20
Denver Water	40	110	
City of Federal Heights	40	100	

The April 2000 issue of AWWA's "Mainstream" presented the results of a survey of 162 utilities in the US and Canada on the minimum and maximum design pressures in the distribution system. The results of that survey are presented in the following figure.



**Figure IV- 1: Distribution System Pressure Criteria**

From that survey it appears nearly 60% of the utilities use a minimum pressure of 35 psi. Maximum design pressures vary over a wider range with 40% using 100 psi as the maximum, while 90% have a maximum pressure of 170 psi or less. For the purpose of this study, 35 psi will be maintained during the peak-hour conditions and a minimum of 20 psi will be maintained during the maximum day, plus fire flow conditions. The maximum static pressure recommended for direct service is 100 psi. Pressures above this level can cause water heater safety valves to release and can cause leakage problems in older lines. Where static pressures exceed this level, either zone or individual pressure-reducing valves must be installed.

## B. Fire Flows

The Insurance Services Office (ISO) has published guidelines for determining the “Needed Fire Flows” based on the type of building zone and the separation between buildings. The Uniform Fire Code (UFC) also specifies minimum residential fire flows, which is generally the guideline used by the fire departments in their reviews. For one- and two-family homes not exceeding two stories in height, the needed residential fire flows are compared in the following table:

**Table IV-1: Residential Fire Flows**

Building Separation	ISO Needed Fire Flow	NFPA Needed Fire Flow <sup>1</sup>
Over 100'	500 gpm	1,000 gpm
31-100'	750 gpm	1,000 gpm
11-30'	1,000 gpm	1,000 gpm
10' or less	1,500 gpm	1,000 gpm

<sup>1</sup>For dwellings less than 3,600 square feet.

For commercial and industrial areas, the needed fire flows are determined for each individual structure from the Commercial Fire Rating Schedule. That schedule considers the size of the building, the type of construction, the proximity to other structures, and the type of occupancy. Typical figures for multi-family dwellings are in the range of 2,500 gpm, while figures for commercial and industrial can be as high as 3,500 gpm or more. The flows can vary widely depending on the type of construction and the presence of fire divisions. Furthermore, the needed fire flows can be substantially reduced by the installation of fire sprinkler systems. The ISO guidelines state that a fully sprinklered building is not used to determine the needed fire flow. Furthermore, the Uniform Fire Code states that the needed fire flow for a fully sprinklered building can be reduced by as much as 75%, but not less than 1,500 gpm. For the purpose of this Master Plan, it has been assumed that large commercial buildings will have sprinkler systems, reducing the fire flows to 2,500 gpm.

The ISO guidelines also specify the required duration of the fire flows. For a fire flow up to 2,500 gpm, the required duration is two hours. For flows up to 3,500 gpm, the required duration is three hours. For this Master Plan, the commercial fire flow of **2,500 gpm** will be modeled for **two hours**.

## C. Storage Requirements

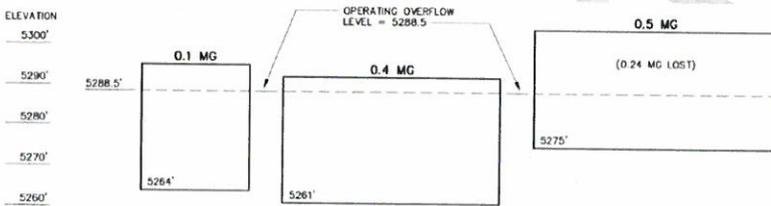
Storage reservoirs are sized to provide water for emergencies, equalization, and fire flows.

Emergency storage is designed to protect the water supply for the area from emergencies such as equipment failure, line breakage, or electrical power failure. The Colorado Department of Public Health guidelines recommend that emergency storage be equal to the volume of water required to serve the area for one day at average-day demand. For this project, an emergency storage volume equal to **one day at average-day demand** is used.



Equalization storage is used to equalize the hourly fluctuations in the demand during the day, which allows the treatment plant and transmission facilities to operate at average flows rather than operating less efficiently and more expensively at peak flows. For this project, an equalization storage volume equal to **25% of the maximum-day demand** is used for the flows during a 24-hour period.

Storage for fire flow is based on the recommendations of the Insurance Services Office. For this Master Plan, the commercial fire flow of **2,500 gpm** will be modeled for **two hours**.



Because of elevation differences, the three existing tanks are calculated to have  $0.1 + 0.4 + (0.5 - 0.24) = 0.76$  MG of storage.

## D. Main Sizing

The State Health Department criteria recommend that all water mains be sized based on a hydraulic analysis. This analysis is to include the projected demands and minimum pressures. For systems which provide fire protection, the minimum size for mains connected to fire hydrants is six inches (6"). In addition, mains not designed to carry fire flows should not have fire hydrants connected to them. Furthermore, dead-end mains should be minimized by looping whenever practical.

Many communities have adopted development standards that incorporate the above criteria. Typically, those regulations require a minimum main size with larger mains spaced in a grid system. The City of Greeley and the Denver Water Department, for example, require a grid with a 12-inch main every one-half mile with eight-inch mains in the streets within the quarter-section. Such a grid generally provides mains large enough to supply domestic, irrigation, and fire protection flows for typical urban densities.

The American Water Works Association (AWWA) was also consulted for design criteria regarding main sizing. The AWWA<sup>1</sup> defines the following conditions as potentially deficient, or most-limiting:

- velocities greater than 5 ft/sec
- head losses greater than 10 ft/kft, or
- large-diameter pipes (16 in. or greater) having head losses greater than 3 ft/kft

Velocities in pipe segments on the order of 10 ft/sec are tolerable. However, because headloss varies exponentially with velocity, these higher velocities are usually unachievable because of reduced pressures at the point of delivery. This is especially true with smaller diameter pipe where the surface area of the pipe wall has a much greater impact on losses than on larger pipe. Velocities of this magnitude also require special design considerations due to the greater possibility of water hammer.

Additional AWWA recommendations include the following minimum standards for distribution piping in urban areas:

**Table IV-2: Minimum Standards Distribution Piping – AWWA<sup>2</sup>**

Piping Property	Minimum Standard
Smallest pipes in network	6 in.
Smallest branching pipes (dead ends)	8 in.
Smallest pipes in high value district	8 in.
Smallest pipes on principal streets in central district	12 in.

Obviously, this criterion is not applicable to the entire service area. However, as areas develop to municipal densities the above standards should be adhered to as a minimum. These guidelines have been applied in evaluating the existing system and in developing the proposed improvements. The standards were adhered to as closely as prudently possible. However, sustaining sufficient pressures at all points of delivery throughout the system was the primary objective in the analysis.

For rural areas the following guidelines have been used successfully to determine the approximate capacity of non-looped lines.

**Table IV-3: Rural Line Capacities**

Line Size	Based on Velocity		Based on Pressure Loss	
	gpm @ Velocity of 2 ft/s	Taps	gpm @ Loss 10 psi/mile	Taps
1.5	11	1	10	1
2	20	5	13	2
2.5	31	11	23	7
3	44	18	38	14
4	78	36	80	37
6	176	120	233	160
8	313	215	375	257
10	488	335	892	611

<sup>1</sup> American Water Works Association, "Distribution Network Analysis for Water Utilities," AWWA Manual of Water Supply Practices M32.

## V. Water System Analysis

### A. Water Right

The Town draws its water supply from two sources, which are listed as:

- Spring water through membrane treatment located at about one and a half miles northeast of the Town. The water right associated this spring water is 2.0 cfs, which is equivalent to 898 gpm.
- Surface water from the Colorado through an intake and water treatment process. The water right associated with the surface water source is 30 cfs.

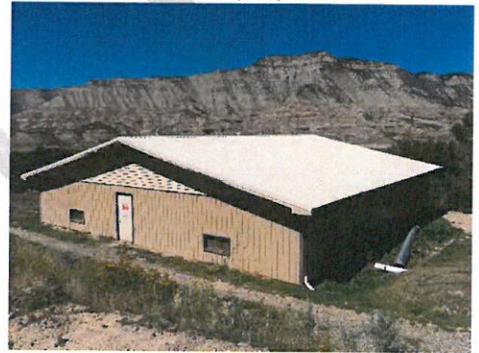
The Town has no water right issue for current and future water demands.

### B. Water Treatment

The spring water is delivered to the Town's service area from newly-build springs ultrafiltration (UF) water treatment plant (WTP) via gravity. Within the UF WTP, 14 modules of UF are installed with a capacity of 12 gpm per module. Under normal operations, water from the springs is treated at UF WTP at all times. The maximum UF water treatment capacity is 168 gpm.



The second source of water supply is from the Colorado River via pumping and storage tanks. Water is withdrawn from the river through an intake structure near the highway bridge over the river, and treated at a microfiltration (MF) WTP. The MF WTP includes two MEMCOR treatment units. Each of the two units has a capacity of approximately 174 gpm or 0.25 mgd. The total treatment capacity for the MF WTP is 348 gpm.



The combined treatment capacity for UF treatment plant and MF treatment plant is 516 gpm.

### C. Transmission Lines

The water distribution system is comprised of 4-inch through 12-inch diameter piping and varies in material: cast iron (CI), asbestos cement (AC), polyvinyl chloride (PVC), and ductile iron (DI). Figure V-1 shows the existing water distribution system.

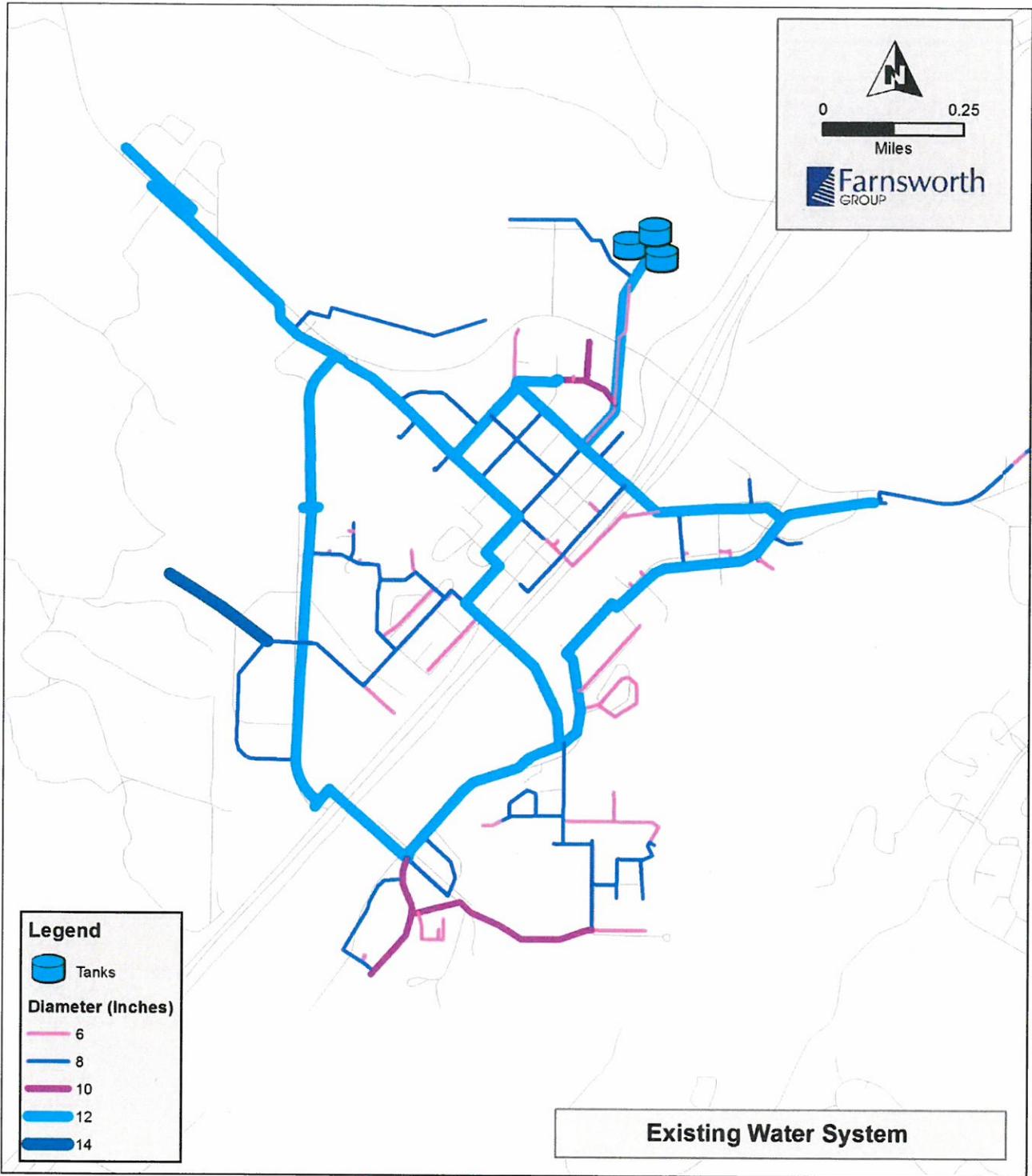


Figure V- 1: Existing Water Distribution System

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## D. Pressure Zones

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There is only one pressure zone for the Town's current water distribution system. In order for the Town to serve the area located north of the Town near the proposed rodeo site and the existing soda ash plant, a new pressure zone is needed and a zone configuration study is required.

---

## E. Zone Configuration

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A zone configuration is required for this project in order to serve the area to the north along Highway 215. Using the elevations of the tanks and the pump station pressure settings, the "theoretical" pressure zone configuration can be determined as summarized in the following table.

**Table V-1: Zone Service Elevations**

Zone Name	Tank Configurations, Feet			Zone Service Elevations, Feet	
	Base Elevation	Height	HWL Elevation	Low	High
Main Zone	5260	40	5300	5050	5200
High Zone	5475	25	5500	5200	5400

### 1. Current Operation

Right now, the Town' water distribution is operated under one-pressure zone system under the "Normal Operation." This mode of operation involves pumping directly from both MF WTP and UF WTP to the existing three tanks and supply the water to Main Zone. Figure V-2 shows the hydraulic profile for the current mode of operation.

### 2. Proposed Long-term Operation

Figure V-3 shows the hydraulic profile for the proposed long-term operation mode. The proposed zones are based on the tank elevations and rely on the proposed booster station and transmission lines to a proposed storage tank in High Zone.

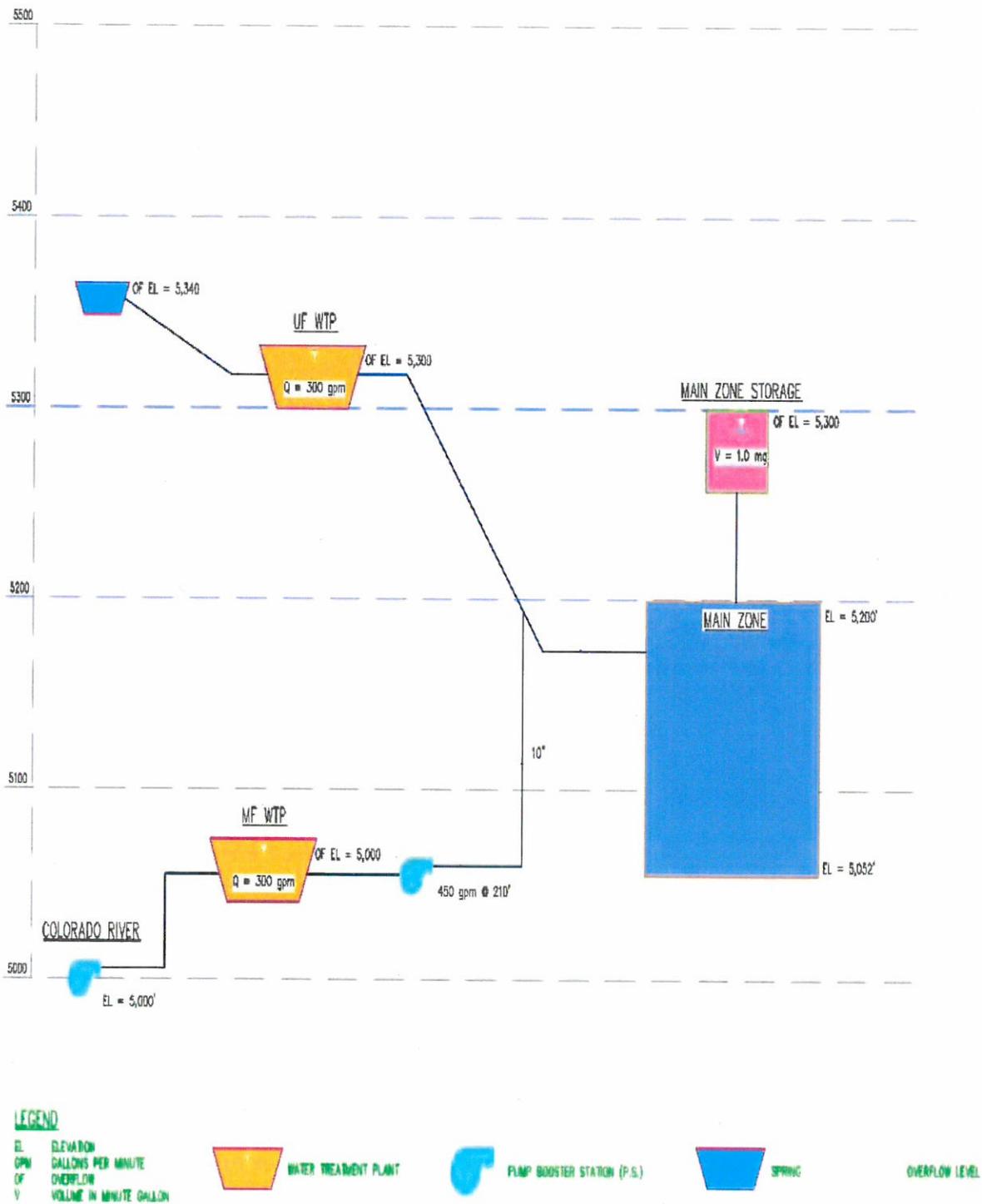


Figure V- 2: Hydraulic Profile for Current Operation Mode

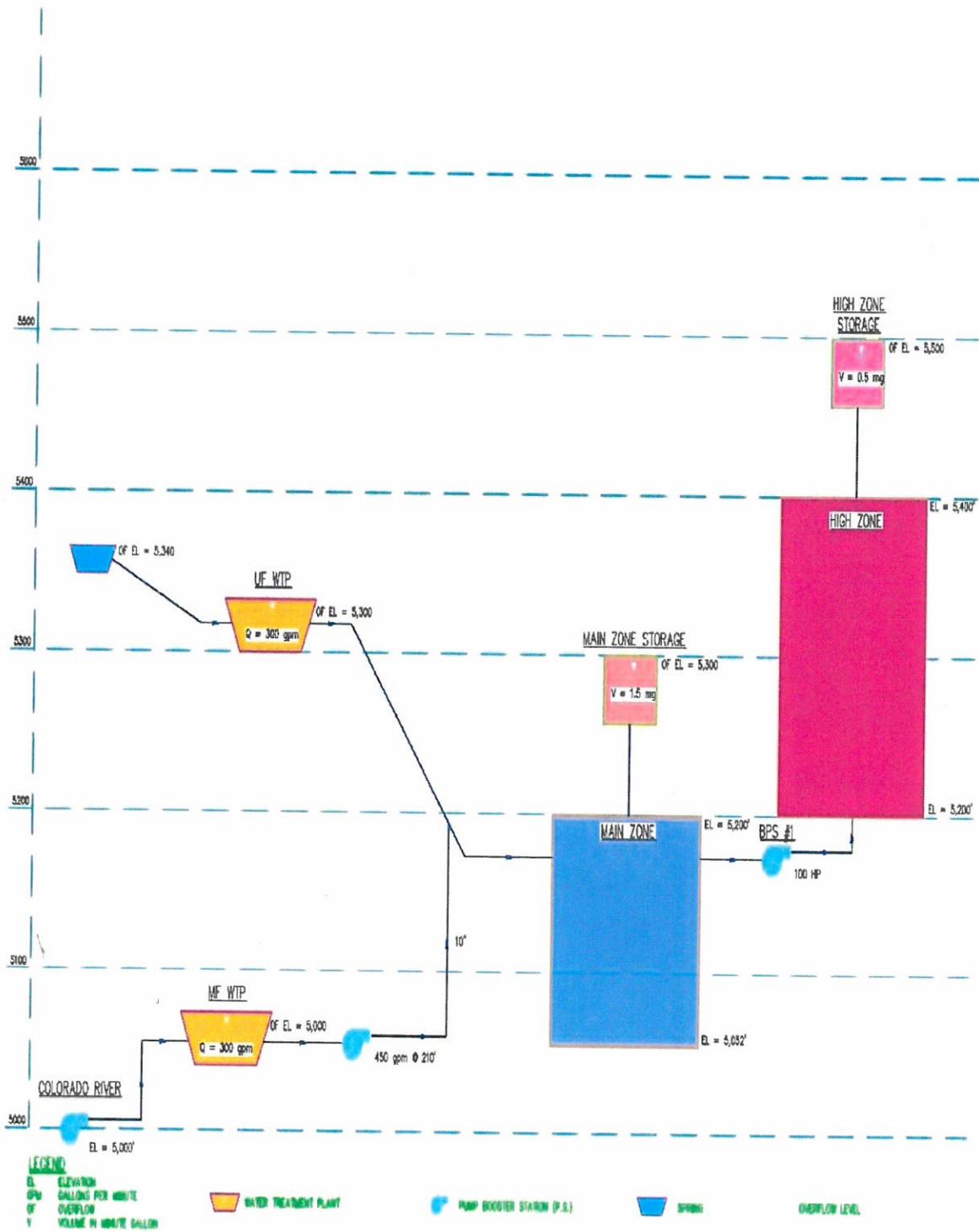


Figure V- 3: Hydraulic Profile for Proposed Long-term Operation Mode

## F. Computer Model

### 1. Model Development

The Town has a hydraulic model for analyzing the water system and ensuring adequate flows to proposed developments. The first hydraulic model was originally prepared by Farnsworth as a part of the 2002 master plan and updated for the 2008 master plan. The original model was created using WaterCad but has since been updated using the WaterGEMs program. This update to the Master Plan will provide the Town with an updated model and the tools needed to maintain the model. Based on the model-ready GIS dataset, the hydraulic model was built through the build-in tool of "Model-Builder", which creates seamless integration between hydraulic model databases with model-ready GIS datasets. Special purpose valves such as pressure-reducing valves (PRVs), and zone isolation valves are verified with district staff.

### 2. Demand Allocation

Previous master plans have used the Town's AutoCAD map to identify all taps located in a growth area and distribute those taps to the nodes in the model serving each growth area. For systems with large mains and looped lines, this type of analysis is a reasonably accurate way to distribute demands. The current and future water demands were calculated based on the population projections. Those demands were allocated into the hydraulic model, also, through "Model-Builder" based on the geo-coded water accounts.

**Table V-2: Projected Average Daily Demands by Pressure Zone**

Zone	Demand Allocation, gpm		
	Current	2020	2030
Main Zone	179	218	266
High Zone	0	35 <sup>1</sup>	50 <sup>1</sup>
Total Average Daily Demand	179	253	316

Note:

1. Demand is assigned based on preliminary planning data, and allocated as point demand in the model.

## G. Storage

Storage for the Town's service area is provided at three locations. They are listed in Table V-3.

**Table V-3: Current Storage Tank Inventory**

Storage Tank			Storage Tank Data, Feet			
Model ID	Name	Available Storage	Diameter	Base Elevation	Height	HWL Elevation
T-0.1MG	0.1 MG	0.1 MG	25	5264	32	5295
T-0.4MG	0.4 MG	0.4 MG	48	5261	32	5295
T-0.5MG	0.5 MG	0.26 MG	55	5275	28	5302

The storage tank evaluation results are presented in Table V-4.

**Table V-4: Water Storage Tank Evaluation Results**

Tank Volume, million gallons	Current	2020	2030
Storage Requirement			
Emergency Storage (ADD)	0.26	0.31	0.38
Equalization Storage (0.25 x MDD)	0.14	0.16	0.20
Fire Flow Storage (2hrs x 2500 gpm)	0.30	0.30	0.30
Total Required Storage	0.69	0.78	0.88
Available Storage (0.1 + 0.4 + 0.26 = 0.76 MG)	0.76	0.76	0.76
<b>Net Available Volume</b>	<b>0.07</b>	<b>(0.02)</b>	<b>(0.12)</b>

## H. Water Treatment/Pumping Capacity

Maximum daily demand is used to evaluate the water treatment and pumping capacity. The capacity evaluation results are presented in Table V-5.

**Table V-5: Water Treatment/Pumping Capacity Evaluation Results**

Water Treatment Capacity, gpm	Current	2020	2030	Notes
Pumping Requirement	376	458	559	No treatment/pumping improvement project is required.
Available Pumping Capacity	516 <sup>1</sup>	516 <sup>1</sup>	516 <sup>1</sup>	
<b>Net Available Volume</b>	<b>140</b>	<b>58</b>	<b>(43)</b>	

Note: 1. Based on MF WTP treatment capacity of 348 gpm; and UF WTP treatment capacity of 168 gpm.

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## **I. Infrastructure Review**

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The capital improvement projects identified in 2008 Master Plan were reviewed with Town staff. Two specific projects that are not completed but are still necessary to implement, are identified as follows:

- Replacing existing 4-inch line in First Street with 8" line.
- Evaluate location and condition of existing raw water line from the springs.

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## **J. Current Water System Analysis Results**

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The design pressure range used for distribution system analysis is 40 psi (based on peak hour demand) to 120 psi (based on average daily demand). In addition, water distribution pressure analysis is also evaluated based on maximum daily demand plus available fire flow of 2,500 gpm.

### **1. Water System Analysis – Under Current PHD Condition**

The water distribution system pressure index map under the peak hour demand condition is presented in Figure V-4, on following page.

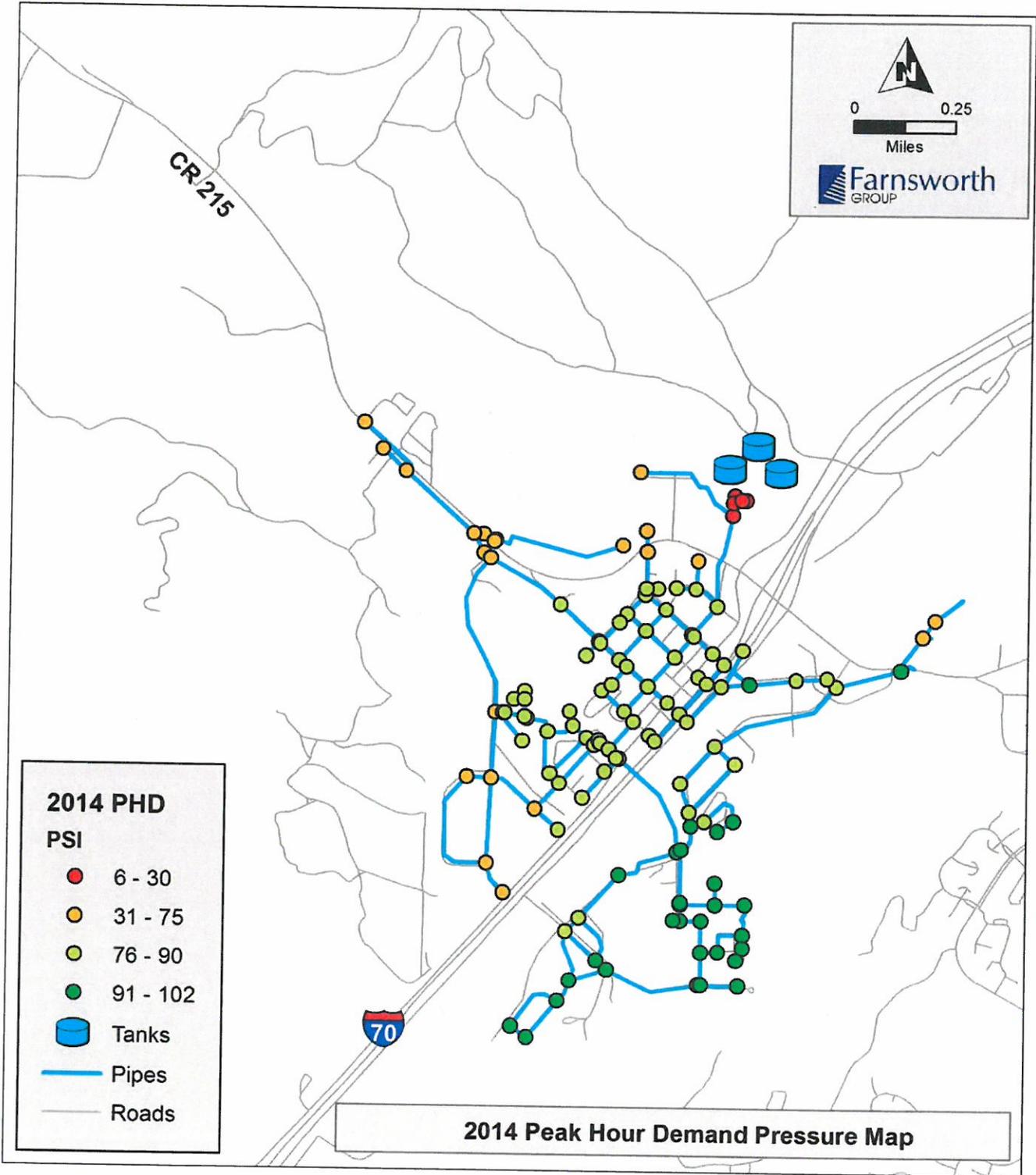


Figure V- 4: 2014 Peak Hour Pressure Index Map

## 2. Water System Analysis – Under Current ADD Condition

The water distribution system pressure index map under the average daily demand condition is presented in Figure V-5.

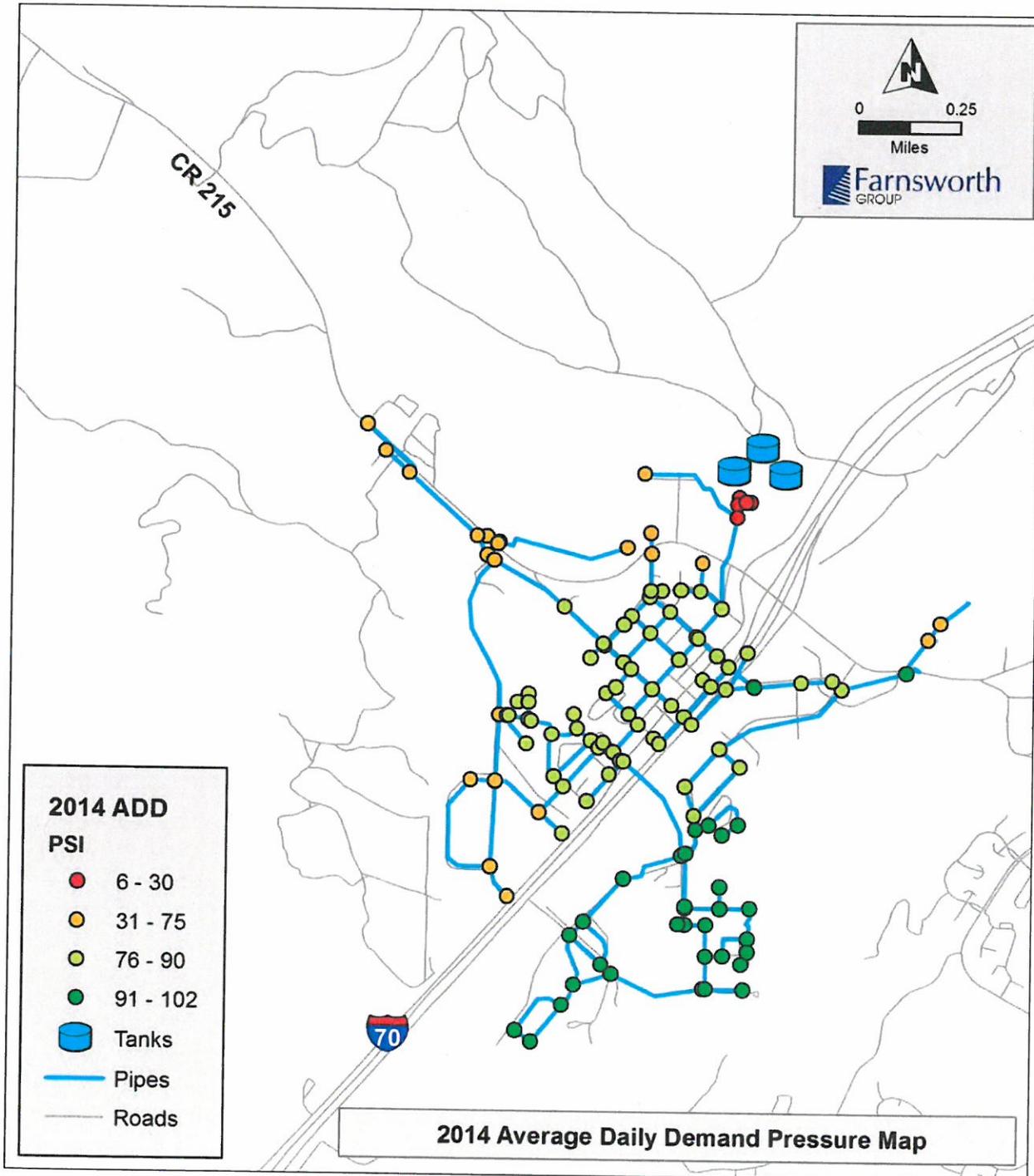
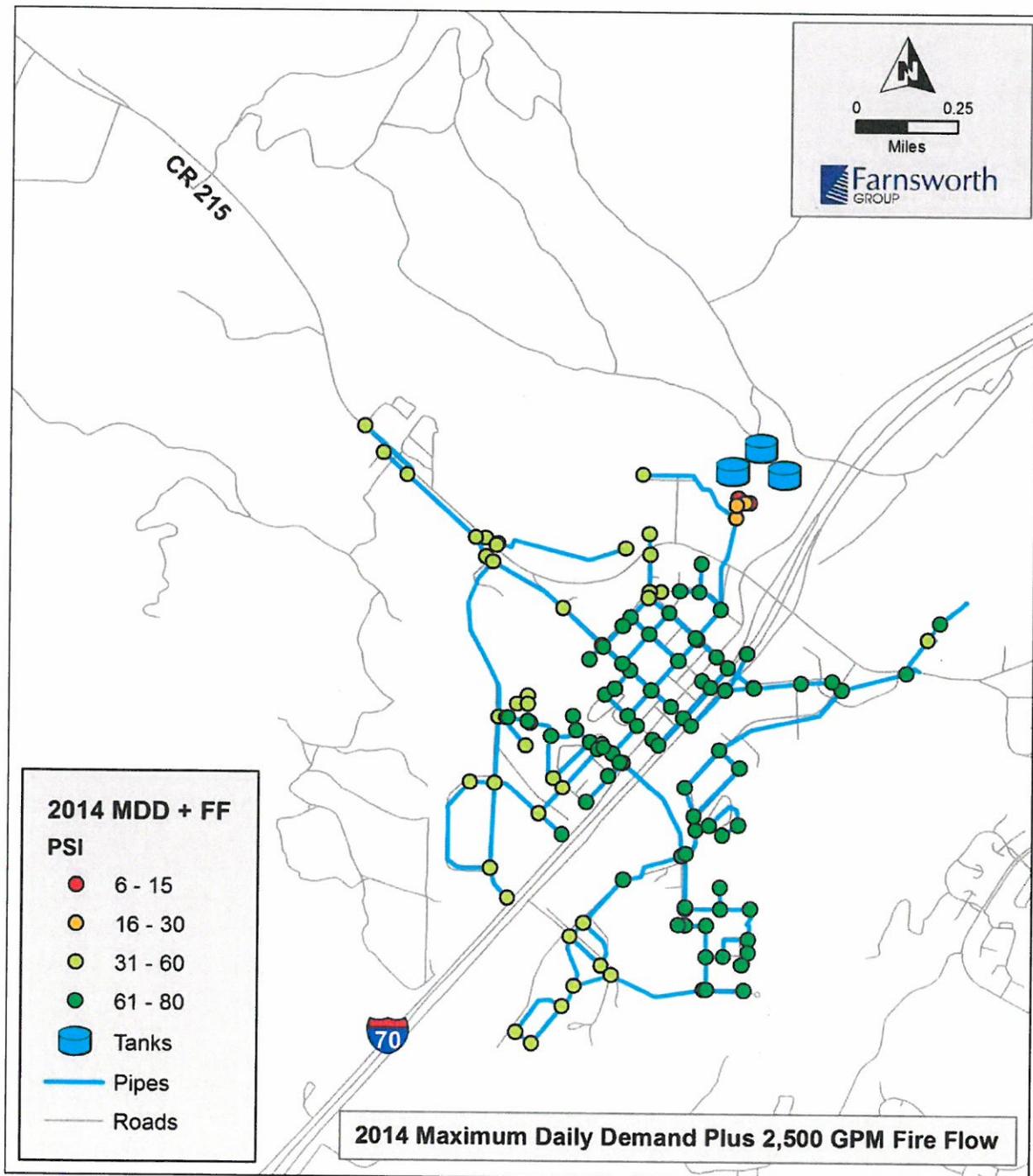


Figure V- 5: 2014 Average Daily Demand Pressure Index Map

**3. Water System Analysis – Under Current MDD+2,500 gpm Fire Flow Condition**

The current water distribution system can provide up to approximately 1,200 gpm available fire flow while maintaining 20 psi residual pressure. The pressure index map under the maximum daily demand plus 1,200 gpm fire flow condition is presented in Figure V-6.



**Figure V- 6: 2014 Maximum Daily Demand Plus 2,500 gpm Fire Flow Pressure Index Map**

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## K. 2020 Water System Analysis

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The capital improvement projects for the 2020 water system are identified, which are listed as:

- Replacing existing 4-inch line in First Street with 8" line
- Adding 0.5-MG new storage tank to serve Main Zone especially at west I-70 interchange corridor
- Adding 0.5-MG new storage tank to serve High Zone to serve High Zone
- Adding one booster station to feed the newly-added 0.5-MG tank
- Adding 12" pipeline to feed the proposed 0.5-MG storage tank to serve High Zone
- Adding 12" pipeline to loop the west I-70 interchange corridor
- Adding 6" dedicated pipeline to feed the existing storage tanks

The design pressure range used for distribution system analysis is 40 psi (based on peak hour demand) to 120 psi (based on average daily demand). In addition, water distribution pressure analysis is also evaluated based on maximum daily demand plus available fire flow of 2,500 gpm.

### 1. Water System Analysis – Under 2020 PHD Condition

The water distribution system pressure index map under the peak hour demand condition is presented in Figure V-7, on following page.

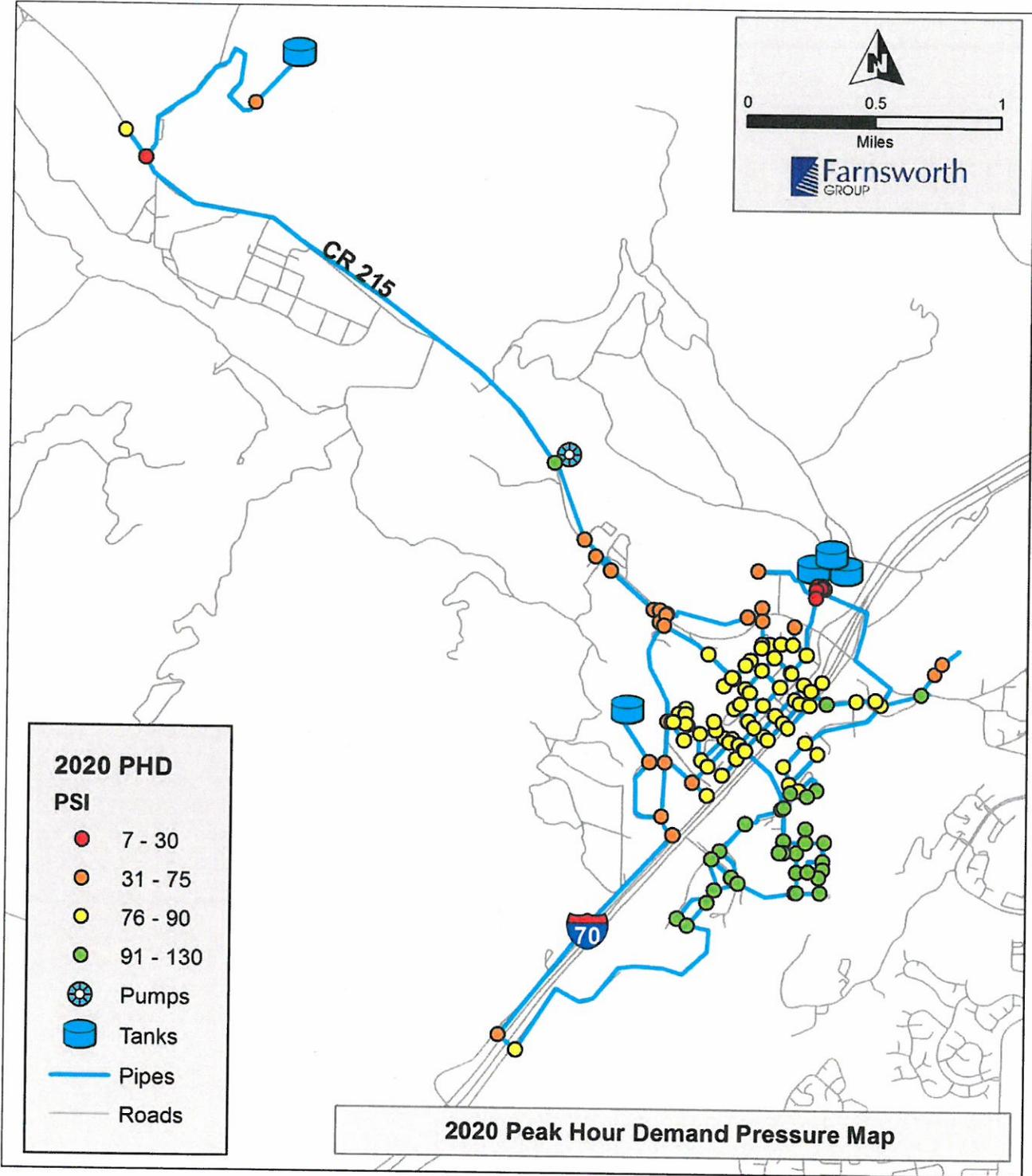


Figure V- 7: 2020 Peak Hour Pressure Index Map

## 2. Water System Analysis – Under 2020 ADD Condition

The water distribution system pressure index map under the average daily demand condition is presented in Figure V-8.

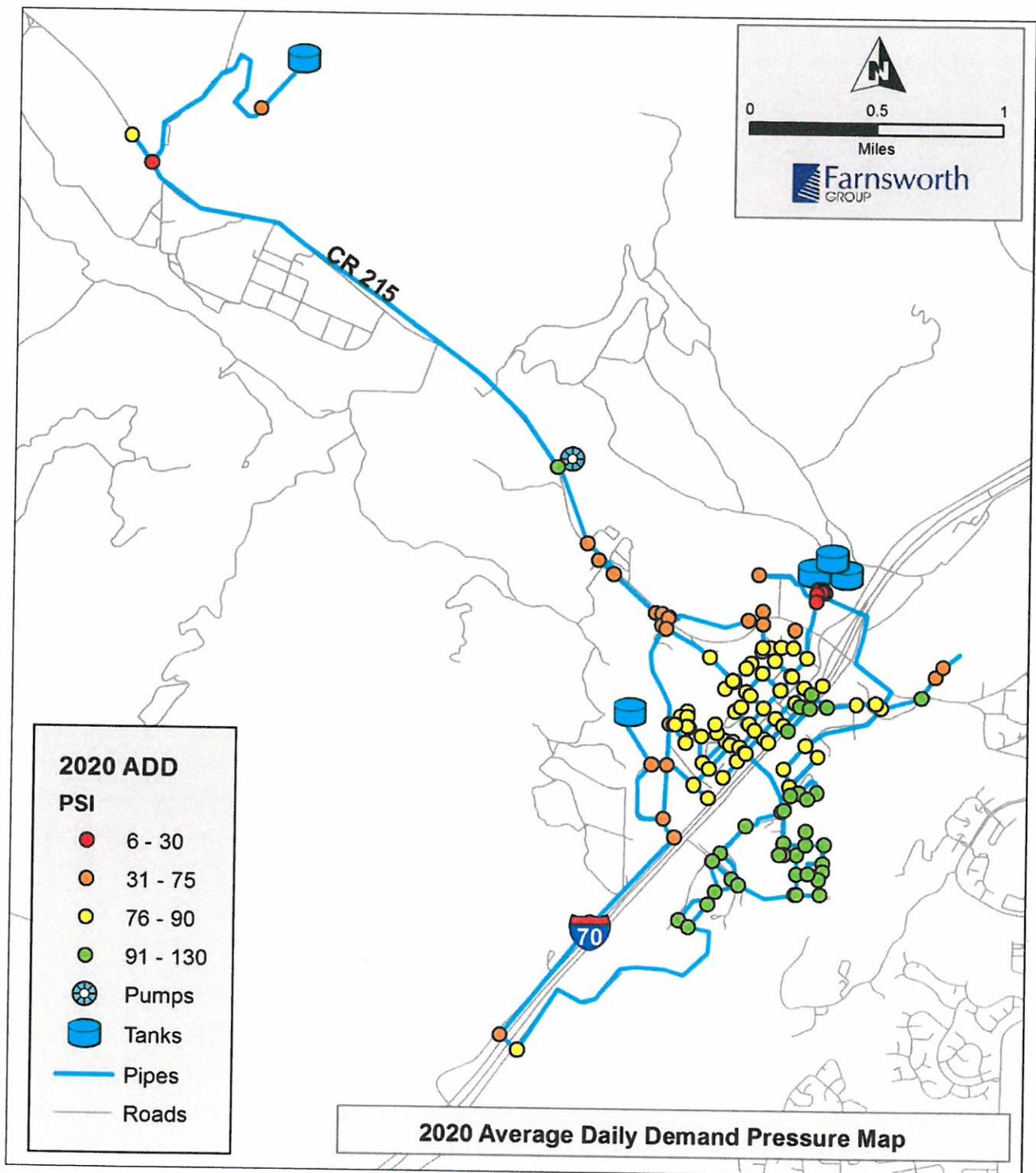


Figure V- 8: 2020 Average Daily Demand Pressure Index Map

### 3. Water System Analysis – 2020 MDD+2,500 gpm Fire Flow Condition

In order to match the current water system operation conditions, the water distribution system is analyzed under the 2015 MDD plus 2,500 gpm fire flow condition. The pressure index map under the maximum daily demand plus 2,500 gpm fire flow condition is presented in Figure V-9.

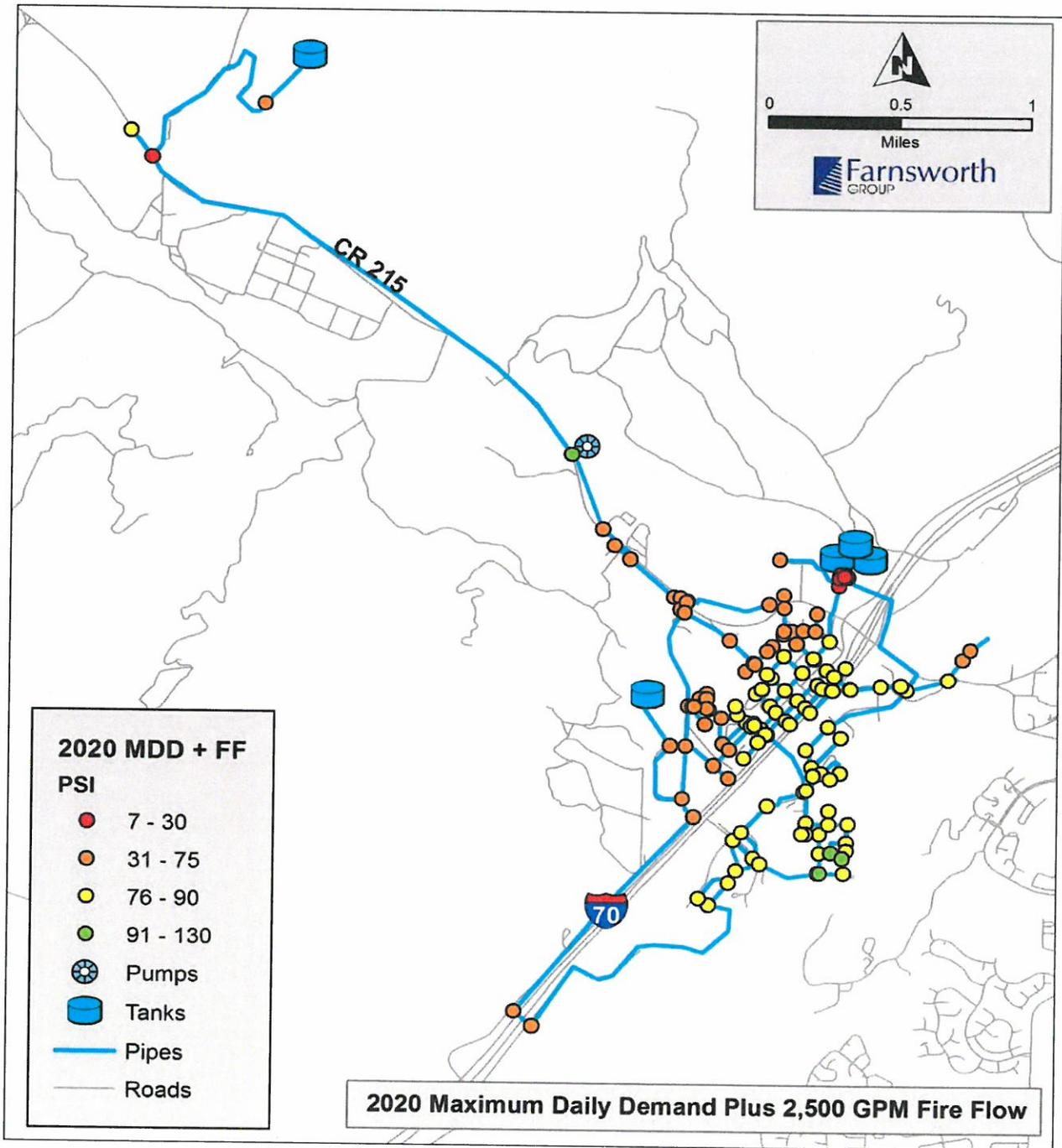


Figure V- 9: 2020 Max Day Demand Plus Fire Flow Pressure Index Map

## L. 2030 Water System Analysis

The no capital improvement projects for the 2030 water system is identified. The 2030 water system is analysis based on the design pressure range used for distribution system analysis. In addition, water distribution pressure analysis is also evaluated based on maximum daily demand plus available fire flow of 2,500 gpm.

### 1. Water System Analysis – Under 2030 PHD Condition

The water distribution system pressure index map under the peak hour demand condition is presented in Figure V-10.

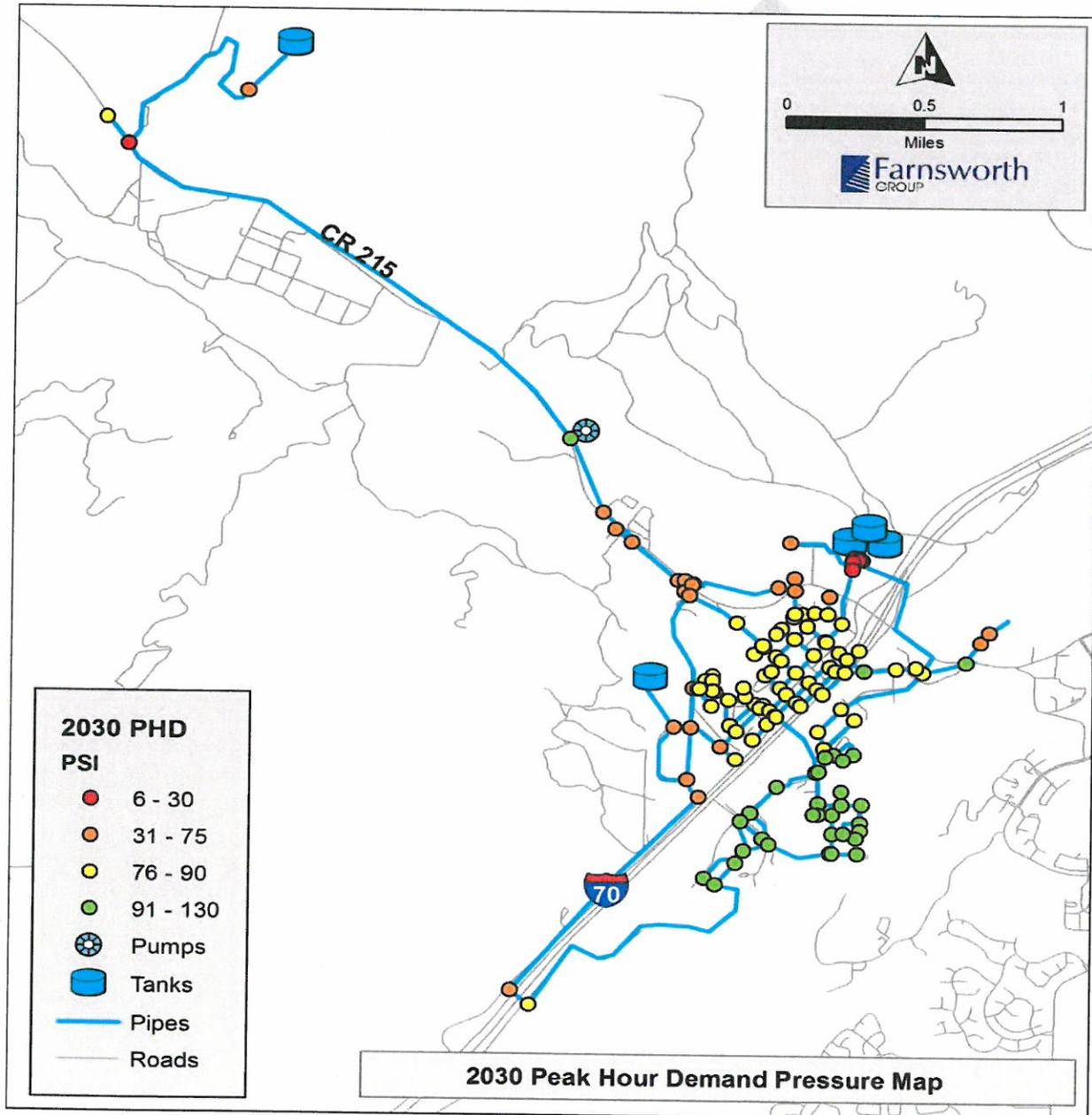


Figure V- 10: 2030 Peak Hour Pressure Index Map

## 2. Water System Analysis – Under 2030 ADD Condition

The water distribution system pressure index map under the average daily demand condition is presented in Figure V-11.

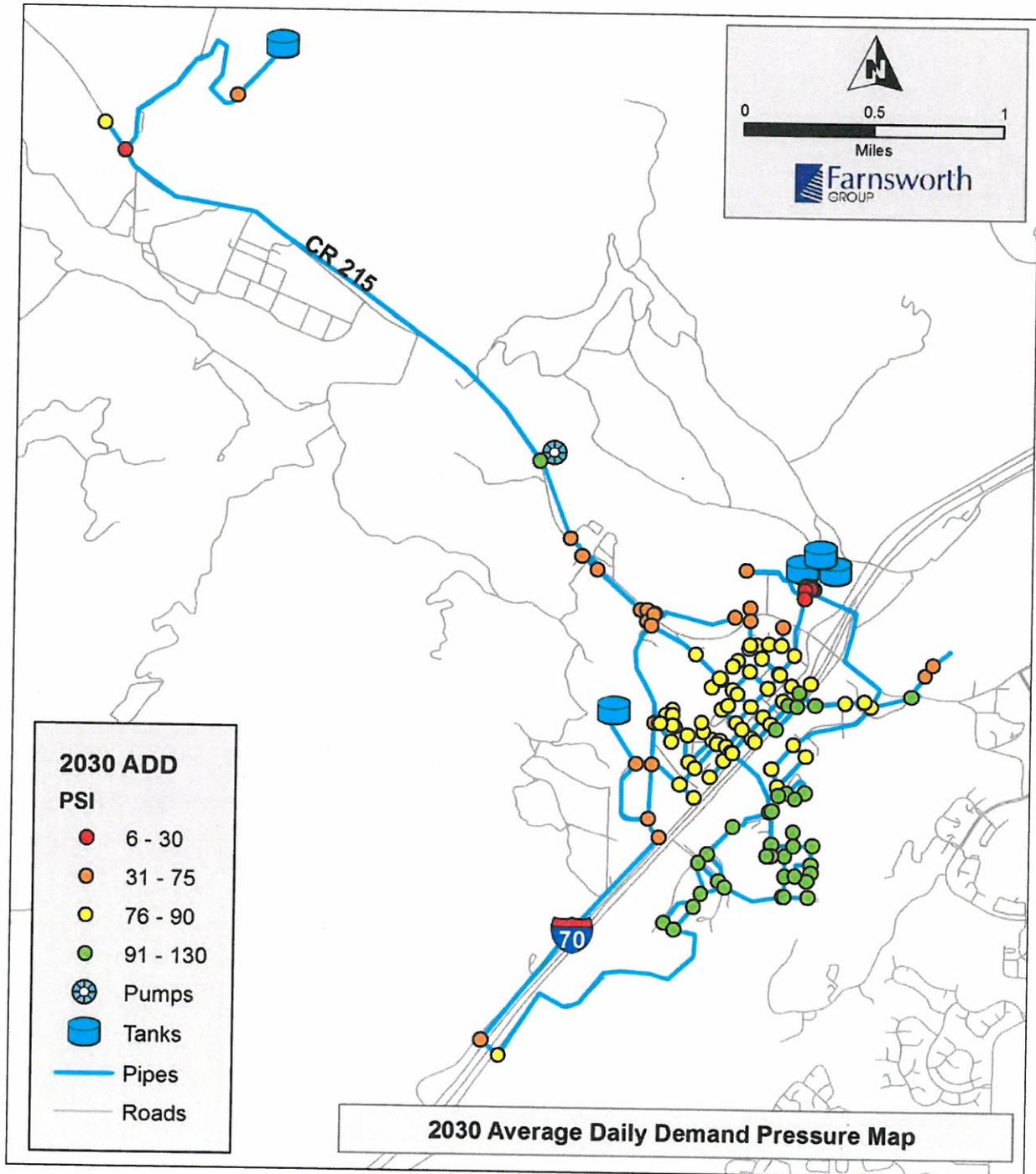


Figure V- 11: 2030 Average Daily Demand Pressure Index Map

### 3. Water System Analysis – 2030 MDD +2,500 gpm Fire Flow Condition

Like 2015 water system modeling, the water distribution system is analyzed under the 2030 MDD plus 2,500 gpm fire flow condition. The pressure index map under the 2030 maximum daily demand plus 2,500 gpm fire flow condition is presented in Figure V-12.

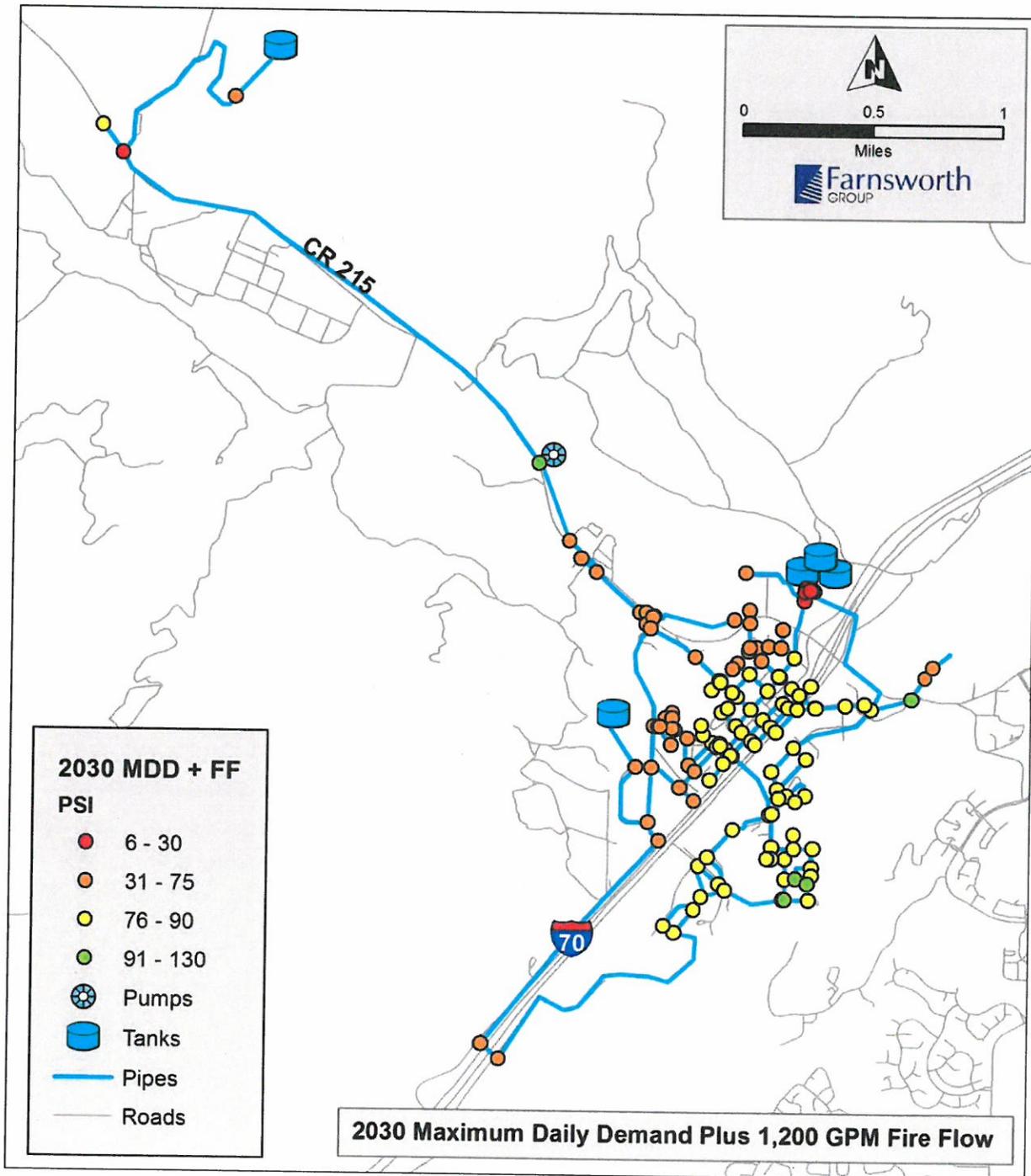


Figure V- 12: 2030 Max Day Demand Plus Fire Flow Pressure Index Map

## VI. Proposed Water System Improvements

### A. Proposed Capital Improvement Projects

The proposed capital improvement projects for the water system are identified below. Items 3a, 4a, 5a, and 7a are alternative projects to items 3, 4, 5, and 7, respectively.

1. Replace existing 4-inch line in First Street with 8" line.
2. Add 0.5-MG new storage tank to serve Main Zone especially at I-70 interchange corridor.
3. Add 0.5-MG new storage tank to serve High Zone to serve High Zone.
  - 3a. Instead of new storage tank to serve High Zone, provide interim PS and pipeline (4a and 5a). See Figure VI-1 for proposed north CR 215 interim improvements.
4. Add one booster station to feed the newly-added 0.5-MG tank.
  - 4a. Provide interim PS to feed proposed rodeo site.
5. Add 12" pipeline to feed the proposed 0.5-MG storage tank to serve High Zone.
  - 5a. Provide pipeline along CR 215 to proposed rodeo site.
6. Add 12" pipeline to loop the west I-70 Interchange corridor. See Figure VI-2 for proposed west I-70 corridor improvements.
7. Add 6" dedicated pipelines to feed the existing storage tanks.
  - 7a. Add tank mixing system for the existing storage tanks.
8. Evaluate location and condition of existing raw water line from the springs.

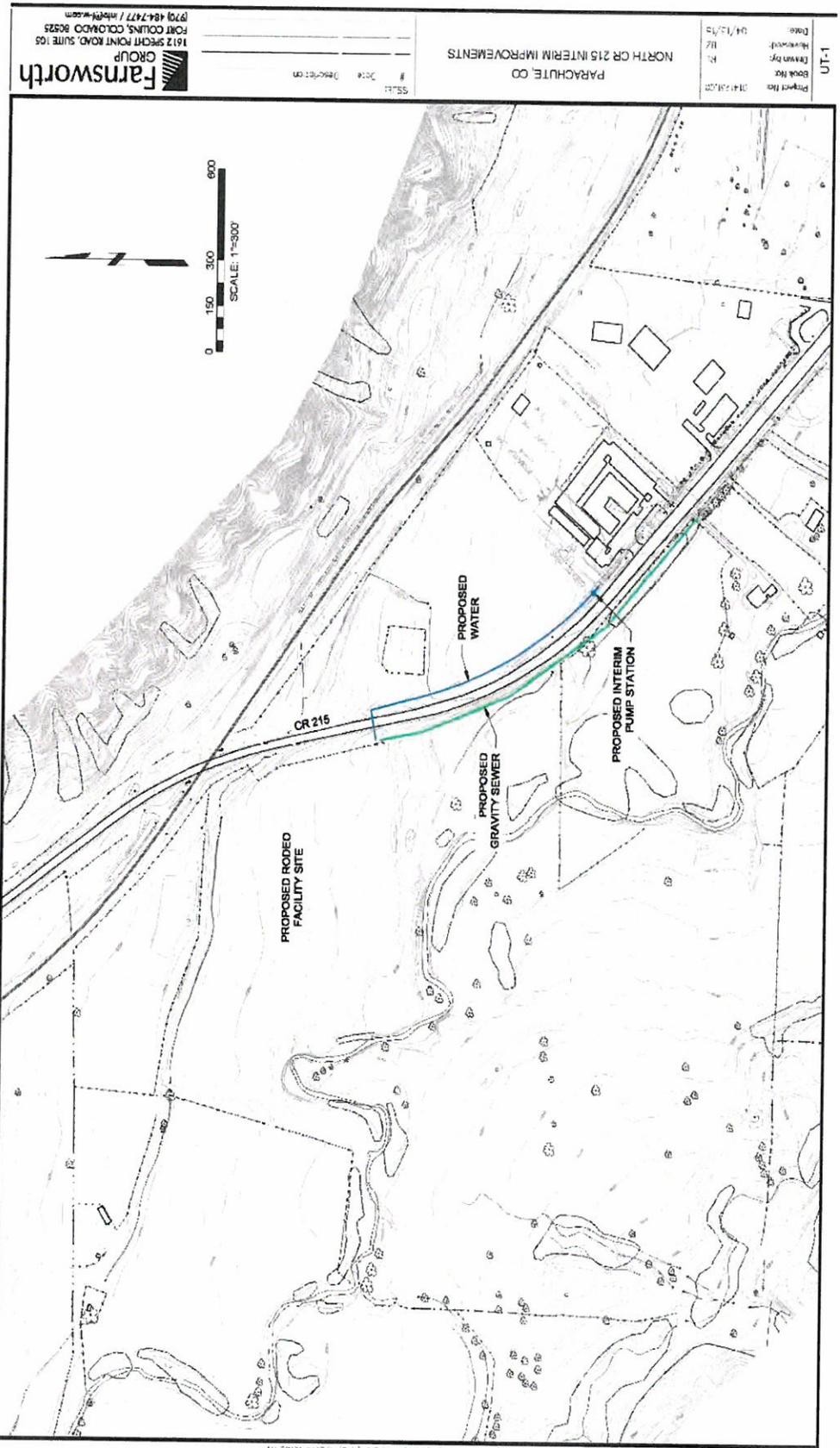
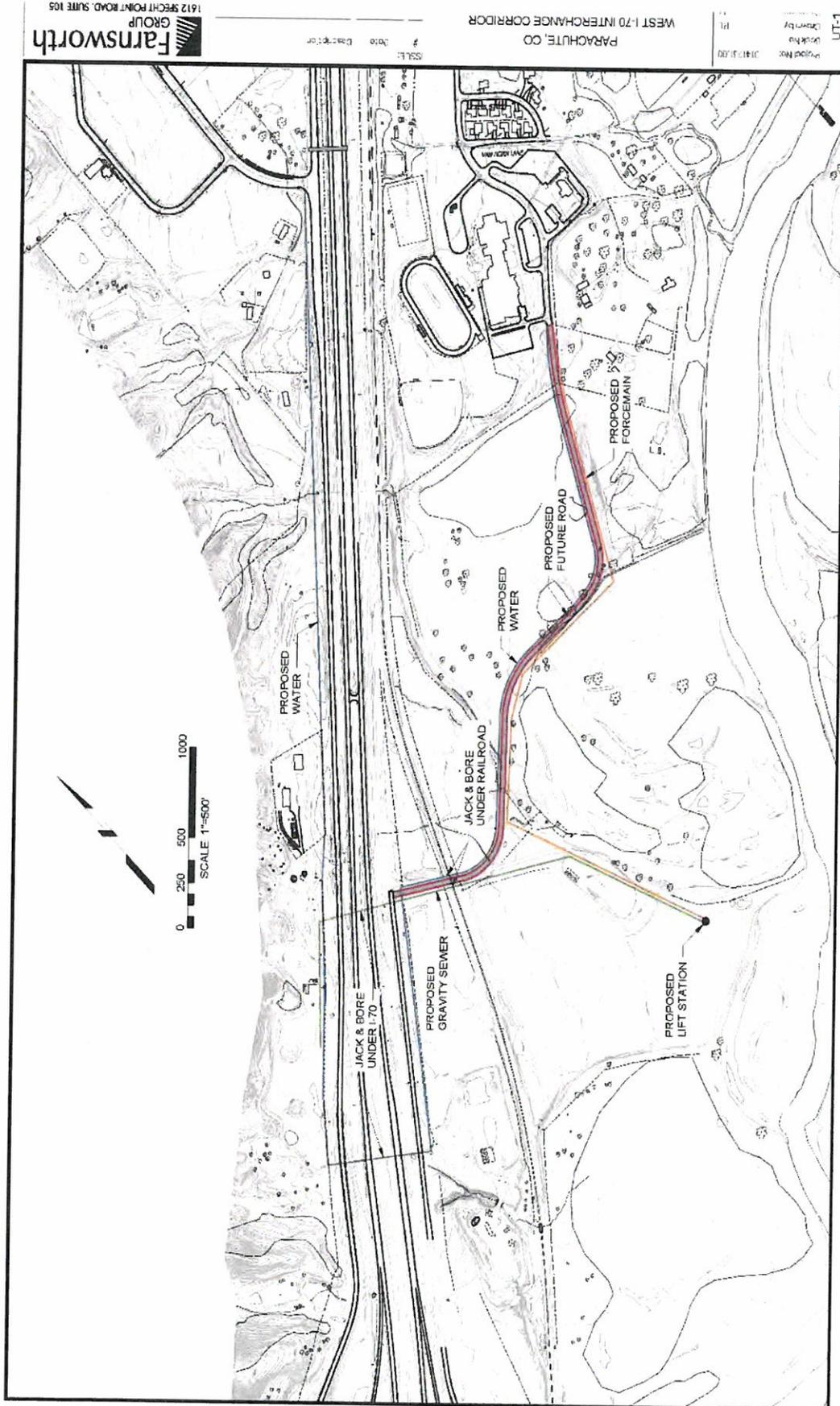


Figure VI- 1: Proposed Interim North CR 215 Improvements

Figure VI- 2: Proposed West I-70 Corridor I



## B. Improvement Recommendations

As stated above, the long range improvements projected to be needed to serve the developing areas are shown on Figure VI-3. Cost estimates for these projects, and alternative projects, are included in Appendix A and are summarized in Table VI-1 below.

**Table VI-1: Improvements for Future Water System Developments**

Item	Recommended Improvement	Time-Frame	Estimated Cost	Benefits
1	Replace existing 4-inch line in First Street with 8" line	2015	\$500,000	Increase system pressure
2	Add 0.5-MG new storage tank to serve Main Zone	When Needed	\$1,200,000	Increase treated water supply capacity
3	Add 0.5-MG new storage tank to serve High Zone (North)	When Needed	\$1,200,000	Booster storage capacity (North)
3a	Instead of new storage tank to serve High Zone, provide interim PS and pipeline (4a and 5a)	As alternative to item 3	See 4a and 5a below	Less expensive interim solution to 3
4	Add one booster station to serve 0.5-MG High Zone Tank (North)	When Needed	\$700,000	Supply water to High Zone (North)
4a	Provide interim PS to feed proposed rodeo site	As alternative to item 4	\$350,000	Less expensive interim solution to 4
5	Add 12" pipeline to feed the proposed 0.5-MG storage tank to serve High Zone (North)	When Needed	\$2,000,000	Supply water to High Zone (North)
5a	Provide pipeline to proposed rodeo site	As alternative to item 5	\$150,000	Less expensive interim solution to 5
6	Add 12" looped pipelines to feed the west I-70 Interchange corridor	When Needed	\$2,600,000	Supply water to new development corridor
7	Add 6" dedicated pipeline to feed the existing storage tanks	When Needed	\$1,000,000	Improve water quality
7a	Add tank mixing system for the existing storage tanks	As alternative to item 7	\$100,000	Less expensive solution to 7
8	Evaluate location and condition of existing raw water line from the springs	2015	\$50,000	Protect and maintain critical supply link

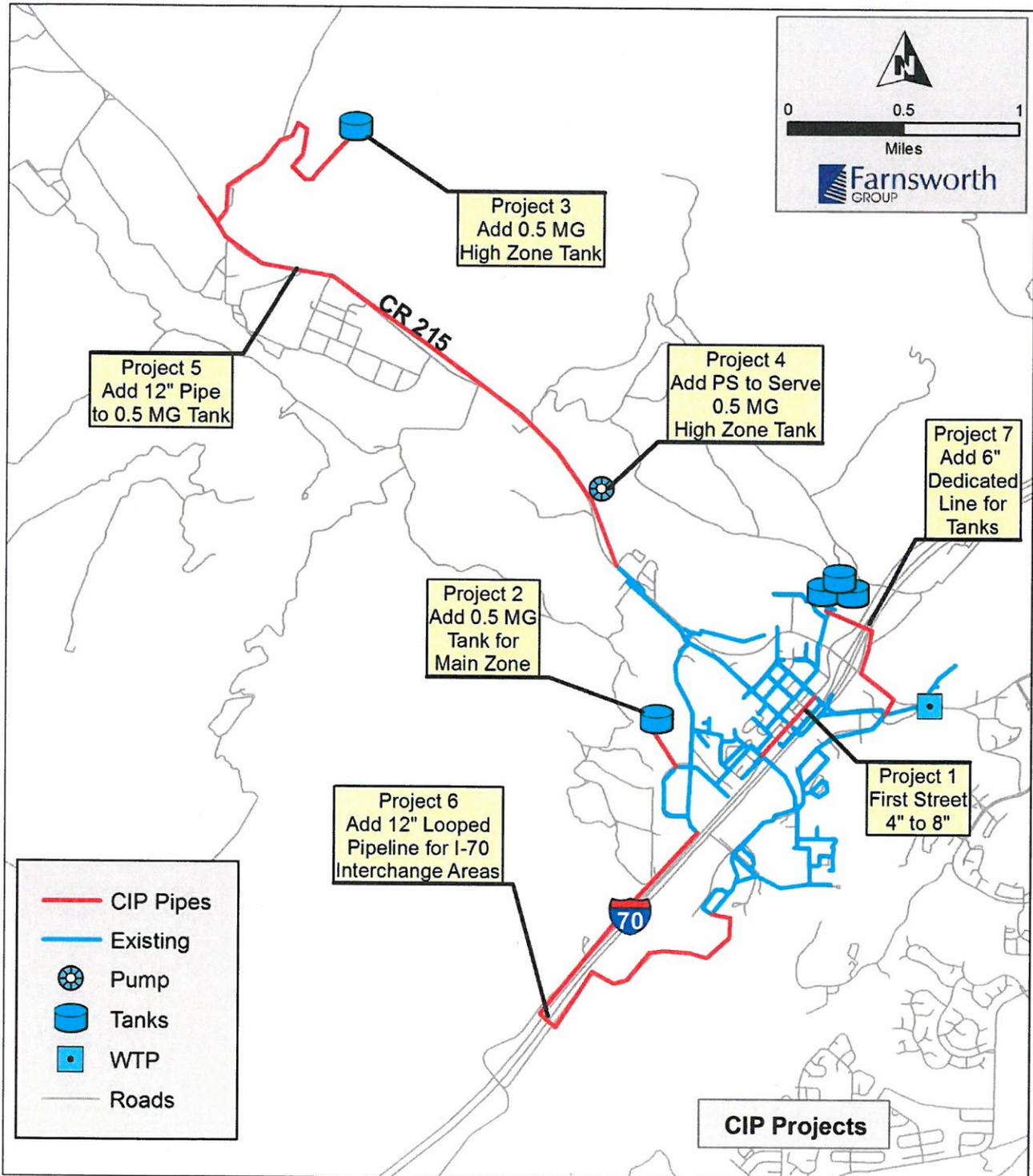


Figure VI- 3: Map of Water System Improvement Projects

## VII. Wastewater System Analysis

### A. Existing System

The Town's wastewater is collected through a system of primarily 8-inch through 15-inch gravity mains which discharge to a wet well located near Cottonwood Park. Three (3) dry pit pumps then pump the wastewater under the Colorado River to the Battlement Mesa Wastewater Treatment Plant by means of a 6-inch, 8-inch, or 10-inch forcemain. A layout of the Town's existing wastewater system is shown in Figure VII-1.

Information supplied by the Town indicates the dry pit pumps have the characteristics as noted in Table VII-1:

**Table VII-1: Characteristics of Existing Wastewater Pumps**

<b>Pump</b>	<b>Horsepower</b>	<b>Rated Flow</b>	<b>Total Dynamic Head</b>
A	15 HP	210 gpm	95' TDH
B	30 HP	710 gpm	109' TDH
C	50 HP	1250 gpm	109' TDH

With the largest pump out of service, the existing pump station has an estimated firm capacity of 920 gpm.

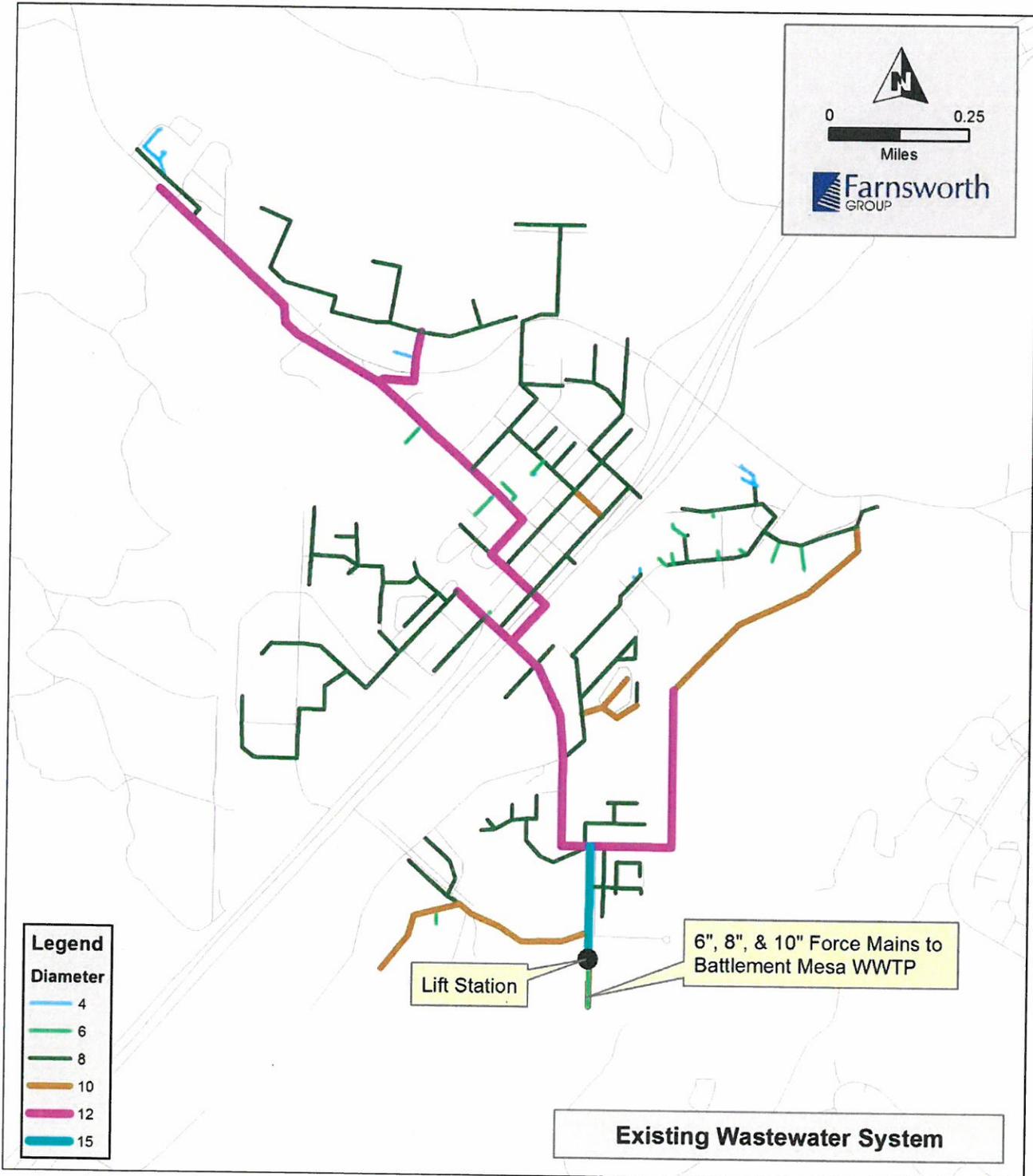


Figure VII- 1: Existing Wastewater System

## B. Existing Wastewater System Flows

Current wastewater flows were determined based on 2014 data provided by the town. The monthly average daily wastewater flows, along with the corresponding potable water flows, are listed in Table VII-2.

**Table VII-2 Current Average Daily Flows**

Monthly Flow	Flow from WTP's, gpm	Pumped flow to WWTP, gpm	WW flow as % of WTP flow
January, 2014	146	82	56.2%
February, 2014	152	92	60.5%
March, 2014	150	75	50.0%
April, 2014	161	86	53.4%
May, 2014	194	85	43.8%
June, 2014	214	90	42.1%
July, 2014	234	115	49.2%
August, 2014	208	105	50.5%
September, 2014	186	97	52.2%
October, 2014	174	92	52.9%
November, 2014	165	91	55.2%
December, 2014	168	85	50.6%
<b>Average for 2014</b>	<b>179</b>	<b>91</b>	<b>50.8%</b>

## C. Future Wastewater Flow Projections

The population projects used for projecting water flows was used to project future wastewater flows. The population along with projected future wastewater flows are presented in Table VII-3.

**Table VII-3: Future Wastewater Projections**

Year	Current (2014)	2020	2030
Population	1198	1460	2170
Average Day, gpm	91	111	165
Average Day, mgd	0.13	0.16	0.24
Maximum Day,	192	234	347
Maximum Day,	0.28	0.34	0.50
Peak Hour, gpm	274	334	496
Peak Hour, mgd	0.39	0.48	0.71

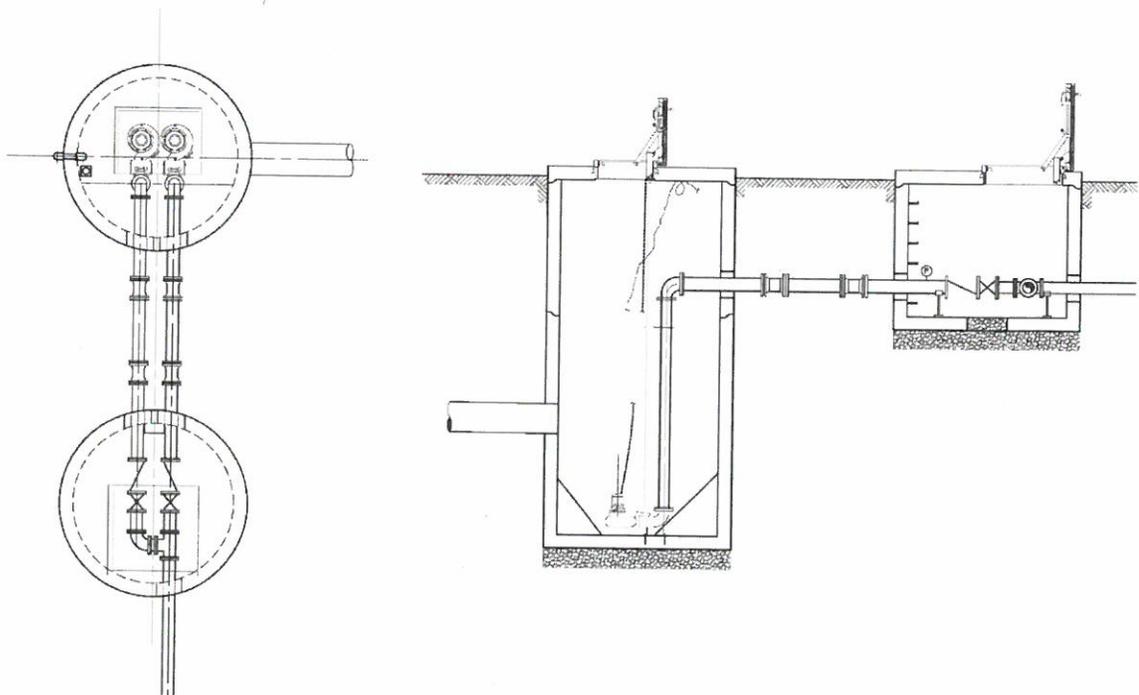
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## D. Evaluation of Wastewater System

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The existing and projected peak flows are such that the existing infrastructure is adequate to collect and convey wastewater to the Battlement Mesa wastewater treatment plant. The Town should continue efforts to jet, inspect, and reduce infiltration in the existing collection system. The Town should also continue monitoring the condition of the existing dry pit pumps and plan for future replacement.

Improvements proposed for the west I-70 corridor area, as noted previously in Figure VI-2, include a new wastewater lift station. The proposed lift station is a submersible type, similar to the type shown in Figure VII-2.



**Figure VII- 2: Proposed Submersible Lift Station**

## VIII. Proposed Wastewater System Improvements

### A. Capital Improvement Projects

The proposed capital improvement projects for the wastewater system are identified below. Item 10a is an alternative project to item 10.

9. Gravity sewer, lift station, force mains to serve west I-70 corridor. See Figure VI-2 for proposed west I-70 corridor improvements.
10. Gravity sewer along CR 215 (North).
  - 10a. Instead of gravity sewer along CR 215, provide interim sewer along CR 215 (North). See Figure VI-1 for proposed north CR 215 interim improvements.
11. Replace existing dry pit pumps.

### B. Improvement Recommendations

Cost estimates for future wastewater system improvements, and alternative projects, are included in Appendix A and are summarized in Table VIII-1 below.

**Table VIII-1: Improvements for Future Wastewater System Developments**

Item	Recommended Improvement	Time-Frame	Estimated Cost	Benefits
9	Gravity sewer, lift station, force mains to serve west I-70 corridor	When Needed	\$2,200,000	Sewer service to new development corridor
10	Gravity sewer along CR 215 (North)	When Needed	\$2,200,000	Sewer service to new development corridor
10a	Interim gravity sewer along CR 215 (North)	As alternative to item 10	\$250,000	Less expensive interim solution to 10
11	Replace existing dry pit pumps, add emergency generator	When Needed	\$450,000	Replace equipment, provide backup

# IX. Financial Analysis

## A. Introduction

The purpose of this financial analysis is to determine the potential impacts to the rate structure as a result of capital improvements recommended in the Master Plan.

Projections of financial operations under existing rates using the 2015 budget are used to determine whether the present charges can meet future revenue requirements. The Town maintain separate Enterprise Funds for the Water Utility and the Wastewater Utility. Within each Fund, the Town should collect enough revenue to pay for the following:

**Water Utility**

- Water Treatment O&M
- Distribution O&M
- Debt Service Payments

**Wastewater Utility**

- Wastewater Treatment Contract
- Lift Station O&M
- Collection O&M
- Debt Service Payment

Based on studies and data from the Town, a growth rate of 2% is proposed as the population projection for this Infrastructure Master Plan. Thus, the population projections for the year of 2020 and 2030, are outlined in Table IX-1 below:

**Table IX-1: Population Projections**

Growth Horizon		Population Projections	
Grow Horizon	Year	Annual Growth Rate	Population
	2010		1,085 <sup>1</sup>
5-Year	2015	2%	1,198 <sup>2</sup>
10-Year	2020	2%	1,460
20-Year	2030	2%	2,170

The existing water rate schedule was adopted on February 5, 2014. Wastewater rates were established in 2007. Customers are charged a rate for based on water a usage. Table IX-2 shows the current rate structure for both water and wastewater.

**Table IX-2: Current Water and Wastewater Rates**

Water Usage	Water			Wastewater
	In Town Rates	Out of Town Rates	Reduced Rates	
<b>Residential Water Usage</b>				<b>All Residential</b>
Minimum 10,000 gallons (Residential non-metered)	\$44.95	\$47.73	\$34.76	\$36.08
Next 3,000 gallon (Per 1,000 gallons)	\$2.22	\$2.28		\$3.11
Above 13,000 gallons (Per 1,000 gallons)	\$3.78	\$3.93		\$3.36
<b>Commercial Water Usage</b>	<b>In Town Rates</b>	<b>Out of Town Rates</b>		<b>All Commercial</b>
Minimum 10,000 gallons (Commercial non-metered)	\$69.45	\$72.23		\$36.08
Next 3,000 gallon (Per 1,000 gallons)	\$2.22	\$2.28		\$3.11
Above 13,000 gallons (Per 1,000 gallons)	\$3.75	\$3.93		\$3.36

A copy of the current rate structure can be found in Appendix B. The Town also charges a tap fee for new customers for each EQR. The current tap fee for a both water and sewer is \$4,875 for in-town taps. Out of town taps must be approved by the Board of Trustees to assure that adequate facilities are in place to service those request. The current tap fee for out-of-town taps is \$5,625.

The 20 year growth projection will increase the population by 972 persons. Assuming 2.5 persons/dwelling unit approximately 380 new taps can be expected. This will produce approximately \$1,860,000 for both the water and wastewater utilities.

## B. Current Budget

The 2015 Budget for the Town was reviewed to determine where revenues were derived and how expenses were incurred for both the Water and Wastewater Utilities. Tables IX-3 and IX-4 show the summary of revenue and expenses for both Utilities.

**Table IX-3: Water Fund Revenue/Expenditure Comparison**

	2013 Final	2014 Budget	2014 YTD Actual	2015 Budget
Beginning Fund Balance	\$233,504	\$185,329	\$185,329	\$162,938
Total Revenues	\$285,403	\$400,675	\$339,587	\$385,550
Total Expenditures	\$333,578	\$596,698	\$361,979	\$589,550
Current Revenue/Expenses	(\$48,175)	(\$196,203)	(\$22,391)	(\$204,000)
Ending Fund Balance	\$185,329	(\$10,694)	\$162,938	(\$41,062)

**Table IX-4: Wastewater Fund Revenue/Expenditure Comparison**

	2013 Final	2014 Budget	2014 YTD Actual	2015 Budget
Beginning Fund Balance	\$75,015	\$67,928	\$67,918	\$57,634
Total Revenues	\$221,792	\$203,520	\$210,777	\$242,030
Total Expenditures	\$234,575	\$271,821	\$221,071	\$242,030
Current Revenue/Expenses	(\$12,783)	(\$68,301)	(\$10,294)	\$0
Ending Fund Balance	\$67,928	(\$373)	\$57,634	\$57,634

The Water Fund was anticipating a DOLA grant in 2014 in amount of \$112,075 and capital project expenditure of \$290,403 which would have resulted in a negative ending balance. Evidently the grant and the project did not occur and the fund actually had an ending balance of \$162,938. The 2015 Budget projects an increase in revenues of \$54,963 and increase in expenditures of \$227,571. This primarily is due to a wage increase of \$14,949 and a capital project of \$120,000. This will result in a negative ending budget of \$41,062.

The Wastewater Fund maintains a fairly balanced account with expenditure slightly exceeding revenue which results in declining ending fund balance. For 2015, the Fund project revenues of \$242,030 and expenses of \$242,030 and an ending balance of \$57,635.

## C. Capital Project Impact on the Funds

The Master Plan determined that several large capital improvement project may be needed to improve Towns water and wastewater systems or to provide service to new areas that are currently not served. Table IX-1 shows funding sources for each of the proposed Water System improvements recommended in the Master Plan.

**Table IX-5: Proposed Water and Sewer System Improvements**

Item	Recommended Improvement	Time-Frame	Estimated Cost	Funding Source
1	Replace existing 4-inch line in First Street with 8" line	2015	\$500,000	Grant
2	Add 0.5-MG new storage tank to serve Main Zone	When Needed	\$1,200,000	Grant
3	Add 0.5-MG new storage tank to serve High Zone (North)	When Needed	\$1,200,000	Grant
3a	Instead of new storage tank to serve High Zone, provide interim PS and pipeline (4a and 5a)	As alternative to item 3	See 4a and 5a below	Grant
4	Add one booster station to serve 0.5-MG High Zone Tank (North)	When Needed	\$700,000	To be determined
4a	Provide interim PS to feed proposed rodeo site	As alternative to item 4	\$350,000	Grant
5	Add 12" pipeline to feed the proposed 0.5-MG storage tank to serve High Zone (North)	When Needed	\$2,000,000	To be determined
5a	Provide pipeline to proposed rodeo site	As alternative to item 5	\$150,000	Grant
6	Add 12" looped pipelines to feed the west I-70 Interchange corridor	When Needed	\$2,600,000	50% Grant 50% DWRP Loan
7	Add 6" dedicated pipeline to feed the existing storage tanks	When Needed	\$1,000,000	Grant
7a	Add tank mixing system for the existing storage tanks	As alternative to item 7	\$100,000	Grant
8	Evaluate location and condition of existing water line from the springs	2015	\$50,000	Grant
9	Gravity sewer, lift station, force mains to serve west I-70 corridor	When Needed	\$2,200,000	50% Grant 50% CWRP Loan
10	Gravity sewer along CR 215 (North)	When Needed	\$2,200,000	To be determined
10a	Interim gravity sewer along CR 215 (North)	As alternative to item 10	\$250,000	Grant
11	Replace existing dry pit pumps, add emergency generator	When Needed	\$450,000	Grant

To accomplish all of the projects using current reserves or increasing rates to unrealistic levels was not considered in this analysis. The assumption of the analysis is that the majority of improvements would occur as grants become available. The Town has used this approach on many projects in the past and as long the programs exist, this approach should be continued.

One project of specific interest in this Master Plan has been the proposed water and wastewater service to the West I-70 Interchange corridor. For this analysis, it is assumed that 50% of the funding will come from grants and 50% will come from low interest loan from the State of Colorado Drinking Water Revolving Loan Program or Clean Water Revolving Loan Program. Currently these programs have loans that have 20-year terms and interest rates that range from 2%-4%.

So on the assumption that the majority of the other projects will occur as grant become available, rates would not be impacted significantly assuming that the grant covered the project expenditure. Because the West I-70 Interchange project has some urgency from an economic development perspective, the impact on the rates is analyzed in the following.

#### **1. Water Rate Impact of the West I-70 Interchange Improvements**

The proposed project includes and 12-inch water line loop. The project is proposed be funded partially with a grant and partially with a low interest loan. The following are the project specifics.

- Estimated Project Cost - \$2,600,000
- Funding
  - 50% Grant - \$1,300,000
  - 50% DWRF Loan
- Loan Provisions
  - Principal - \$1,300,000
  - Term -20 years
  - Interest- 3.5%
  - Annual P&I Payment – \$94,900

For 2015 the Water Fund is projecting a \$41,062 deficit at year end. If additional debt is incurred for a water project, rates should be adjusted to not only include the debt service but also the reserves.

Reserves can be established for a number of different purposes. Reserves can be in the form of a replacement fund maintained by the Town or an annual amount generated in excess of cash requirements for operation and maintenance plus debt service. Reserve funds can be used for minor expansions or for replacement of worn out equipment.

Another type of reserve often required for utilities is Debt Service Coverage. Bond covenants may require net revenues (total revenues less O&M) to be equal to a minimum percentage above annual principal and interest requirements of existing and proposed bond payments. Typical coverage requirements range between 10% and 25%.

Parachute has approximately 350 customers. Residential customers are currently billed a flat rate of \$44.95 per month for the first 10,000 gallons and then \$2.22/1,000 gallons in excess of 10,000 gallons and \$3.75/1,000 gallons above 13,000 gallons. Commercial customers are billed the same as residential, except they are charged \$69.45 for the first 10,000 gallons. The water use and wastewater flows from the customer classes are summarized in Table IX-6 below.

**Table IX-6: Customer Water Use**

Customer Group	Water Plant Production	Commercial Customers	Residential Customers	Outside Residential	Total All Customers
No. Users	350	37	299	14	350
Avg. Daily flows (MGD)	0.26	0.10	.15	.01	0.26
Annual Flow (MG)	95	37	56	2	95
Projected 2015 Revenue		\$162,000	\$160,000	\$8,000	\$330,000

Currently the Town does not have accurate meter reading on residential water usage. The table was developed by using 2014 meter records of the commercial accounts. The total annual usage for the commercial accounts was approximately 37 MG. The residential customer's volume was established by subtracting the commercial volume from the total volume. Revenues were determined by taking the number of residential customers and the minimum monthly rates of \$44.95. The commercial revenue was determined by taking the budget for all customers less the residential revenue.

Revenues must increase to develop a reserve fund and for debt service. Currently the negative end of year balance should be eliminated which would require additional revenues of \$41,000. Debt Service will add an additional \$95,000 for a total revenue requirement of \$136,000.

**Table IX-7: New Water Use**

Customer Group	Water Plant Production	Commercial Customers	Residential Customers	Outside Residential	Total All Customers
No. Users	350	37	299	14	350
Annual Flow (MG)	95	37	56	2	95
% of Flow	100	39	59	2	
Projected 2015 Revenue		\$162,000	\$160,000	\$8,000	\$330,000
% of Revenue		50	48	2	
Projected Revenue Requirement with Reserve and Debt		\$233,000	\$223,680	\$9,320	\$466,000
<b>New Rates</b>		<b>\$96.45</b>	<b>\$62.34</b>	<b>\$62.34</b>	

Rates would need to increase 39% to provide the additional revenue for debt service and to establish a reserve fund.

## 2. Wastewater Rate Impact of the West I-70 Interchange Improvements

The proposed project includes gravity sewer, lift station and force main. The project is proposed be funded partially with a grant and partially with a low interest loan. The following are the project specifics.

- Estimated Project Cost - \$2,200,000
- Funding
  - 50% Grant - \$1,100,000
  - 50% CWRP Loan
- Loan Provisions
  - Principal - \$1,100,000
  - Term -20 years
  - Interest- 3.5%
  - Annual P&I Payment – \$76,300

For 2015 the Wastewater Fund is projecting \$57,635 balance at year end. If additional debt is incurred for a wastewater project, rates should be adjusted to not only include the debt service but to also maintain the reserves.

Reserves can be established for a number of different purposes. Reserves can be in the form of a replacement fund maintained by the Town or an annual amount generated in excess of cash requirements for operation and maintenance plus debt service. Reserve funds can be used for minor expansions or for replacement of worn out equipment.

Another type of reserve often required for utilities is Debt Service Coverage. Bond covenants may require net revenues (total revenues less O&M) to be equal to a minimum percentage above annual principal and interest requirements of existing and proposed bond payments. Typical coverage requirements range between 10% and 25%.

Parachute has approximately 350 customers. Residential customers are currently billed a flat rate of \$36.08 per month for the first 10,000 gallons and then \$3.11/1,000gallons in excess of 10,000 gallons and \$3.36/1,000 gallons above 13,000 gallons. Commercial customers are billed the same as residential. Copies of the current rate structure are included in Appendix B. The water use and wastewater flows from the customer classes are summarized in Table IX-8 below.

**Table IX-8: Customer Water Use**

<b>Customer Group</b>	<b>Water Plant Production</b>	<b>Commercial Customers</b>	<b>Residential Customers</b>	<b>Outside Residential</b>	<b>Total All Customers</b>
No. Users	350	37	299	14	350
Avg. Daily flows (MGD)	0.26	0.10	.15	.01	0.26
Annual Flow (MG)	95	37	56	2	95
Projected 2015 Revenue		\$106,513	\$129,455	\$6,061	\$242,030

Wastewater Rates are based on water rates and since the Town does not have accurate meter readings the table was based on the rational in Table IX-4. Revenues were determined by taking the number of residential customers and the minimum monthly rates of \$36.08. The commercial revenue was determining by taking the budget for all customers less the residential revenue.

Revenues must increase to develop a reserve fund and for debt service. Debt Service will add an additional \$76,000 for a total revenue requirement of \$318,030.

**Table IX-9: New Wastewater Rates**

<b>Customer Group</b>	<b>Water Plant Production</b>	<b>Commercial Customers</b>	<b>Residential Customers</b>	<b>Outside Residential</b>	<b>Total All Customers</b>
No. Users	350	37	299	14	350
Annual Flow (MG)	95	37	56	2	95
% of Flow	100	39	59	2	
Projected 2015 Revenue		\$106,513	\$129,455	\$6,061	\$242,030
% of Revenue		50	48	2	
Projected Revenue Requirement with Reserve and Debt		\$159,015	\$152,654	\$6,360	\$318,030
<b>New Rates</b>		<b>\$42.55</b>	<b>\$42.55</b>	<b>\$42.55</b>	

Rates would need to increase 18% to provide the additional revenue for debt service and to establish a reserve fund.

# **APPENDIX A**

Preliminary Opinion of Cost

Project Estimates

DRAFT

**Preliminary Opinion of Cost  
Town of Parachute**

**Project 1 - Replace existing 4-inch line in First Street with 8" line**

Item	Quantity	Unit	Unit Cost	Line Total	Subtotal
<b>General</b>					<b>\$ 10,400</b>
Temporary traffic control	1	LS	\$ 10,000.00	\$ 10,000.00	
Stormwater permit and erosion control.	1	LS	\$ 400.00	\$ 400.00	
<b>Water</b>					<b>\$ 261,200</b>
Install water main (8" dia. C-900 PVC)	2,000	LF	\$ 100.00	\$ 200,000.00	
Install gate valve (8")	3	EA	\$ 2,500.00	\$ 7,500.00	
Install fire hydrant assembly	3	EA	\$ 5,400.00	\$ 16,200.00	
Reconnect water services	12	EA	\$ 1,500.00	\$ 18,000.00	
Connect to existing water main (1st & Railroad)	1	EA	\$ 4,500.00	\$ 4,500.00	
Connect to existing water main (1st & Parachute)	1	EA	\$ 2,000.00	\$ 2,000.00	
Connect to existing water main (1st & Fisher)	1	EA	\$ 3,000.00	\$ 3,000.00	
Providing temporary water services	1	LS	\$ 10,000.00	\$ 10,000.00	
<b>Restoration</b>					<b>\$ 112,000</b>
Pavement restoration	1	LS	\$ 100,000.00	\$ 100,000.00	
Landscape restoration	1,000	SY	\$ 12.00	\$ 12,000.00	
<b>Subtotal - Construction Materials &amp; Installation</b>					<b>\$ 383,600</b>
Div. 1, Bonding, Mob. / Demob., OH&P	15%				<b>\$ 57,540.00</b>
<b>Total Construction Cost</b>					<b>\$ 441,140</b>
<b>Engineering</b>					<b>\$ 44,114.00</b>
Engineering Design and Construction Fee	1	LS	\$ 44,114.00	\$ 44,114.00	
<b>Total Project Costs</b>					<b>\$ 485,254</b>

**Preliminary Opinion of Cost  
Town of Parachute**

**Project 2 - Add 0.5MG new storage tank to serve Main**

Item	Quantity	Unit	Unit Cost	Line Total	Subtotal
<b>General</b>					\$ 3,900
Temporary traffic control	1	LS	\$ 3,500.00	\$ 3,500.00	
Stormwater permit and erosion control.	1	LS	\$ 400.00	\$ 400.00	
<b>Tank</b>					\$ 750,000
Steel tank, vent, piping, foundation and painting	500,000	GAL	\$ 1.50	\$ 750,000.00	
<b>Water</b>					\$ 125,000
Install water main (12" dia. C-900 PVC)	1,200	LF	\$ 100.00	\$ 120,000.00	
Connect to existing water main (Diamond Loop)	1	EA	\$ 5,000.00	\$ 5,000.00	
<b>Restoration</b>					\$ 5,000
Landscape restoration	1	LS	\$ 5,000.00	\$ 5,000.00	
<b>Subtotal - Construction Materials &amp; Installation</b>					\$ 883,900
Div. 1, Bonding, Mob. / Demob., OH&P	15%				\$ 132,585.00
<b>Total Construction Cost</b>					\$ 1,016,485
<b>Engineering</b>					\$ 101,648.50
Engineering Design and Construction Fee	1	LS	\$ 101,648.50	\$ 101,648.50	
<b>Total Project Costs</b>					\$ 1,118,134

Preliminary Opinion of Cost  
Town of Parachute

Project 3 - Add 0.5 MG new storage tank to serve High Zone (North)

Item	Quantity	Unit	Unit Cost	Line Total	Subtotal
<b>General</b>					
Temporary traffic control	1	LS	\$ 3,500.00	\$ 3,500.00	\$ 3,900
Stormwater permit and erosion control.	1	LS	\$ 400.00	\$ 400.00	
<b>Tank</b>					
Steel tank, vent, piping, foundation and painting	500,000	GAL	\$ 1.50	\$ 750,000.00	\$ 750,000
<b>Water</b>					
Install water main (12" dia. C-900 PVC)	1,200	LF	\$ 100.00	\$ 120,000.00	\$ 125,000
Connect to water main (CR 215)	1	EA	\$ 5,000.00	\$ 5,000.00	
<b>Restoration</b>					
Landscape restoration	1	LS	\$ 5,000.00	\$ 5,000.00	\$ 5,000
<b>Subtotal - Construction Materials &amp; Installation</b>					<b>\$ 883,900</b>
Div. 1, Bonding, Mob. / Demob., OH&P	15%				\$ 132,585.00
<b>Total Construction Cost</b>					<b>\$ 1,016,485</b>
<b>Engineering</b>					
Engineering Design and Construction Fee	1	LS	\$ 101,648.50	\$ 101,648.50	\$ 101,648.50
<b>Total Project Costs</b>					<b>\$ 1,118,134</b>

Preliminary Opinion of Cost  
Town of Parachute

Project 4 - Add one booster station to serve 0.5 MG High Zone Tank (North)

Item	Quantity	Unit	Unit Cost	Line Total	Subtotal
<b>Booster Station</b>					<b>\$ 535,100</b>
<b>Site Piping</b>					
12" Buried PVC	70	LF	\$ 100.00	\$ 7,000	
12" Gate Valve	2	EA	\$ 3,000.00	\$ 6,000	
<b>Excavation and Foundation</b>					
Excavation	100	CY	\$ 20.00	\$ 2,000	
Grade walls	14	CY	\$ 500.00	\$ 7,000	
Slab on Grade	20	CY	\$ 400.00	\$ 8,000	
<b>Metal Building</b>					
Metal Building	576	SF	\$ 100.00	\$ 57,600	
<b>Interior Piping and Pumping Equipment</b>					
High Efficiency Pumps - Vertical Turbines	2	EA	\$ 50,000.00	\$ 100,000	
12" Piping	1	LS	\$ 15,000.00	\$ 15,000	
8" Check Valves	2	EA	\$ 3,000.00	\$ 6,000	
12" BFV	2	EA	\$ 2,500.00	\$ 5,000	
8" BFV	1	EA	\$ 2,000.00	\$ 2,000	
6" BFV	1	EA	\$ 1,500.00	\$ 1,500	
12" Mag Meter	1	LS	\$ 5,000.00	\$ 5,000	
Air Release valves	2	EA	\$ 1,500.00	\$ 3,000	
6"surge valve	1	EA	\$ 5,000.00	\$ 5,000	
<b>Electrical and Mechanical</b>					
VFD starters for pumps	2	EA	\$ 15,000.00	\$ 30,000	
Building Service and meter	1	LS	\$ 25,000.00	\$ 25,000	
Controls and instrumentation	1	LS	\$ 60,000.00	\$ 60,000	
Interior Wiring and Lighting	1	LS	\$ 10,000.00	\$ 10,000	
Mechanical HVAC Systems	1	LS	\$ 55,000.00	\$ 55,000	
Emergency Generator	1	LS	\$ 125,000.00	\$ 125,000	
<b>Subtotal - Construction Materials &amp; Installation</b>					<b>\$ 535,100</b>
Div. 1, Bonding, Mob. / Demob., OH&P	15%				<b>\$ 80,265</b>
<b>Total Construction Cost</b>					<b>\$ 615,365</b>
<b>Engineering</b>					<b>\$ 73,843.80</b>
Engineering Bidding and Construction Phase	1	LS	\$ 73,843.80	\$ 73,843.80	
<b>Total Project Costs</b>					<b>\$ 689,209</b>

Preliminary Opinion of Cost

Town of Parachute

Project 4a - Provide interim PS to feed proposed rodeo site

Item	Quantity	Unit	Unit Cost	Line Total	Subtotal
<b>Booster Station</b>					\$ 244,000
<b>Site Piping</b>					
12" Buried PVC	70	LF	\$ 100.00	\$ 7,000	
12" Gate Valve	2	EA	\$ 3,000.00	\$ 6,000	
<b>Excavation and Foundation</b>					
Excavation	100	CY	\$ 20.00	\$ 2,000	
Grade walls	14	CY	\$ 500.00	\$ 7,000	
Slab on Grade	20	CY	\$ 400.00	\$ 8,000	
<b>Metal Building</b>					
Metal Building	400	SF	\$ 100.00	\$ 40,000	
<b>Interior Piping and Pumping Equipment</b>					
Pumps	2	EA	\$ 40,000.00	\$ 80,000	
Piping/Mechanical	1	LS	\$ 15,000.00	\$ 15,000	
<b>Electrical and Mechanical</b>					
VFD starters for pumps	2	EA	\$ 12,000.00	\$ 24,000	
Electrial	1	LS	\$ 30,000.00	\$ 30,000	
Instrumentation	1	LS	\$ 25,000.00	\$ 25,000	
<b>Subtotal - Construction Materials &amp; Installation</b>					\$ 244,000
Div. 1, Bonding, Mob. / Demob., OH&P	15%				\$ 36,600
<b>Total Construction Cost</b>					\$ 280,600
<b>Engineering</b>					\$ 33,672.00
Engineering Bidding and Construction Phase	1	LS	\$ 33,672.00	\$ 33,672.00	
<b>Total Project Costs</b>					\$ 314,272

**Preliminary Opinion of Cost  
Town of Parachute**

**Project 5 - Add 12" pipeline to feed the proposed 0.5 MG storage tank to serve High Zone (North)**

<b>Item</b>	<b>Quantity</b>	<b>Unit</b>	<b>Unit Cost</b>	<b>Line Total</b>	<b>Subtotal</b>
<b>General</b>					
Temporary traffic control	1	LS	\$ 10,000.00	\$ 10,000.00	
Stormwater permit and erosion control.	1	LS	\$ 400.00	\$ 400.00	
					<b>\$ 10,400</b>
<b>Water</b>					
Install water main (12" dia. C-900 PVC)	15,000	LF	\$ 100.00	\$ 1,500,000.00	
Install gate valve (12")	6	EA	\$ 2,500.00	\$ 15,000.00	
Install fire hydrant assembly	8	EA	\$ 5,400.00	\$ 43,200.00	
Connect to water main (at PS)	1	EA	\$ 4,500.00	\$ 4,500.00	
					<b>\$ 1,562,700</b>
<b>Restoration</b>					
Landscape restoration	1	LS	\$ 10,000.00	\$ 10,000.00	
					<b>\$ 10,000</b>
<b>Subtotal - Construction Materials &amp; Installation</b>					<b>\$ 1,583,100</b>
Div. 1, Bonding, Mob. / Demob., OH&P	15%				<b>\$ 237,465.00</b>
<b>Total Construction Cost</b>					<b>\$ 1,820,565</b>
<b>Engineering</b>					
Engineering Design and Construction Fee	1	LS	\$ 182,056.50	\$ 182,056.50	
					<b>\$ 182,056.50</b>
<b>Total Project Costs</b>					<b>\$ 2,002,622</b>

**Preliminary Opinion of Cost  
Town of Parachute**

**Project 5a - Provide 12" pipeline along CR 215 to proposed Rodeo site (North)**

<b>Item</b>	<b>Quantity</b>	<b>Unit</b>	<b>Unit Cost</b>	<b>Line Total</b>	<b>Subtotal</b>
<b>General</b>					
Temporary traffic control	1	LS	\$ 4,000.00	\$ 4,000.00	\$ 4,400
Stormwater permit and erosion control.	1	LS	\$ 400.00	\$ 400.00	
<b>Water</b>					
Install water main (12" dia. C-900 PVC)	1,000	LF	\$ 100.00	\$ 100,000.00	\$ 117,800
Install gate valve (12")	1	EA	\$ 2,500.00	\$ 2,500.00	
Install fire hydrant assembly	2	EA	\$ 5,400.00	\$ 10,800.00	
Connect to water main (at PS)	1	EA	\$ 4,500.00	\$ 4,500.00	
<b>Restoration</b>					
Landscape restoration	1	LS	\$ 3,000.00	\$ 3,000.00	\$ 3,000
<b>Subtotal - Construction Materials &amp; Installation</b>					
					\$ 125,200
Div. 1, Bonding, Mob. / Demob., OH&P	15%				\$ 18,780.00
<b>Total Construction Cost</b>					
					\$ 143,980
<b>Engineering</b>					
Engineering Design and Construction Fee	1	LS	\$ 14,398.00	\$ 14,398.00	\$ 14,398.00
<b>Total Project Costs</b>					
					\$ 158,378

**Preliminary Opinion of Cost  
Town of Parachute**

**Project 6 - Add 12" looped pipelines to feed the west I-70 Interchange corridor**

Item	Quantity	Unit	Unit Cost	Line Total	Subtotal
<b>General</b>					\$ 10,400
Temporary traffic control	1	LS	\$ 10,000.00	\$ 10,000.00	
Stormwater permit and erosion control.	1	LS	\$ 400.00	\$ 400.00	
<b>Water</b>					\$ 1,990,200
Install water main (12" dia. C-900 PVC)	12,000	LF	\$ 100.00	\$ 1,200,000.00	
Air Release valves	3	EA	\$ 6,000.00	\$ 18,000	
Install gate valve (12")	8	EA	\$ 2,500.00	\$ 20,000.00	
Install fire hydrant assembly	8	EA	\$ 5,400.00	\$ 43,200.00	
Connect to existing water main	2	EA	\$ 4,500.00	\$ 9,000.00	
Jack and bore under interstate	600	LF	\$ 1,000.00	\$ 600,000.00	
Jack and bore under railroad	100	LF	\$ 1,000.00	\$ 100,000.00	
<b>Restoration</b>					\$ 10,000
Landscape restoration	1	LS	\$ 10,000.00	\$ 10,000.00	
<b>Subtotal - Construction Materials &amp; Installation</b>					\$ 2,010,600
Div. 1, Bonding, Mob. / Demob., OH&P	15%				\$ 301,590.00
<b>Total Construction Cost</b>					\$ 2,312,190
<b>Engineering</b>					\$ 231,219.00
Engineering Design and Construction Fee	1	LS	\$ 231,219.00	\$ 231,219.00	
<b>Total Project Costs</b>					\$ 2,543,409

**Preliminary Opinion of Cost  
Town of Parachute**

**Project 7 - Add 6" dedicated pipeline to feed the existing storage tanks**

<b>Item</b>	<b>Quantity</b>	<b>Unit</b>	<b>Unit Cost</b>	<b>Line Total</b>	<b>Subtotal</b>
<b>General</b>					
Temporary traffic control	1	LS	\$ 3,500.00	\$ 3,500.00	\$ 3,900
Stormwater permit and erosion control.	1	LS	\$ 400.00	\$ 400.00	
<b>Water</b>					
Install water main (6" dia. C-900 PVC)	4,000	LF	\$ 80.00	\$ 320,000.00	\$ 735,000
Install gate valve (6")	4	EA	\$ 1,500.00	\$ 6,000.00	
Connect to existing water main	2	EA	\$ 4,500.00	\$ 9,000.00	
Jack and bore under interstate	400	LF	\$ 1,000.00	\$ 400,000.00	
<b>Restoration</b>					
Landscape restoration	1	LS	\$ 5,000.00	\$ 5,000.00	\$ 5,000
<b>Subtotal - Construction Materials &amp; Installation</b>					<b>\$ 743,900</b>
Div. 1, Bonding, Mob. / Demob., OH&P	15%				\$ 111,585.00
<b>Total Construction Cost</b>					<b>\$ 855,485</b>
<b>Engineering</b>					
Engineering Design and Construction Fee	1	LS	\$ 85,548.50	\$ 85,548.50	\$ 85,548.50
<b>Total Project Costs</b>					<b>\$ 941,034</b>

Preliminary Opinion of Cost  
Town of Parachute

Project 7a - Tank Mixing System

Item	Quantity	Unit	Unit Cost	Line Total	Subtotal
<b>Water</b>					
Grid Bee or Solar Bee Mixing System	3	EA	\$ 25,000.00	\$ 75,000.00	\$ 75,000
<b>Subtotal - Construction Materials &amp; Installation</b>					<b>\$ 75,000</b>
Div. 1, Bonding, Mob. / Demob., OH&P	15%				\$ 11,250.00
<b>Total Construction Cost</b>					<b>\$ 86,250</b>
<b>Engineering</b>					
Engineering Design and Construction Fee	1	LS	\$ 8,625.00	\$ 8,625.00	\$ 8,625.00
<b>Total Project Costs</b>					<b>\$ 94,875</b>

**Preliminary Opinion of Cost  
Town of Parachute**

**Project 9 - Gravity Sewer, LS, Force mains to serve West I-70 Interchange Corridor**

<b>Item</b>	<b>Quantity</b>	<b>Unit</b>	<b>Unit Cost</b>	<b>Line Total</b>	<b>Subtotal</b>
<b>General</b>					
Temporary traffic control	1	LS	\$ 5,000.00	\$ 5,000.00	\$ 5,400
Stormwater permit and erosion control.	1	LS	\$ 400.00	\$ 400.00	
<b>Gravity Sewer, PS, Forcemains</b>					
Install 8" gravity sewer	3,000	LF	\$ 100.00	\$ 300,000.00	\$ 1,708,000
Manholes	8	EA	\$ 6,000.00	\$ 48,000	
Jack and bore under interstate	500	LF	\$ 1,000.00	\$ 500,000.00	
Jack and bore under railroad	100	LF	\$ 1,000.00	\$ 100,000.00	
Install dual 6" force mains	4,000	LF	\$ 80.00	\$ 320,000.00	
Pump Station excavation/structure/mechanical	1	LS	\$ 350,000.00	\$ 350,000.00	
Pump Station electrical/controls/instrumentation	1	LS	\$ 90,000.00	\$ 90,000.00	
Emergency Generator	1	LS	\$ 100,000.00	\$ 100,000.00	
<b>Restoration</b>					
Landscape restoration	1	LS	\$ 10,000.00	\$ 10,000.00	\$ 10,000
<b>Subtotal - Construction Materials &amp; Installation</b>					
					\$ 1,723,400
Div. 1, Bonding, Mob. / Demob., OH&P	15%				\$ 258,510.00
<b>Total Construction Cost</b>					
					\$ 1,981,910
<b>Engineering</b>					
Engineering Design and Construction Fee	1	LS	\$ 198,191.00	\$ 198,191.00	\$ 198,191.00
<b>Total Project Costs</b>					
					\$ 2,180,101

**Conceptual Opinion of Cost  
Town of Parachute**

**Project 10 - Gravity Sewer along CR215 (North)**

Item	Quantity	Unit	Unit Cost	Line Total	Subtotal
<b>General</b>					
Temporary traffic control	1	LS	\$ 10,000.00	\$ 10,000.00	\$ 10,400
Stormwater permit and erosion control.	1	LS	\$ 400.00	\$ 400.00	
<b>Water</b>					
Install 8" gravity sewer	15,000	LF	\$ 100.00	\$ 1,500,000.00	\$ 1,716,000
Manholes	36	EA	\$ 6,000.00	\$ 216,000	
<b>Restoration</b>					
Landscape restoration	1	LS	\$ 10,000.00	\$ 10,000.00	\$ 10,000
<b>Subtotal - Construction Materials &amp; Installation</b>					
					\$ 1,736,400
Div. 1, Bonding, Mob. / Demob., OH&P	15%				\$ 260,460.00
<b>Total Construction Cost</b>					
					\$ 1,996,860
<b>Engineering</b>					
Engineering Design and Construction Fee	1	LS	\$ 199,686.00	\$ 199,686.00	\$ 199,686.00
<b>Total Project Costs</b>					
					\$ 2,196,546

**Conceptual Opinion of Cost  
Town of Parachute**

**Project 10a - Interim Gravity Sewer along CR 215 (North)**

Item	Quantity	Unit	Unit Cost	Line Total	Subtotal
<b>General</b>					\$ 4,400
Temporary traffic control	1	LS	\$ 4,000.00	\$ 4,000.00	
Stormwater permit and erosion control.	1	LS	\$ 400.00	\$ 400.00	
<b>Water</b>					\$ 164,000
Install 8" gravity sewer	1,400	LF	\$ 100.00	\$ 140,000.00	
Manholes	4	EA	\$ 6,000.00	\$ 24,000	
<b>Restoration</b>					\$ 3,000
Landscape restoration	1	LS	\$ 3,000.00	\$ 3,000.00	
<b>Subtotal - Construction Materials &amp; Installation</b>					\$ 171,400
Div. 1, Bonding, Mob. / Demob., OH&P	15%				\$ 25,710.00
<b>Total Construction Cost</b>					\$ 197,110
<b>Engineering</b>					\$ 19,711.00
Engineering Design and Construction Fee	1	LS	\$ 19,711.00	\$ 19,711.00	
<b>Total Project Costs</b>					\$ 216,821

Preliminary Opinion of Cost  
Town of Parachute

Project 11 - Replace existing dry pit pumps

Item	Quantity	Unit	Unit Cost	Line Total	Subtotal
<b>Dry pit pumps</b>					\$ 340,000
<b><i>Piping and Pumping Equipment</i></b>					
Dry pit pumps	3	EA	\$ 50,000.00	\$ 150,000	
Piping modifications	1	LS	\$ 15,000.00	\$ 15,000	
<b><i>Electrical and Instrumentation</i></b>					
Electrial	1	LS	\$ 25,000.00	\$ 25,000	
Instrumentation	1	LS	\$ 25,000.00	\$ 25,000	
Emergency Generator	1	LS	\$ 125,000.00	\$ 125,000	
<b>Subtotal - Construction Materials &amp; Installation</b>					<b>\$ 340,000</b>
Div. 1, Bonding, Mob. / Demob., OH&P	15%				\$ 51,000
<b>Total Construction Cost</b>					<b>\$ 391,000</b>
<b>Engineering</b>					
Engineering Bidding and Construction Phase	1	LS	\$ 46,920.00	\$ 46,920.00	\$ 46,920.00
<b>Total Project Costs</b>					<b>\$ 437,920</b>

# **APPENDIX B**

Town of Parachute

Water and Wastewater Rates

**TOWN OF PARACHUTE  
ORDINANCE NO. 671**

**AN ORDINANCE OF THE TOWN OF PARACHUTE, COLORADO AMENDING SECTIONS 9.17.120 AND 9.17.130 OF THE PARACHUTE MUNICIPAL CODE BY INCREASING CHARGES FOR THE WATER ENTERPRISE FUND UTILITIES FURNISHED BY THE TOWN OF PARACHUTE**

**WHEREAS**, the Board of Trustees of the Town of Parachute have reviewed the financial situation of the Water Enterprise Fund; and

**WHEREAS**, the Board of Trustees desires to improve the financial situation of the Water Enterprise Fund; and

**WHEREAS**, the water utility fees have not been increased since January 2008; and

**WHEREAS**, the Board of Trustees has determined to raise the water rates for both residential and commercial customers; and

**WHEREAS**, these water fee increases shall become effective on the May 2014, utility billing that will be sent the end of May 2014.

**NOW THEREFORE, BE IT ORDAINED BY THE TOWN OF PARACHUTE BOARD OF TRUSTEES:**

**Section 1.** Section 9.17.120, Water Service Fees, is hereby amended to read as follows:

**9.17.120** **Water Service Fees.** The charges and bills for the water service shall be as follows:

**A. Residential Rates.** Customers measured through meters and non-metered residential rates shall be charged as follows:

<b>RESIDENTIAL WATER USAGE</b>	<b>IN TOWN RATES</b>	<b>OUT OF TOWN RATES</b>	<b>REDUCED RATES</b>
For a minimum of 10,000 gallons or residential non-metered	\$44.95	\$47.73	\$34.76
Next 3,000 gallons (Per 1,000 gallons)	\$2.22	\$2.28	
Above 13,000 gallons (Per 1,000 gallons)	\$3.78	\$3.93	

B. Commercial Rates. Customers measured through meters and non-metered commercial rates shall be charged as follows:

COMMERCIAL WATER USAGE	IN TOWN RATES	OUT OF TOWN RATES
For a minimum of 10,000 gallons or commercial non-metered	\$69.45	\$72.23
Next 3,000 gallons (Per 1,000 gallons)	\$2.22	\$2.28
Above 13,000 gallons (Per 1,000 gallons)	\$3.75	\$3.93

Section 2. Section 9.17.130, Irrigation Water Service Fees, is hereby amended to read as follows:

9.17.130 Irrigation Water Services Fees. Water customers are charged by the Town water enterprise fund for irrigation water for yards and gardens on the May through September monthly billing. The reduced rate restrictions are based on water/sewer reduced rate requirements.

IRRIGATION WATER USAGE	IRRIGATION REDUCED RATES
\$22.50	\$19.88

Section 3. This Ordinance shall become effective May 1, 2014

**INTRODUCED FOR FIRST READING** at the regularly scheduled meeting of the Board of Trustees of the Town of Parachute, Colorado, a home rule municipality, on the 13th day of February 2014.

**PASSED, ADOPTED, AND ORDERED PUBLISHED BY TITLE ONLY AT SECOND READING** as provided by law by a vote of \_\_\_\_ to \_\_\_\_ of the Board of Trustees of the Town of Parachute, Colorado, at its regular meeting held at the Town of Parachute on the 13th day of March 2014, and approved by the Mayor on the \_\_\_\_\_ day of March 2014.

**BOARD OF TRUSTEES OF THE  
TOWN OF PARACHUTE, COLORADO**

**TOWN OF PARACHUTE  
ORDINANCE NO. 576**

---

**AN ORDINANCE OF THE TOWN OF PARACHUTE INCREASING  
CHARGES FOR THE WATER AND WASTEWATER AND GARBAGE  
ENTERPRISE FUNDS UTILITIES FURNISHED BY THE TOWN OF  
PARACHUTE**

- Ordinance 551 water / irrigation / wastewater rate increase*
- Ordinance 239 established irrigation and water rates*
- Ordinance 314 changed water tap fees*
- Ordinance 361 water rate increase, changed sewer tap fee*
- Ordinance 387 sewer rate increase*
- Ordinance 414 water / sewer rate increase*
- Ordinance 432 water / sewer rate increase*
- Ordinance 468 water / sewer rate increase*
- Ordinance 475 water rate increase*
- Ordinance 490 water / sewer rate increase & tap fee increase*
- Ordinance 507 water / sewer rate increase*
- Ordinance 533 water / wastewater rate increase*

WHEREAS, the Board of Trustees has considered and adopted the 2008 Budget for the Town of Parachute which included revenues and expenditures from water, irrigation and sewer service rate increases, and

WHEREAS, these water, irrigation and sewer rate increases shall become effective on the January 1, 2008 utility billing which will be sent the end of January 2008.

**NOW THEREFORE, BE IT ORDAINED BY THE TOWN OF PARACHUTE BOARD OF TRUSTEES**

**Section 1:**     Water and Wastewater Rates Within the Corporate Limits: All Customers for water measured through meters and non-metered residential rates, shall be charged by the Town of Parachute Water and Sewer Enterprise Funds at the following rates, which shall be billed monthly:

<u>WATER USAGE</u>	<u>WATER</u>	<u>WASTEWATER</u>
For a minimum of 10,000 gallons (Residential non-metered)	\$ 31.45	\$ 36.08
Next 3,000 gallons (Per 1,000 gallons)	\$ 2.22	\$ 3.11
Above 13,000 gallons (Per 1,000 gallons)	\$ 3.78	\$ 3.36

**Section 2:** Water and Sewer Rates Outside the Corporate Limits: Customers outside the corporate limits of the Town, shall be charged by the Town of Parachute Water and Sewer Enterprise Funds at the following rates, which shall be billed monthly:

<u>WATER USAGE</u>	<u>WATER</u>	<u>WASTEWATER</u>
For a minimum of 10,000 gallons <i>(Residential non-metered)</i>	\$ 34.23	\$ 39.84
Next 3,000 gallons <i>(Per 1,000 gallons)</i>	\$ 2.28	\$ 3.28
Above 13,000 gallons <i>(Per 1,000 gallons)</i>	\$ 3.93	\$ 3.49

**Section 3:** Reduced Water and Sewer Rates: Residential customers who have applied and meet the criteria for reduced rates, shall be charged by the Town of Parachute Water and Sewer Enterprise Funds at the following rates, which shall be billed monthly:

<u>WATER USAGE</u>	<u>WATER</u>	<u>WASTEWATER</u>
For a minimum of 10,000 gallons <i>(Residential non-metered)</i>	\$ 21.26	\$ 21.34

**Section 4:** Reduced Water & Sewer Rate Certification: The reduced water and sewer rates will be charged to users on the Town's system, inside or outside of the corporate limits and meeting the income guidelines as follows.

<u>FAMILY SIZE</u>	<u>FAMILY INCOME NOT TO EXCEED</u>
1 person	\$13,520.00 per year
2 persons	16,736.00 per year
3 persons	19,952.00 per year
4 persons	25,476.00 per year
5 persons	28,692.00 per year
6 persons	31,908.00 per year

These guideline will be applied as provided by Section 3 Ordinance No. 232

**Section 5:** Irrigation Water Rate: Water customers are charged by the Town of Parachute water enterprise fund for irrigation water for yards and gardens on the May through September monthly billing. The reduced rate restrictions are based on water/sewer reduced rate requirements.

**IRRIGATION**

\$15.75

**IRRIGATION REDUCED**

\$13.13

**Section 6:** Garbage Rate: Garbage customers are charged by the Town of Parachute garbage enterprise fund for contracted garbage collection. Reduced rates are based on the contractors age based discounts.

**GARBAGE**

\$16.80

**GARBAGE REDUCED**

\$15.75

**Section 7:** Water Tap Fees: The Fee for each EQR unit where both the water tap and all points of water use are within the incorporated limits of the Town is set at \$4,875.00. Currently there is a moratorium on out-of-town-taps, if that moratorium was to be lifted the following would apply. All out-of-town-tap applications must be approved by the Board of Trustees and may be required to have a pre-application agreement. Where all points of water uses are outside the corporate limits the tap will be considered an out-of-town-tap at a fee of \$5,625.00. Water tap fee revenues are restricted and are deposited into the Water Enterprise Fund Water Capital Equipment and Improvements Account.

**Section 8.:** Irrigation Tap Fees: The Fees for each unit where both the irrigation tap and all points of irrigation use are within the incorporated limits of the Town is \$750.00. The current irrigation system does not serve any out-of-town-taps. Irrigation tap fee revenues are restricted and are deposited into the Water Enterprise Fund Water Capital Equipment and Improvements Account.

**Section 9:** Wastewater Tap Fees: The Fee for each EQR unit where both the wastewater tap and all points of wastewater use are within the incorporated limits of the Town is set at \$4,875.00. Any out-of-town-tap applications would be contingent upon the availability of Town service mains and must be approved by the Board of Trustees and may be required to have a pre-application agreement. Where all points of wastewater uses are outside the corporate limits the tap will be considered an out-of-town-tap at a fee of \$5,625.00. Wastewater tap fee revenues are restricted and are deposited into the Wastewater Enterprise Fund Wastewater Capital Equipment and Improvements Account.

**INTRODUCED FOR FIRST READING** at the regularly scheduled meeting of the Board of Trustees of the Town of Parachute, Colorado, a home rule municipality, on the **08th day of November 2007**.

**PASSED, ADOPTED, AND ORDERED PUBLISHED BY TITLE ONLY AT SECOND READING** as provided by law by a vote of \_\_\_\_\_ to \_\_\_\_\_ of the Board of Trustees of the Town of Parachute, Colorado, at its regular meeting held at the Town of Parachute on the 13th day of December 2007, and approved by the Mayor on the \_\_\_\_\_ day of December 2007.

**BOARD OF TRUSTEES OF THE  
TOWN OF PARACHUTE, COLORADO**

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

**ATTEST:**

\_\_\_\_\_  
Town Clerk

Publication Date:  
  
\_\_\_\_\_

**PUBLIC NOTICE**

Public notice is hereby given that on December \_\_\_\_\_, 2007, the Board of Trustees of the Town of Parachute adopted Ordinance No. 576 entitled:

**AN ORDINANCE OF THE TOWN OF PARACHUTE INCREASING CHARGES FOR THE WATER AND SEWER ENTERPRISE FUNDS UTILITIES FURNISHED BY THE TOWN OF PARACHUTE**

This ordinance was approved by the Town on December \_\_\_\_\_, 2007.

Copies of the adopted ordinance are available for inspection at the Town Hall, Parachute, Colorado. This Public Notice is given by order of the Board of Trustees.

Dated this \_\_\_\_\_ day of December, 2007.

**TOWN OF PARACHUTE**

\_\_\_\_\_  
Town Clerk

## INTERGOVERNMENTAL AGREEMENT

### FOR INMATE TRANSPORT

**THIS INTERGOVERNMENTAL AGREEMENT** is made and entered into as of this \_\_\_ day of \_\_\_\_\_, 2015, by and among the City of Rifle, Colorado (“Rifle”) and the Town of Parachute, Colorado (“Parachute”).

WHEREAS, Parachute desires to obtain inmate transport services from the Rifle Corrections Facility to the City of Rifle Operations and Maintenance Facility from an external source; and

WHEREAS, Rifle has the capability to provide Parachute inmate transport services while it transports inmates for its own use from the Rifle Corrections Facility to the City of Rifle Operations and Maintenance Facility; and

WHEREAS, pursuant to the provisions of Section 29-1-201 et seq., C.R.S., as amended, the parties hereto have the authority and are encouraged to enter into intergovernmental agreements to make the most efficient and effective use of their powers and responsibilities; and

WHEREAS, Rifle and Parachute desire to enter into this Agreement setting forth the terms and conditions of Rifle’s provision of inmate transport services for Parachute.

NOW, THEREFORE, in consideration of the covenants and mutual agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

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

2. Rates and Costs for Inmate Transport. Rifle shall provide Parachute with transportation for inmates between the Rifle Corrections Facility and the City of Rifle Operations and Maintenance Facility at a rate of \$500.00 per month for two inmates. Rifle will submit an invoice to Parachute for this service each month.

3. Transportation Schedule. Rifle will provide Parachute with inmate transport services on those days Rifle is opened (generally Monday-Friday 8 a.m. to 5 p.m.) and only when Rifle transports inmates for its own use. Rifle will not make a unique trip for the benefit of Parachute. The time of pick-up and drop-off will be set by Rifle and communicated to the Town Administrator of Parachute or his designee. Failure by Parachute to pick-up inmates at the City of Rifle Operations and Maintenance Facility shall result in a \$50.00 per event penalty payable by Parachute to Rifle. Failure by Parachute to return inmates at the designated drop-off time will result in Parachute having to return the inmates to the Rifle Corrections Facility without assistance from Rifle. Rifle shall not be liable to Parachute for any loss of inmate labor for any reason

and Rifle shall only be responsible for providing the services contemplated by this Agreement if and when Rifle has the vehicle and staff necessary. The parties agree to communicate in advance about availability on a case-by-case basis.

4. Term. This Agreement shall remain in effect until such time as either party provides the other a ten day written notice of termination, which termination may be accomplished at any time and for any reason whatsoever. All financial obligations of the parties payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.

5. Liability. The parties hereto understand and agree that Parachute and Rifle and their officers and employees are relying on, and do not waive or intend to waive by any provision of this Agreement, the monetary limitations or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, §§ 24-10-101, C.R.S., *et seq.*

6. No Agency. This Agreement is not intended and shall not be construed to create a relationship of agency, partnership, or joint venture between the parties.

7. Applicable Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of Colorado.

8. Waiver. No failure by any party to insist upon the strict performance of any agreement, term, covenant, or condition hereof or the exercise of any right or remedy consequent upon any default, and no acceptance of full or partial performance during the continuance of any such default, shall constitute a waiver of any such default of such agreement, term, covenant, or condition. No agreement, term, covenant, or condition hereof to be performed or complied with by any party, and no default thereof, shall be waived, altered, or modified except by a written instrument executed by the non-defaulting party or parties.

9. Severability. If this Agreement, or any portion of it, is for any reason held invalid by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions hereof.

10. Counterpart Execution. This Agreement may be executed in one or more counterparts, each of which shall constitute an original, but all of which, when taken together shall constitute a single agreement.

11. Entire Agreement/ Amendment. This Agreement constitutes the entire understanding between the parties with respect to the matters set forth herein, and all prior agreements or understandings with respect to the subject matter hereof are deemed merged herein. This Agreement cannot be amended or modified except by a writing executed by the Parties.

IN WITNESS WHEREOF, the undersigned have executed this Intergovernmental Agreement as of the day and year written above.

**CITY OF RIFLE, COLORADO**

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

Attest: \_\_\_\_\_  
City Clerk

**TOWN OF PARACHUTE, COLORADO**

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

Attest: \_\_\_\_\_  
Town Clerk

**TOWN OF PARACHUTE  
RESOLUTION NO. 2015 - 08**

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**A RESOLUTION OF THE TOWN OF PARACHUTE, COLORADO, APPROVING THE GRANT AGREEMENT BETWEEN THE TOWN OF PARACHUTE AND THE GARFIELD COUNTY FEDERAL MINERAL LEASE DISTRICT FOR THE COTTONWOOD PARK ELECTRICAL UPGRADE PROJECT.**

**WHEREAS**, the Town of Parachute is a political subdivision of the State of Colorado, and therefore has the full and lawful authority to enter into and comply with the terms of an agreement for a grant awarded by the Garfield County Federal Mineral Lease District (GCFMLD); and

**WHEREAS**, the Town of Parachute submitted a Grant Application to GCFMLD for the Cottonwood Park Electrical Upgrade Project requesting a total award of \$25,000; and

**WHEREAS**, the Town of Parachute warrants that any and all statements and representations including all sources and uses of funds made in the grant application are true and correct, and that the grant application, including all attachments and exhibits thereto, is incorporated this reference into the agreement as if set forth in full and anew; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF PARACHUTE, COLORADO THAT:

Section 1. The Grant Agreement between Garfield County Federal Mineral Lease District and the Town of Parachute, attached hereto as Exhibit "A", is hereby approved.

Section 2. The Mayor of the Town of Parachute is hereby authorized and directed to execute such Agreement on behalf of the Town of Parachute, Colorado.

**INTRODUCED, READ, PASSED, AND ADOPTED** at a regular meeting of the Board of Trustees of the Town of Parachute, Colorado, held on May 21, 2015.

BOARD OF TRUSTESS OF THE  
TOWN OF PARACHUTE, COLORADO

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

ATTEST:

\_\_\_\_\_  
Town Clerk

MINI GRANT AGREEMENT

CONTRACT NUMBER: 15-SM-05  
PROJECT NAME: Cottonwood Park Electrical Upgrade  
GRANT: \$25,000.00  
AWARD DATE: April 14, 2015  
COMPLETION DATE: April 14, 2016

**ORIGINAL**

PARTIES TO AGREEMENT:

GRANTOR: Garfield County Federal Mineral Lease District  
GRANTEE: Town of Parachute, Colorado

Recitals

- A. The Garfield County Federal Mineral Lease District (hereinafter "Grantor" or "GCFMLD") is an independent public body politic and corporate formed pursuant to the Colorado Federal Mineral Lease District Act, C.R.S., § 30-20-1301 *et seq* (2014) (hereinafter "the Act") and governed by a Board of Directors (hereinafter "Board").
- B. Grantee is a political subdivision of the State of Colorado, and is therefore eligible to receive grant funding from Grantor under the Act and 30 U.S.C. §191.
- C. Grantee submitted a grant application (hereinafter "Grant Application") in response to Grantor's **Spring 2015 Grant Cycle** and the Mini Grant Program.
- D. Grantor approved Grantee's Grant Application for a Mini Grant on **April 14, 2015**, conditioned on the execution of this Mini Grant Agreement (hereinafter "Agreement").
- E. The project (hereinafter "Project") is as described in the Grant Application and qualifies for GCFMLD funding as either (1) planning, (2) construction and maintenance of public facilities, or (3) provision of public services.

Agreement, Terms, and Conditions

NOW, THEREFORE, for and in consideration of the mutual promises or covenants exchanged herein and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, Grantor and Grantee agree as follows:

1. *Incorporation of Recitals.* The Recitals set forth above are hereby incorporated into the terms of this Agreement.
2. *Representations and Warranties of Grantee.*
  - a. Grantee has full and lawful authority to enter into, and comply with the terms of, this Agreement.
  - b. Grantee warrants that any and all statements and representations including all sources and uses of funds made in the Grant Application are true and correct, and that the Grant Application including all attachments and exhibits thereto is incorporated by this reference into this Agreement as if set forth in full and anew.
  - c. Grantee's governing body has authorized entering into this Agreement as evidenced by the resolution attached hereto as **Exhibit A**.
3. *Representations and Warranties of Grantor.*
  - a. Grantor has full and lawful authority to enter into, and comply with the terms of, this Agreement.
  - b. Grantor represents and warrants that as of the date of execution of this Agreement it has available sufficient funds necessary to fully fund the amount of the Grant set forth herein.
  - c. The Board has authorized its President to sign this Agreement.
4. *Grant and Project.* Subject to the terms and conditions set forth in this Agreement, the Board hereby awards to Grantee a sum not to exceed **twenty-five thousand dollars and no cents (\$25,000.00)** (the "Grant"). The Grant shall be used by Grantee solely to complete the Project, in substantial conformity with the final plans, specifications, designs and uses approved by Grantor and in conformity with the Grant Application.
5. *Project Scope.* Grantee shall not materially modify the Project or the Project budget (attached hereto as **Exhibit B**, the "Budget") without the prior written approval of the Grantor, or Grantor's designee, and such approval shall be in Grantor's sole discretion. Any material modification to the Project undertaken without Grantor's prior written consent may be deemed a breach of this Agreement by Grantor, entitling Grantor to all remedies available under this Agreement. If Grantee determines with reasonable probability that the Project will not or cannot be completed as reflected in the Grant Application, Grantee will promptly so advise the Board, and cooperate in good faith to seek a resolution before any further funds are advanced.
6. *Grantee Efforts.* Grantee shall complete the Project in a timely fashion, in a good and workmanlike manner, and consistent with this Agreement and Grantor's approvals related to the Project.

7. *Completion Date.* Grantee shall complete the Project and submit its Final Report no later than **April 14, 2016** (the "Completion Date"), one calendar year after the Board's approval of the Project. Requests for extension of the Completion Date are discouraged but should be directed in writing to the Board.
8. *Disbursement of Funds.* The Grant is subject to the following requirements and conditions:
  - a. The Grant shall be used only for (1) planning, (2) construction and maintenance of public facilities, or (3) provision of public services and consistent with Grantee's representations in the Grant Agreement. Determinations on eligible and ineligible costs are in Grantor's sole discretion.
  - b. Disbursement of Grant funds shall be made on the basis of costs actually incurred by Grantee and supported by written documentation (receipts, bills, etc.). Grantor may, in its discretion, depending on the nature of the Project, require documentation of mechanics lien waivers or waivers of claims to public project performance bonds as a precondition to any disbursement under this Agreement.
  - c. Except as otherwise agreed to in advance by Grantor in accordance with the terms of this Agreement, no material modifications may be made to the Project. Material modifications to the Project to which Grantor has not agreed may result in a reduction in the Grant. "Material modifications" may include, but are not necessarily limited to, a reduction in the total cost of the Project or any other variance from the Project as presented in the Grant Application. It is the sole responsibility of Grantee to inform Grantor of any such modifications to the Project. Grantor strongly encourages Grantee to contact Grantor in writing when it becomes aware of or wishes to make any such modifications, however seemingly minor, to the Project.
9. *Sufficiency of Grant Funds.* Grantor warrants that Grantor has available sufficient funds to fund the Grant.
10. *Project Operation and Maintenance.*
  - a. As applicable to the construction and maintenance of public facilities, Grantee shall operate, manage, and maintain the Project in a reasonable state of repair for the purposes specified in the Grant Application for a period of 25 years from the date of completion of the Project or the useful life of the Project, whichever is less, in accordance with product warranties and/or generally accepted standards applicable to the Project, and provide and maintain access to the Project and to the Property, regardless of the Property's ownership.
  - b. Failure to comply with the provisions of Paragraph 10.a. may be deemed a breach by Grantee under Paragraph 18, below.

- c. Grantor shall not be liable for any cost of maintenance, management or operation of the Project.
- d. Within 60 days of a reasonable request by Grantor, Grantee will provide Grantor with adequate records reflecting the operating and maintenance costs of the Project and provide the Board with such other information concerning the use of the Project by the public and the impact of the Project.

11. *Public Access.* As applicable to the construction and maintenance of public facilities, Grantee agrees, for itself and its successors in interest, to allow reasonable public access to the Project given the nature and use of the public facilities, for the term specified in Paragraph 10. Grantee may temporarily close such public access for construction, maintenance, emergency situations, or other reasonable purposes.

12. *Compliance with Regulatory Requirements and Federal and State Mandates.* Grantee hereby assumes responsibility for compliance with all regulatory requirements in all applicable areas, including but not limited to nondiscrimination, worker safety, local labor preferences, preferred vendor programs, equal employment opportunity, use of competitive bidding, permits, approvals, and other similar requirements.

13. *Nondiscrimination.* During the performance of this Agreement, Grantee and its contractors, subcontractors and agents shall not unlawfully discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, age or sex, or any other basis prohibited by local, state or federal law. Grantee and its contractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination. Further, during the performance of this Agreement, Grantee and anyone acting on behalf of Grantee shall not engage in any unlawful discrimination in permitting access and use of the Project.

14. *Publicity and Project Information.* Grantee agrees to acknowledge the assistance of the Garfield County Federal Mineral Lease District in a manner appropriate to the Project.

Grantee agrees to erect and maintain a sign(s) at a prominent location(s) on the Project site during construction, and Grantor will provide such signs at no cost to Grantee. Alternatively, Grantor will provide reproducible samples of its logo to Grantee for custom signs. Grantor may withhold Final Payment pending evidence of placement of signage.

Grantee shall prominently display an indoor plaque or other suitable marker acknowledging the assistance of the Garfield County Federal Mineral Lease District. Grantor will provide such plaque or marker at no cost to Grantee. The plaque or marker shall be displayed in Grantee's principal place of business or other logical location as determined by Grantor.

Grantee shall inform the GCFMLD of the need for a replacement sign or plaque due to damage, destruction, or disrepair. Grantor's failure to provide a replacement sign or plaque shall relieve Grantee of the obligations of this paragraph.

Additional terms:

- a. Grantee shall acknowledge GCFMLD funding in all publicity issued by it concerning the Project.
  - b. Grantee shall cooperate with the GCFMLD or its designee in advance in preparing public information pieces related to the Project.
  - c. Grantee shall give the GCFMLD the right and opportunity to use information gained from the Project.
  - d. Grantee shall give the GCFMLD a minimum 30 days' notice of any Project grand openings, dedications, or other events.
  - e. Grantee shall give timely notice of the Project, its inauguration, significance, and completion to the local members of the Colorado General Assembly, members of the board of county commissioners of the county or counties in which the Project is located, as well as to other appropriate public officials, upon request of Grantor.
  - f. Grantee shall provide quality digital photographs (or printed photographs, if unable to provide digital photographs) of the completed Project with the Final Report, upon request of Grantor.
  - g. At no time shall Grantee represent in any manner to the public or to any party that it is affiliated with the GCFMLD or acting on behalf of the GCFMLD.
15. *Liability.* The Grantor and Grantee acknowledge that each is subject to the constitutional prohibitions against indemnification pursuant to Colorado Constitution article XI, § 1 and that as governmental entities, neither party can agree to indemnify the other. Nothing herein shall be deemed a waiver of the Colorado Governmental Immunity Act for or by either party. C.R.S. § 24-10-101 *et seq.* (1963) as amended.
16. *Audits and Accounting.* Grantee shall maintain standard financial accounts, documents, and records relating to the use, management, and operation of the Project. The accounts, documents, and records related to the Project shall be retained by Grantee for not less than five (5) years following the date of disbursement of funds under this Agreement. Grantor, or its designated agent, shall have the right, upon reasonable notice to Grantee, to audit the books and records of Grantee, which pertain to the Project and to the use and disposition of the Grant. While Grantee is not required to use GAAP (Generally Accepted Accounting Principles), Grantee shall use reasonable and appropriate accounting systems in maintaining the required records hereunder.

17. *Inspection.* Throughout the term of this Agreement, Grantor shall have the right to inspect the Project to ascertain compliance with this Agreement.

18. *Breach; Withdrawal of Board Funding; Termination of Agreement.* Anything else in this Agreement or otherwise to the contrary notwithstanding, Grantor may withdraw, in whole or in part, the Grant and/or terminate this Agreement, if the Board determines in its discretion that:

- a. facts have arisen or situations have occurred that fundamentally alter the expectations of the parties or make the purposes for the Grant as contemplated infeasible or impractical;
- b. any material modifications in the scope or nature of the Project have occurred from that which was presented in the Grant Application and such material modifications have not received the prior written approval of Grantor;
- c. any statement or representation made by Grantee in the Grant Application, this Agreement, the Advance Payment documentation, the Progress Report, the Final Report, or otherwise is untrue, inaccurate or incomplete in any material respect;
- d. the results of Grantor's review of the Advance Payment documentation, the Progress Report, or the Final Report are not acceptable to Grantor with respect to material representations therein;
- e. the Project will not or cannot be completed by the Completion Date or any extensions granted thereto or delays in the implementation of the Project have occurred which, in Grantor's sole judgment, make the Project impracticable;
- f. the Project will not or cannot be completed within the Budget or any approved modifications, or the total Project cost and/or Grantee's matching funding are reduced;
- g. title to or encumbrances against the Property are or become such that Grantee is unable to complete the Project, or the Project and/or the Property are or become unavailable for public use;

19. *Remedies.*

- a. In the event that Grantee breaches any of the terms, covenants, representations, or conditions of this Agreement, Grantor may elect to enforce any and all remedies available at law or in equity, including without limitation, any of the following:
  - i. Prior to payment of Grant:
    - A. Withdraw the Grant and terminate this Agreement; and,

- B. Deny Grantee eligibility for participation in future GCFMLD grants, loans or projects.
  - ii. After payment (partial or full) of Grant:
    - A. Deny Grantee eligibility for participation in future GCFMLD grants, loans or projects;
    - B. Seek specific performance of Grantee's obligations under this Agreement;
    - C. Seek reimbursement in full of disbursement made under the Grant.
  - b. The foregoing remedies are cumulative and may be exercised independently or in combination and are not exclusive to one another or to any other remedies available at law or in equity.
- 20. *Good Faith.* There is an obligation of good faith on the part of both parties, including the obligation to make timely communication of information which may reasonably be believed to be material to the other party.
- 21. *Assignment.* Grantee may not assign its rights under this Agreement without the prior written consent of Grantor, which consent shall be in the discretion of Grantor. Any assignment shall require that, at a minimum, the assignee is eligible to receive grants from Grantor and assumes all of Grantee's ongoing obligations under this Agreement.
- 22. *Applicable Law.* This Agreement shall be governed by the laws of the State of Colorado and the United States of America, and venue for any dispute hereunder shall lie exclusively in the 9<sup>th</sup> Judicial District Court, State of Colorado, in Glenwood Springs, CO.
- 23. *No Joint Venture.* Nothing in this Agreement shall be construed to create a joint venture, partnership, employer/employee or other relationship between the parties hereto other than independent contracting parties. Except as permitted under the remedies provisions hereunder, neither party shall have the express or implied right to act for, on behalf of, or in the name of the other party.
- 24. *Severability.* If any provision of this Agreement, or the application thereof, is found to be invalid, the remainder of the provisions of this Agreement, or the application of such provision, other than those as to which it is found to be invalid, shall remain in full force and effect.
- 25. *Time is of the Essence.* Time is of the essence in this Agreement.
- 26. *Survival.* The terms and provisions of this Agreement and the parties' covenants hereunder shall survive the funding of the Grant and the completion of the Project.

27. *Counterparts.* This Agreement may be executed in one or more counterparts, each of which shall be an original, but all of which when taken together shall constitute one Agreement. In addition, the parties agree to recognize signatures of this Agreement transmitted by telecopy or e-mail as if they were original signatures.
28. *Third Party Beneficiary.* Grantor and Grantee hereby acknowledge and agree that this Agreement is intended only to cover the relative rights and obligations between Grantor and Grantee, and that no third party beneficiaries are intended.
29. *Construction.* Each party hereto has reviewed this Agreement, and therefore, any usual rules of construction requiring that ambiguities are to be resolved against a particular party shall not be applicable in the construction and interpretation of this Agreement.
30. *Waiver.* The failure of either party to enforce a term hereof shall not be deemed a waiver of such term or right of enforcement as to that breach or any subsequent breach of the same, similar or different nature. No waiver shall be enforceable hereunder unless signed by the party against whom the waiver is sought to be enforced.
31. *TABOR.* No provision of this Agreement shall be construed or interpreted: i) to directly or indirectly obligate either party to make any payment in any year in excess of amounts appropriated for such year; ii) as creating a debt or multiple fiscal year direct or indirect debt or other financial obligation whatsoever within the meaning of Article X, Section 6 or Article X, Section 20 of the Colorado Constitution or any other constitutional or statutory limitation or provision; or iii) as a donation or grant to or in aid of any person, company or corporation within the meaning of Article XI, Section 2 of the Colorado Constitution.
32. *Entire Agreement.* Except as expressly provided herein or below, this Agreement constitutes the entire agreement of the parties. No oral understanding or agreement not incorporated in this Agreement shall be binding upon the parties. No changes to this Agreement shall be valid unless made as an amendment to this contract, approved by the Board, and signed by the parties.

Exhibit A – Resolution Approved by Grantee’s Governing Body Authorizing Execution of this Agreement

Exhibit B – Project Budget

33. *No Later Than Start Date.* Part of the GCFMLD’s mission is the expeditious distribution of funding, which means the projects it funds are started and completed in a timely manner. A “no later than start date” is Grantee’s good faith estimate of the date by which the Project will commence. This date varies depending on the type of project, and is used by the Board for informational and tracking purposes only. Indicate this date below, and briefly describe the action(s) Grantee considers “starting” the Project. Examples: bid award date, groundbreaking, execution of construction contract, date of first program, etc. This date does not alter the Completion Date in paragraph 7 above.

No Later Than Start Date: \_\_\_\_\_ (mm/dd/yyyy).

Description: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

34. *Execution and Effective Date.* To be eligible for the Grant, Grantee shall fully execute the original Agreement including all Exhibits listed in paragraph 32 above and deliver the same to Grantor **no later noon on Friday, May 29, 2015**. Thereafter, Grantor will execute the Agreement and retain the original in the GCFMLD offices, returning a photocopy to Grantee. The Agreement is effective only after Grantor has executed the Agreement.

IN WITNESS WHEREOF, the parties by signature below of their authorized representatives execute this Agreement effective as of the \_\_\_\_ day of April, 2015.

GRANTOR:  
GARFIELD COUNTY  
FEDERAL MINERAL LEASE DISTRICT

GRANTEE:  
TOWN OF PARACHUTE, COLORADO

By: \_\_\_\_\_  
Gregg Rippy  
President, GCFMLD Board

By: \_\_\_\_\_  
Stuart McArthur  
Administrator, Town of Parachute

**ORIGINAL**

# **ATTACH EXHIBIT A**

# **ATTACH EXHIBIT B**

**TOWN OF PARACHUTE  
RESOLUTION NO. 2015 - 09**

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**A RESOLUTION OF THE TOWN OF PARACHUTE, COLORADO, APPROVING THE GRANT AGREEMENT BETWEEN THE TOWN OF PARACHUTE AND THE GARFIELD COUNTY FEDERAL MINERAL LEASE DISTRICT FOR THE COUNTY ROAD 215 MAJOR MAINTENANCE PROJECT.**

**WHEREAS**, the Town of Parachute is a political subdivision of the State of Colorado, and therefore has the full and lawful authority to enter into and comply with the terms of an agreement for a grant awarded by the Garfield County Federal Mineral Lease District (GCFMLD); and

**WHEREAS**, the Town of Parachute submitted a Grant Application to GCFMLD for the County Road 215 Major Maintenance Project requesting a total award of \$250,000; and

**WHEREAS**, the Town of Parachute warrants that any and all statements and representations including all sources and uses of funds made in the grant application are true and correct, and that the grant application, including all attachments and exhibits thereto, is incorporated this reference into the agreement as if set forth in full and anew; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF PARACHUTE, COLORADO THAT:

Section 1. The Grant Agreement between Garfield County Federal Mineral Lease District and the Town of Parachute, attached hereto as Exhibit "A", is hereby approved.

Section 2. The Mayor of the Town of Parachute is hereby authorized and directed to execute such Agreement on behalf of the Town of Parachute, Colorado.

**INTRODUCED, READ, PASSED, AND ADOPTED** at a regular meeting of the Board of Trustees of the Town of Parachute, Colorado, held on May 21, 2015.

BOARD OF TRUSTESS OF THE  
TOWN OF PARACHUTE, COLORADO

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

ATTEST:

\_\_\_\_\_  
Town Clerk

GRANT AGREEMENT

CONTRACT NUMBER: 15-ST-05  
PROJECT NAME: CR 215 Major Maintenance  
GRANT: \$250,000.00  
AWARD DATE: April 14, 2015  
COMPLETION DATE: April 14, 2017  
PARTIES TO AGREEMENT:

**ORIGINAL**

GRANTOR: Garfield County Federal Mineral Lease District  
GRANTEE: Town of Parachute

Recitals

- A. Grantor is the Garfield County Federal Mineral Lease District (hereinafter "Grantor" or "GCFMLD"), an independent public body politic and corporate formed pursuant to the Colorado Federal Mineral Lease District Act, C.R.S., § 30-20-1301 *et seq* (2014), as amended (hereinafter "the Act"), and governed by a Board of Directors (hereinafter "Board"). Grantor exercises the essential public function of alleviating social, economic, and public finance impacts resulting from federal mineral leasing activities within Garfield County.
- B. Grantor receives federal mineral lease payments from the Colorado Department of Local Affairs annually and is authorized under the Act and 30 U.S.C. §191 to disburse and distribute those payments for specific statutory purposes.
- C. Grantor may grant only to political subdivisions of the State of Colorado for (1) planning, (2) construction and maintenance of public facilities, or (3) provision of public services. 30 U.S.C. §191.
- D. In 2015, Grantor created a grant program, pursuant to which eligible entities could apply for grants for eligible purposes. Grantee responded to the **Spring 2015 Grant Cycle** by submitting a detailed grant application (hereinafter "Grant Application").
- E. Grantor approved Grantee's Grant Application on **April 14, 2015**, subject to the execution of a detailed grant agreement, and subject to the terms and conditions set forth herein. The Parties intend this agreement to be the detailed final grant agreement (hereinafter "Agreement") required by Grantor and referenced in the Grant Application.

## Agreement, Terms, and Conditions

NOW, THEREFORE, for and in consideration of the mutual promises or covenants exchanged herein and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, Grantor and Grantee agree to the following terms and conditions:

1. *Incorporation of Recitals.* The Recitals set forth above are hereby incorporated into the terms of this Agreement.
2. *Representations and Warranties of Grantee.*
  - a. Grantee is a political subdivision of the State of Colorado and has full and lawful authority to enter into, and comply with the terms of, this Agreement.
  - b. Grantee warrants that any and all statements and representations including all sources and uses of funds made in the Grant Application are true and correct, and that the Grant Application including all attachments and exhibits thereto is incorporated by this reference into this Agreement as if set forth in full and anew.
  - c. Grantee's governing body has authorized entering into this Agreement as evidenced by the resolution attached hereto as **Exhibit A**.
3. *Representations and Warranties of Grantor.*
  - a. Grantor is a duly organized political subdivision of the State of Colorado and has full and lawful authority to enter into, and comply with the terms of, this Agreement.
  - b. Grantor represents and warrants that as of the date of execution of this Agreement it has available sufficient funds necessary to fully fund the amount of the Grant set forth herein.
  - c. The Board has authorized its President to sign this Agreement.
4. *Grant and Project.* Subject to the terms and conditions set forth in this Agreement, the Board hereby awards to Grantee a sum not to exceed **two hundred fifty thousand dollars and no cents (\$250,000.00)** (the "Grant"). The Grant shall be used by Grantee solely to complete the Project, in substantial conformity with the final plans, specifications, designs and uses approved by Grantor and in conformity with the Grant Application.
5. *Project Scope.* Grantee shall not materially modify the Project or the Project budget (attached hereto as **Exhibit B**, the "Budget") without the prior written approval of the Grantor, or Grantor's designee, and such approval shall be in Grantor's sole discretion. Any material modification to the Project undertaken without Grantor's prior written consent may be deemed a breach of this Agreement by Grantor, entitling Grantor to all

remedies available under this Agreement. If Grantee determines with reasonable probability that the Project will not or cannot be completed as reflected in the Grant Application, Grantee will promptly so advise the Board, and cooperate in good faith to seek a resolution before any further funds are advanced.

6. *Grantee Efforts.* Grantee shall complete the Project in a timely fashion, in a good and workmanlike manner, and consistent with this Agreement and Grantor's approvals related to the Project.
7. *Completion Date.* Grantee shall complete the Project and submit its Final Report no later than **April 14, 2017** (the "Completion Date"), which is two calendar years after the Board's approval of the Project. Grantee may request an extension of the Completion Date. Extensions of up to 90 days may be awarded by GCFMLD staff. Longer extensions are heavily discouraged and are in the exclusive discretion of the Board. If Grantee determines with reasonable probability that the Project will not or cannot be completed by the Completion Date or any extended completion date, Grantee will promptly so advise Grantor, and cooperate in good faith to seek a resolution before any further funds are advanced.
8. *Matching Funds.* Grantee shall obtain the matching cash and in-kind contributions for the Project as reflected in the Budget and as required by Grantor, and shall provide such evidence of the same as Grantor may require in its reasonable discretion. Funds set aside for contingency are not matching funds.
9. *Disbursement of Funds.* Grantee shall select one of the three reimbursement options below regarding disbursement of funds. Grantee shall indicate its selection using the Reimbursement Options Form, **Exhibit C** (attached).
  - a. *Advance Payment:* If Grantee opts to receive a portion of the Grant funds prior to beginning work on the Project (an "Advance Payment"), Grantee shall provide Grantor with the documentation and calculations described in the **Advance Payment Request Form** available from Grantor. Grantor may, in its discretion, request additional documentation to support making an Advance Payment. An Advance Payment shall not exceed Grantor's percentage of expected overall costs (as determined by the Grantor-approved budget) applied to the value of documented eligible expenses or 50% of the Grant, whichever is less. Notwithstanding remedies elsewhere described herein, an Advance Payment shall be considered a reimbursable financial obligation until the Project is completed and Final Payment as defined below has been made; however, the obligation to repay the Advance Payment shall be triggered in the event of breach, payable in the fiscal year of breach. If Grantee opts to receive an Advance Payment, it may not receive a Progress Payment, as defined below.
  - b. *Progress Payment:* If Grantee has opted to forego an Advance Payment and has opted to receive a portion of the Grant funds after starting but prior to completing work on the Project (a "Progress Payment"), Grantee shall provide Grantor with a

progress report detailing expenditures and progress made to date ("Progress Report"). The Progress Report must be submitted using **Grantor's Progress Report Form** available from Grantor. Grantor may, in its discretion, request additional documentation to support making a Progress Payment. A Progress Payment shall not exceed Grantor's percentage of expected overall costs, as determined by the Grantor-approved budget, applied to the value of documented eligible expenses or 50% of the Grant, whichever is less. Notwithstanding remedies elsewhere described herein, a Progress Payment shall be considered a reimbursable financial obligation until the Project is completed and Final Payment as defined below has been made; however, the obligation to repay the Progress Payment shall be triggered in the event of breach, payable in the fiscal year of breach. If Grantee received an Advance Payment, it may not receive a Progress Payment, and Grantee is limited to receiving one Progress Payment.

- c. *Final Payment:* Once the Project is complete, Grantee shall submit a final report to Grantor detailing the accomplishments of and expenditures related to the Project (the "Final Report"). The Project is "complete" when, as applicable to the Project, (1) all planning is completed, (2) all public facilities have been built, or maintenance of the public facilities has been completed, and the public facilities are ready for their intended use, or (3) public services have been provided. The Final Report must be submitted using **Grantor's Final Report Form** available from Grantor. Grantor may, in its discretion, request additional documentation before its approval of the contents of the Final Report. Upon Grantor's review and approval of the Final Report, Grantor shall pay the outstanding balance on the Grant (the "Final Payment"), subject to any reductions contemplated by any provision of this Agreement.

10. *Conditions for Disbursement.* Except as provided in Paragraph 10 below, the Grant is subject to the following requirements and conditions.

- a. The Grant and all matching funds shall be used only for (1) planning, (2) construction and maintenance of public facilities, or (3) provision of public services and consistent with Grantee's representations in the Grant Agreement. Determinations on eligible and ineligible costs are in Grantor's sole discretion.
- b. Disbursement of Grant funds shall be made on the basis of costs actually incurred by Grantee and supported by written documentation (receipts, bills, etc.). Grantor may, in its discretion, depending on the nature of the Project, require documentation of mechanics lien waivers or waivers of claims to public project performance bonds as a precondition to any disbursement under this Agreement.
- c. Except as otherwise agreed to in advance by Grantor in accordance with the terms of this Agreement, no material modifications may be made to the Project. Material modifications to the Project to which Grantor has not agreed may result in a reduction in the Grant. "Material modifications" may include, but are not necessarily limited to, a reduction in the total cost of the Project or any other variance from the

Project as presented in the Grant Application. It is the sole responsibility of Grantee to inform Grantor of any such modifications to the Project. Grantor strongly encourages Grantee to contact Grantor in writing when it becomes aware of or wishes to make any such modifications, however seemingly minor, to the Project.

11. *Sufficiency of Grant Funds.* Grantor warrants that Grantor has available sufficient funds to fund the Grant.

12. *Project Operation and Maintenance.*

- a. As applicable to the construction and maintenance of public facilities, Grantee shall operate, manage, and maintain the Project in a reasonable state of repair for the purposes specified in the Grant Application for a period of 25 years from the date of completion of the Project or the useful life of the Project, whichever is less, in accordance with product warranties and/or generally accepted standards applicable to the Project, and provide and maintain access to the Project and to the Property, regardless of the Property's ownership.
- b. Failure to comply with the provisions of Paragraph 12.a. may be deemed a breach by Grantee under Paragraph 20, below.
- c. Grantor shall not be liable for any cost of maintenance, management or operation of the Project.
- d. Within 60 days of a reasonable request by Grantor, Grantee will provide Grantor with adequate records reflecting the operating and maintenance costs of the Project and provide the Board with such other information concerning the use of the Project by the public and the impact of the Project.

13. *Public Access.* As applicable to the construction and maintenance of public facilities, Grantee agrees, for itself and its successors in interest, to allow reasonable public access to the Project given the nature and use of the public facilities, for the term specified in Section 12. Grantee may temporarily close such public access for construction, maintenance, emergency situations, or other reasonable purposes.

14. *Compliance with Regulatory Requirements and Federal and State Mandates.* Grantee hereby assumes responsibility for compliance with all regulatory requirements in all applicable areas, including but not limited to nondiscrimination, worker safety, local labor preferences, preferred vendor programs, equal employment opportunity, use of competitive bidding, permits, approvals, and other similar requirements.

15. *Nondiscrimination.* During the performance of this Agreement, Grantee and its contractors, subcontractors and agents shall not unlawfully discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, age or sex, or any other basis prohibited by local, state or federal law. Grantee and its contractors shall ensure

that the evaluation and treatment of their employees and applicants for employment are free of such discrimination. Further, during the performance of this Agreement, Grantee and anyone acting on behalf of Grantee shall not engage in any unlawful discrimination in permitting access and use of the Project.

16. *Publicity and Project Information.*

- a. Grantee shall erect and maintain a sign or signs at a prominent location on the Project site acknowledging the assistance of the Garfield County Federal Mineral Lease District. Grantor will provide such sign(s) at no cost to Grantee. Alternatively, Grantor will provide reproducible samples of its logo to Grantee for custom signage.
  - i. Grantor shall approve in advance the design of any sign(s) materially varying from the sign(s) provided by Grantor. To obtain such approval, Grantee shall submit to Grantor plans describing the number, design, placement, and wording of sign(s) and placard(s). Plans shall be submitted to Grantor for review and approval prior to completion of the Project. Where signage is impractical, a determination in the Grantor's sole discretion, Grantee agrees to proceed pursuant to paragraph 16.a.iii below.
  - ii. Grantor may withhold Final Payment pending evidence of placement of signage.
  - iii. In the case where the Grant is given for planning or public services, Grantee shall prominently display an indoor plaque or other suitable marker acknowledging the assistance of the Garfield County Federal Mineral Lease District. Grantor will provide such signs at no cost to Grantee. The plaque or marker shall be displayed in Grantee's principal place of business or other logical location as determined by Grantor.
  - iv. This requirement may be waived in Grantor's sole discretion.
  - v. Grantee shall inform the GCFMLD of the need for a replacement sign(s) or plaque due to damage, destruction, or disrepair. Grantor's failure to provide a replacement sign(s) or plaque shall relieve Grantee of the obligations of this paragraph.
- b. Grantee shall acknowledge GCFMLD funding in all publicity issued by it concerning the Project.
- c. Grantee shall cooperate with the GCFMLD or its designee in advance in preparing public information pieces related to the Project.
- d. Grantee shall give the GCFMLD the right and opportunity to use information gained from the Project.

- e. Grantee shall give the GCFMLD a minimum 30 days' notice of any Project grand openings, dedications, or other events.
  - f. Grantee shall give timely notice of the Project, its inauguration, significance, and completion to the local members of the Colorado General Assembly, members of the board of county commissioners of the county or counties in which the Project is located, as well as to other appropriate public officials, upon request of Grantor.
  - g. Grantee shall provide quality digital photographs (or printed photographs, if unable to provide digital photographs) of the completed Project with the Final Report, upon request of Grantor.
  - h. At no time shall Grantee represent in any manner to the public or to any party that it is affiliated with the GCFMLD or acting on behalf of the GCFMLD.
17. *Liability.* The Grantor and Grantee acknowledge that each is subject to the constitutional prohibitions against indemnification pursuant to Colorado Constitution article XI, § 1 and that as governmental entities, neither party can agree to indemnify the other. Nothing herein shall be deemed a waiver of the Colorado Governmental Immunity Act for or by either party. C.R.S. § 24-10-101 *et seq.* (1963) as amended.
18. *Audits and Accounting.* Grantee shall maintain standard financial accounts, documents, and records relating to the use, management, and operation of the Project. The accounts, documents, and records related to the Project shall be retained by Grantee for not less than five (5) years following the date of disbursement of funds under this Agreement. Grantor, or its designated agent, shall have the right, upon reasonable notice to Grantee, to audit the books and records of Grantee which pertain to the Project and to the use and disposition of the Grant. While Grantee is not required to use GAAP (Generally Accepted Accounting Principles), Grantee shall use reasonable and appropriate accounting systems in maintaining the required records hereunder.
19. *Inspection.* Throughout the term of this Agreement, Grantor shall have the right to inspect the Project to ascertain compliance with this Agreement.
20. *Breach; Withdrawal of Board Funding; Termination of Agreement.* Anything else in this Agreement or otherwise to the contrary notwithstanding, Grantor may withdraw, in whole or in part, the Grant and/or terminate this Agreement, if the Board determines in its discretion that:
- a. facts have arisen or situations have occurred that fundamentally alter the expectations of the parties or make the purposes for the Grant as contemplated infeasible or impractical;
  - b. any material modifications in the scope or nature of the Project have occurred from that which was presented in the Grant Application and such material modifications have not received the prior written approval of Grantor;

- c. any statement or representation made by Grantee in the Grant Application, this Agreement, the Advance Payment documentation, the Progress Report, the Final Report, or otherwise is untrue, inaccurate or incomplete in any material respect;
- d. the results of Grantor's review of the Advance Payment documentation, the Progress Report, or the Final Report are not acceptable to Grantor with respect to material representations therein;
- e. the Project will not or cannot be completed by the Completion Date or any extensions granted thereto or delays in the implementation of the Project have occurred which, in Grantor's sole judgment, make the Project impracticable;
- f. the Project will not or cannot be completed within the Budget or any approved modifications, or the total Project cost and/or Grantee's matching funding are reduced;
- g. title to or encumbrances against the Property are or become such that Grantee is unable to complete the Project, or the Project and/or the Property are or become unavailable for public use;

21. *Remedies.*

- a. In the event that Grantee breaches any of the terms, covenants, representations, or conditions of this Agreement, Grantor may elect to enforce any and all remedies available at law or in equity, including without limitation, any of the following:
  - i. Prior to payment of Grant:
    - A. Withdraw the Grant and terminate this Agreement; and,
    - B. Deny Grantee eligibility for participation in future GCFMLD grants, loans or projects.
  - ii. After payment (partial or full) of Grant:
    - A. Deny Grantee eligibility for participation in future GCFMLD grants, loans or projects;
    - B. Seek specific performance of Grantee's obligations under this Agreement;
    - C. Seek reimbursement in full of disbursement made under the Grant.
- b. The foregoing remedies are cumulative and may be exercised independently or in combination and are not exclusive to one another or to any other remedies available at law or in equity.

22. *Good Faith.* There is an obligation of good faith on the part of both parties, including the obligation to make timely communication of information which may reasonably be believed to be material to the other party.
23. *Assignment.* Grantee may not assign its rights under this Agreement without the prior written consent of Grantor, which consent shall be in the discretion of Grantor. Any assignment shall require that, at a minimum, the assignee is eligible to receive grants from Grantor and assumes all of Grantee's ongoing obligations under this Agreement.
24. *Applicable Law.* This Agreement shall be governed by the laws of the State of Colorado and the United States of America, and venue for any dispute hereunder shall lie exclusively in the 9<sup>th</sup> Judicial District Court, State of Colorado, in Glenwood Springs, CO.
25. *No Joint Venture.* Nothing in this Agreement shall be construed to create a joint venture, partnership, employer/employee or other relationship between the parties hereto other than independent contracting parties. Except as permitted under the remedies provisions hereunder, neither party shall have the express or implied right to act for, on behalf of, or in the name of the other party.
26. *Severability.* If any provision of this Agreement, or the application thereof, is found to be invalid, the remainder of the provisions of this Agreement, or the application of such provision, other than those as to which it is found to be invalid, shall remain in full force and effect.
27. *Time is of the Essence.* Time is of the essence in this Agreement.
28. *Survival.* The terms and provisions of this Agreement and the parties' covenants hereunder shall survive the funding of the Grant and the completion of the Project.
29. *Counterparts.* This Agreement may be executed in one or more counterparts, each of which shall be an original, but all of which when taken together shall constitute one Agreement. In addition, the parties agree to recognize signatures of this Agreement transmitted by telecopy or e-mail as if they were original signatures.
30. *Third Party Beneficiary.* Grantor and Grantee hereby acknowledge and agree that this Agreement is intended only to cover the relative rights and obligations between Grantor and Grantee, and that no third party beneficiaries are intended.
31. *Construction.* Each party hereto has reviewed this Agreement, and therefore, any usual rules of construction requiring that ambiguities are to be resolved against a particular party shall not be applicable in the construction and interpretation of this Agreement.
32. *Waiver.* The failure of either party to enforce a term hereof shall not be deemed a waiver of such term or right of enforcement as to that breach or any subsequent breach

of the same, similar or different nature. No waiver shall be enforceable hereunder unless signed by the party against whom the waiver is sought to be enforced.

33. *TABOR*. No provision of this Agreement shall be construed or interpreted: i) to directly or indirectly obligate either party to make any payment in any year in excess of amounts appropriated for such year; ii) as creating a debt or multiple fiscal year direct or indirect debt or other financial obligation whatsoever within the meaning of Article X, Section 6 or Article X, Section 20 of the Colorado Constitution or any other constitutional or statutory limitation or provision; or iii) as a donation or grant to or in aid of any person, company or corporation within the meaning of Article XI, Section 2 of the Colorado Constitution.

34. *Entire Agreement*. Except as expressly provided herein or below, this Agreement constitutes the entire agreement of the parties. No oral understanding or agreement not incorporated in this Agreement shall be binding upon the parties. No changes to this Agreement shall be valid unless made as an amendment to this contract, approved by the Board, and signed by the parties.

Exhibit A – Resolution Approved by Grantee’s Governing Body Authorizing Execution of this Agreement

Exhibit B – Project Budget

Exhibit C – Reimbursement Options Form

35. *No Later Than Start Date*. The GCFMLD’s mission includes the expeditious distribution of funding, which means the projects it funds are started and completed in a timely manner. A “no later than start date” is Grantee’s good faith estimate of the date by which the Project will commence. This date varies depending on the type of project, and is used by the Board for informational and tracking purposes only. Indicate this date below, and briefly describe the action(s) Grantee considers “starting” the Project. Examples: bid award date, groundbreaking, execution of construction contract, date of first program, etc. This date does not alter the Completion Date in paragraph 7 above.

No Later Than Start Date: \_\_\_\_\_ (mm/dd/yyyy).

Description: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**ORIGINAL**

36. *Execution.* To be eligible for the Grant, Grantee shall fully execute the original Agreement including all Exhibits listed in paragraph 34 above and deliver the same to Grantor **no later than noon on Friday, May 29, 2015**. Thereafter, Grantor will execute the Agreement and retain the original in the GCFMLD offices, returning a photocopy to Grantee.

IN WITNESS WHEREOF, the parties by signature below of their authorized representatives execute this Agreement effective as of the \_\_\_\_\_ day of April, 2015.

GRANTOR:  
GARFIELD COUNTY  
FEDERAL MINERAL LEASE DISTRICT

GRANTEE:  
TOWN OF PARACHUTE, COLORADO

By: \_\_\_\_\_  
Gregg Rippy  
President, GCFMLD Board

By: \_\_\_\_\_  
Stuart McArthur  
Administrator, Town of Parachute

**ORIGINAL**

# **ATTACH EXHIBIT A**

# **ATTACH EXHIBIT B**



Garfield County  
**Federal Mineral Lease District**  
Established 2011

EXHIBIT C - Reimbursement Options

The Garfield County Federal Mineral Lease District ("GCFMLD") offers three payment options for the reimbursement of grants awarded. The payment options have been summarized below. Upon reviewing the options please sign in the appropriate spot to indicate which reimbursement scenario will best accommodate your grant. Return this completed form to the GCFMLD with your executed Grant Agreement.

Option 1 – Advance Payment Prior to Project

- Applicant may request one payment prior to commencement of work on a project, only IF the following situations apply:
- Up to 50% of the grant award may be requested with a signed construction contract between the applicant and a contractor.
- All usual reporting requirements, including documentation of cash and in-kind contributions and the total project and a report comparing the approved budget vs. actual use of funds, must be submitted prior to payment

Option 2 – Partial Payment (as a standard option, rather than only upon request)

- Applicant may request one partial payment during the execution of the Grant Agreement.
- Up to 50% of the grant award may be requested.
- Partial grant payment will reimburse the Grantee for actual expenditures made in the performance of the executed Grant Agreement.
- All partial grant payments shall be based upon approved financial status reports documenting the expenditures made to date. Progress reports and staff review of the reporting may not be as detailed as it will be a final report stage, in order to facilitate payment.
- Final payment will be made upon full completion of the project and submission of all final report documentation. Final report materials include documentation to support all cash and in-kind contributions and the total project cost. Grantees are also required to submit a report comparing the approved budget vs. actual use of funds. The GCFMLD reserves the right to withhold all or a portion of the final payment should we find that ineligible expenses were included either in a progress report or at final report stage.

Option 3 – Final Grant Payment

- The entire grant award will be paid upon full completion of the project and submission of a final report that indicates the project was completed in accordance with the grant agreement.
- A final report including documentation of cash and in-kind contributions and the total project cost a report comparing the approved budget vs. actual use of funds, must be submitted prior to payment.

**PLEASE CIRCLE PREFERRED OPTION:**    OPTION 1            OPTION 2            OPTION 3

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and Title (print)

Contract #: \_\_\_\_\_

**ORIGINAL**

## GRANT AGREEMENT

Between

STATE OF COLORADO  
DEPARTMENT OF LOCAL AFFAIRS

And

TOWN OF PARACHUTE

### Summary

Award Amount: \$350,000.00

**Identification #s:**

Encumbrance #: F15S7751 (*DOLA's primary identification #*)  
Contract Management System #: 79977 (*State of Colorado's tracking #*)

**Project Information:**

Project/Award Number: EIAF 7751  
Project Name: Parachute Park Boulevard Reconstruction  
Performance Period: Start Date: \_\_\_\_\_ End Date: 4/30/16  
Brief Description of Project / Assistance: The Project consists of reconstructing 1650 linear feet of roadway on Parachute Park Boulevard.

**Program & Funding Information:**

Program Name: Energy & Mineral Impact Assistance Fund  
Funding source: State Funds  
Catalog of Federal Domestic Assistance (CFDA) Number (if federal funds): N/A  
Funding Account Codes: \_\_\_\_\_  
\_\_\_\_\_

**TABLE OF CONTENTS**

1. PARTIES.....	2
2. EFFECTIVE DATE AND NOTICE OF NONLIABILITY.....	2
3. RECITALS.....	3
4. DEFINITIONS.....	3
5. TERM.....	4
6. STATEMENT OF WORK.....	5
7. PAYMENTS TO GRANTEE.....	5
8. REPORTING - NOTIFICATION.....	6
9. GRANTEE RECORDS.....	7
10. CONFIDENTIAL INFORMATION-STATE RECORDS.....	7
11. CONFLICTS OF INTEREST.....	8
12. REPRESENTATIONS AND WARRANTIES.....	8
13. INSURANCE.....	9
14. BREACH.....	11
15. REMEDIES.....	12
16. NOTICES and REPRESENTATIVES.....	14
17. RIGHTS IN DATA, DOCUMENTS, AND COMPUTER SOFTWARE.....	14
18. GOVERNMENTAL IMMUNITY.....	15
19. STATEWIDE CONTRACT MANAGEMENT SYSTEM.....	15
20. RESTRICTION ON PUBLIC BENEFITS.....	15
21. GENERAL PROVISIONS.....	16
22. COLORADO SPECIAL PROVISIONS.....	19
SIGNATURE PAGE.....	21
EXHIBIT A – APPLICABLE LAWS	
EXHIBIT B – SCOPE OF PROJECT	
EXHIBIT C – RESERVED.	
EXHIBIT D – RESERVED.	
EXHIBIT E – PROJECT PERFORMANCE PLAN	
EXHIBIT F – RESERVED.	
EXHIBIT G – FORM OF OPTION LETTER	
FORM 1 – RESERVED.	

**1. PARTIES**

This Agreement (hereinafter called “Grant”) is entered into by and between the **TOWN OF PARACHUTE** (hereinafter called “Grantee”), and the STATE OF COLORADO acting by and through the Department of Local Affairs for the benefit of the Division of Local Government (hereinafter called the “State” or “DOLA”).

**2. EFFECTIVE DATE AND NOTICE OF NONLIABILITY.**

This Grant shall not be effective or enforceable until it is approved and signed by the Colorado State Controller or designee (hereinafter called the “Effective Date”). The State shall not be liable to pay or reimburse Grantee for any performance hereunder, including, but not limited to costs or expenses incurred, or be bound by any provision hereof prior to *(see checked option(s) below)*:

- A.  The Effective Date.
- B.  The Effective Date; provided, however, that all Project costs, if specifically authorized by the federal funding authority, incurred on or after March 1, 20XX, may be submitted for reimbursement as if incurred after the Effective Date.
- C.  insert date for authorized Pre-agreement Costs (as such term is defined in §4) , if specifically authorized by the funding authority . Such costs may be submitted for reimbursement as if incurred after the Effective Date.

### 3. RECITALS

#### A. Authority, Appropriation, and Approval

Authority to enter into this Grant exists in C.R.S. 24-32-106 and 29-3.5-101 and funds have been budgeted, appropriated and otherwise made available pursuant to C.R.S. 39-29-110 (Local Government Severance Tax Fund) and a sufficient unencumbered balance thereof remains available for payment. Required approvals, clearance and coordination have been accomplished from and with appropriate agencies.

#### B. Consideration

The Parties acknowledge that the mutual promises and covenants contained herein and other good and valuable consideration are sufficient and adequate to support this Grant.

#### C. Purpose

The purpose of this Grant is described in **Exhibit B**.

#### D. References

All references in this Grant to sections (whether spelled out or using the § symbol), subsections, exhibits or other attachments, are references to sections, subsections, exhibits or other attachments contained herein or incorporated as a part hereof, unless otherwise noted.

### 4. DEFINITIONS

The following terms as used herein shall be construed and interpreted as follows:

#### A. Budget

“Budget” means the budget for the Project and/or Work described in **Exhibit B**.

#### B. Closeout Certification

“Closeout Certification” means the Grantee’s certification of completion of Work submitted on a form provided by the State.

#### C. Evaluation

“Evaluation” means the process of examining Grantee’s Work and rating it based on criteria established in §6 and **Exhibit B**.

#### D. Exhibits and other Attachments

The following are attached hereto and incorporated by reference herein:

- i. Exhibit A (Applicable Laws)
- ii. Exhibit B (Scope of Project)
- iii. Exhibit E (Project Performance Plan)
- iv. Exhibit G (Form of Option Letter)

#### E. Goods

“Goods” means tangible material acquired, produced, or delivered by Grantee either separately or in conjunction with the Services Grantee renders hereunder.

#### F. Grant

“Grant” means this agreement, its terms and conditions, attached exhibits, documents incorporated by reference pursuant to the terms of this Grant, and any future modifying agreements, exhibits, attachments or references incorporated herein pursuant to Colorado State law, Fiscal Rules, and State Controller Policies.

#### G. Grant Funds

“Grant Funds” means available funds payable by the State to Grantee pursuant to this Grant.

#### H. Party or Parties

“Party” means the State or Grantee and “Parties” means both the State and Grantee.

#### I. Pay Request(s)

“Pay Request(s)” means the Grantee’s reimbursement request(s) submitted on form(s) provided by the State.

#### J. Pre-agreement costs

“Pre-agreement costs,” when applicable, means the costs incurred on or after the date as specified in §2 above, and prior to the Effective Date of this Grant. Such costs shall have been detailed in Grantee’s grant application and specifically authorized by the State and incorporated herein pursuant to **Exhibit B**.

**K. Project**

“Project” means the overall project described in **Exhibit B**, which includes the Work.

**L. Project Closeout**

“Project Closeout” means the submission by the Grantee to the State of an actual final Pay Request, a final Status Report and a Closeout Certification.

**M. Program**

“Program” means the grant program specified on the first page of this Grant that provides the funding for this Grant.

**N. Review**

“Review” means examining Grantee’s Work to ensure that it is adequate, accurate, correct and in accordance with the criteria established in **§6** and **Exhibit B**.

**O. Services**

“Services” means the required services to be performed by Grantee pursuant to this Grant.

**P. Status Report(s)**

“Status Report(s)” means the Grantee’s status report(s) on the Work/Project submitted on form(s) provided by the State.

**Q. Subcontractor**

“Subcontractor” means third-parties, if any, engaged by Grantee to carry out specific vendor related services.

**R. Subgrantee**

“Subgrantee” means third-parties, if any, engaged by Grantee to aid in performance of its obligations. Subgrantee is bound by the same overall programmatic and grant requirements as Grantee.

**S. Subject Property**

“Subject Property” means the real property, if any, for which Grant Funds are used to acquire, construct, or rehabilitate.

**T. Substantial Progress in the Work**

“Substantial Progress in the Work” means Grantee meets all deliverables and performance measures within the time frames specified in **Exhibit E**.

**U. Work**

“Work” means the tasks and activities Grantee is required to perform to fulfill its obligations under this Grant and **Exhibit B**, including the performance of the Services and delivery of the Goods.

**V. Work Product**

“Work Product” means the tangible or intangible results of Grantee’s Work, including, but not limited to, software, research, reports, studies, data, photographs, negatives or other finished or unfinished documents, drawings, models, surveys, maps, materials, or work product of any type, including drafts.

**5. TERM**

**A. Initial Term-Work Commencement**

Unless otherwise permitted in **§2** above, the Parties’ respective performances under this Grant shall commence on the Effective Date. This Grant shall terminate on **April 30, 2016** unless sooner terminated or further extended as specified elsewhere herein.

**B. Two Month Extension**

The State, at its sole discretion upon written notice to Grantee as provided in **§16**, may unilaterally extend the term of this Grant for a period not to exceed two months if the Parties are negotiating a replacement Grant (and not merely seeking a term extension) at or near the end of any initial term or any extension thereof. The provisions of this Grant in effect when such notice is given, including, but not limited to prices, rates, and delivery requirements, shall remain in effect during the two month extension. The two-month extension shall immediately terminate when and if a replacement Grant is approved and signed by the Colorado State Controller.

## 6. STATEMENT OF WORK

### A. Completion

Grantee shall complete the Work and its other obligations as described herein and in **Exhibit B**. Except as specified in §2 above, the State shall not be liable to compensate Grantee for any Work performed prior to the Effective Date or after the termination of this Grant.

### B. Goods and Services

Grantee shall procure Goods and Services necessary to complete the Work. Such procurement shall be accomplished using the Grant Funds and shall not increase the maximum amount payable hereunder by the State.

### C. Employees

All persons employed by Grantee or Subgrantees shall be considered Grantee's or Subgrantees' employee(s) for all purposes hereunder and shall not be employees of the State for any purpose as a result of this Grant.

## 7. PAYMENTS TO GRANTEE

The State shall, in accordance with the provisions of this §7, pay Grantee in the following amounts and using the methods set forth below:

### A. Maximum Amount

The maximum amount payable under this Grant to Grantee by the State is **\$350,000.00 (THREE HUNDRED FIFTY THOUSAND and XX/100 DOLLARS)**, as determined by the State from available funds. Grantee agrees to provide any additional funds required for the successful completion of the Work. Payments to Grantee are limited to the unpaid obligated balance of the Grant as set forth in **Exhibit B**.

### B. Payment

#### i. Advance, Interim and Final Payments

Any payment allowed under this Grant or in **Exhibit B** shall comply with State Fiscal Rules and be made in accordance with the provisions of this Grant or such Exhibit. Grantee shall initiate any payment requests by submitting invoices to the State in the form and manner set forth and approved by the State.

#### ii. Interest

The State shall not pay interest on Grantee invoices. The State shall fully pay each invoice within 45 days of receipt thereof if the amount invoiced represents performance by Grantee previously accepted by the State.

#### iii. Available Funds-Contingency-Termination

The State is prohibited by law from making fiscal commitments beyond the term of the State's current fiscal year. Therefore, Grantee's compensation is contingent upon the continuing availability of State appropriations as provided in the Colorado Special Provisions, set forth below. If federal funds are used with this Grant in whole or in part, the State's performance hereunder is contingent upon the continuing availability of such funds. Payments pursuant to this Grant shall be made only from available funds encumbered for this Grant and the State's liability for such payments shall be limited to the amount remaining of such encumbered funds. If State or federal funds are not fully appropriated, or otherwise become unavailable for this Grant, the State may immediately terminate this Grant in whole or in part to the extent of funding reduction without further liability in accordance with the provisions herein.

#### iv. Erroneous Payments

At the State's sole discretion, payments made to Grantee in error for any reason, including, but not limited to overpayments or improper payments, and unexpended or excess funds received by Grantee, may be recovered from Grantee by deduction from subsequent payments under this Grant or other grants or agreements between the State and Grantee or by other appropriate methods and collected as a debt due to the State. Such funds shall not be paid to any person or entity other than the State.

### C. Use of Funds

Grant Funds shall be used only for eligible costs identified herein and/or in **Exhibit B**.

**i. Budget Line Item Adjustments.**

Modifications to uses of such Grant Funds shall be made in accordance with §4.4 of Exhibit B. For line item adjustments over 10% but less than 24.99% (a “Minor Line Item Adjustment”) which are approved, the State shall provide written notice to Grantee in a form substantially equivalent to Exhibit G (each an “Option Letter”). If exercised, the provisions of the Option Letter shall become part of and be incorporated into this Grant.

**ii. Overall Budget Adjustments.**

Modifications to the overall Budget shall be made in accordance with §4.5 of Exhibit B. For overall Budget adjustments less than 24.99% (a “Minor Budget Adjustment”) which are approved, the State shall provide written notice to Grantee in an Option Letter. If exercised, the provisions of the Option Letter shall become part of and be incorporated into this Grant.

**iii. Setting Final Initial Budget.**

All requests by the Grantee to align the initial overall Budget with current market conditions shall be made in accordance with §4.5.1.1 of Exhibit B. If such True-up Budget Proposal (as such term is defined in §4.5.1.1 of Exhibit B) is approved, the State shall provide written notice to Grantee in an Option Letter. If exercised, the provisions of the Option Letter shall become part of and be incorporated into this Grant.

**D. Matching/Leveraged Funds**

Grantee shall provide matching and/or leveraged funds in accordance with Exhibit B.

**8. REPORTING - NOTIFICATION**

Reports, Evaluations, and Reviews required under this §8 shall be in accordance with the procedures of and in such form as prescribed by the State and in accordance with §19, if applicable.

**A. Performance, Progress, Personnel, and Funds**

State shall submit a report to the Grantee upon expiration or sooner termination of this Grant, containing an Evaluation and Review of Grantee’s performance and the final status of Grantee’s obligations hereunder. In addition, Grantee shall comply with all reporting requirements, if any, set forth in Exhibit B.

**B. Litigation Reporting**

Within 10 days after being served with any pleading in a legal action filed with a court or administrative agency, related to this Grant or which may affect Grantee’s ability to perform its obligations hereunder, Grantee shall notify the State of such action and deliver copies of such pleadings to the State’s principal representative as identified herein. If the State’s principal representative is not then serving, such notice and copies shall be delivered to the Executive Director of DOLA.

**C. Performance Outside the State of Colorado and/or the United States**

*[Not applicable if Grant Funds include any federal funds]* Following the Effective Date, Grantee shall provide written notice to the State, in accordance with §16 (Notices and Representatives), within 20 days of the earlier to occur of Grantee’s decision to perform, or its execution of an agreement with a Subgrantee to perform, Services outside the State of Colorado and/or the United States. Such notice shall specify the type of Services to be performed outside the State of Colorado and/or the United States and the reason why it is necessary or advantageous to perform such Services at such location or locations. All notices received by the State pursuant to this §8.C shall be posted on the Colorado Department of Personnel & Administration’s website. Knowing failure by Grantee to provide notice to the State under this §8.C shall constitute a material breach of this Grant.

**D. Noncompliance**

Grantee’s failure to provide reports and notify the State in a timely manner in accordance with this §8 may result in the delay of payment of funds and/or termination as provided under this Grant.

**E. Subgrants/Subcontracts**

Copies of any and all subgrants and subcontracts entered into by Grantee to perform its obligations hereunder shall be submitted to the State or its principal representative upon request by the State. Any and all subgrants and subcontracts entered into by Grantee related to its performance hereunder shall comply with all applicable federal and state laws and shall provide that such subgrants be governed by the laws of the State of Colorado.

## 9. GRANTEE RECORDS

Grantee shall make, keep, maintain and allow inspection and monitoring of the following records:

### A. Maintenance

Grantee shall make, keep, maintain, and allow inspection and monitoring by the State of a complete file of all records, documents, communications, notes and other written materials, electronic media files, and communications, pertaining in any manner to the Work or the delivery of Services (including, but not limited to the operation of programs) or Goods hereunder. Grantee shall maintain such records (the "Record Retention Period") until the last to occur of the following:

- (i) a period of five years after the date this Grant is completed or terminated, or final payment is made hereunder, whichever is later, or
- (ii) for such further period as may be necessary to resolve any pending matters, or
- (iii) if an audit is occurring, or Grantee has received notice that an audit is pending, then until such audit has been completed and its findings have been resolved.

### B. Inspection

Grantee shall permit the State, the federal government (if Grant Funds include federal funds) and any other duly authorized agent of a governmental agency to audit, inspect, examine, excerpt, copy and/or transcribe Grantee's records related to this Grant during the Record Retention Period for a period of five years following termination of this Grant or final payment hereunder, whichever is later, to assure compliance with the terms hereof or to evaluate Grantee's performance hereunder. The State reserves the right to inspect the Work at all reasonable times and places during the term of this Grant, including any extension. If the Work fails to conform to the requirements of this Grant, the State may require Grantee promptly to bring the Work into conformity with Grant requirements, at Grantee's sole expense. If the Work cannot be brought into conformance by re-performance or other corrective measures, the State may require Grantee to take necessary action to ensure that future performance conforms to Grant requirements and exercise the remedies available under this Grant, at law or in equity in lieu of or in conjunction with such corrective measures.

### C. Monitoring

Grantee shall permit the State, the federal government (if Grant Funds include federal funds), and other governmental agencies having jurisdiction, in their sole discretion, to monitor all activities conducted by Grantee pursuant to the terms of this Grant using any reasonable procedure, including, but not limited to: internal evaluation procedures, examination of program data, special analyses, on-site checking, formal audit examinations, or any other procedures. All monitoring controlled by the State shall be performed in a manner that shall not unduly interfere with Grantee's performance hereunder.

### D. Final Audit Report

Grantee shall provide a copy of its audit report(s) to DOLA as specified in **Exhibit B**.

## 10. CONFIDENTIAL INFORMATION-STATE RECORDS

Grantee shall comply with the provisions of this §10 if it becomes privy to confidential information in connection with its performance hereunder. Confidential information, includes, but is not necessarily limited to, state records, personnel records, and information concerning individuals.

### A. Confidentiality

Grantee shall keep all State records and information confidential at all times and comply with all laws and regulations concerning confidentiality of information. Any request or demand by a third party for State records and information in the possession of Grantee shall be immediately forwarded to the State's principal representative.

### B. Notification

Grantee shall notify its agent, employees, Subgrantees, and assigns who may come into contact with State records and confidential information that each is subject to the confidentiality requirements set forth herein, and shall provide each with a written explanation of such requirements before they are permitted to access such records and information.

**C. Use, Security, and Retention**

Confidential information of any kind shall not be distributed or sold to any third party or used by Grantee or its agents in any way, except as authorized by this Grant or approved in writing by the State. Grantee shall provide and maintain a secure environment that ensures confidentiality of all State records and other confidential information wherever located. Confidential information shall not be retained in any files or otherwise by Grantee or its agents, except as permitted in this Grant or approved in writing by the State.

**D. Disclosure-Liability**

Disclosure of State records or other confidential information by Grantee for any reason may be cause for legal action by third parties against Grantee, the State or their respective agents. Grantee shall, to the extent permitted by law, indemnify, save, and hold harmless the State, its employees and agents, against any and all claims, damages, liability and court awards including costs, expenses, and attorney fees and related costs, incurred as a result of any act or omission by Grantee, or its employees, agents, Subgrantees, or assignees pursuant to this §10.

**11. CONFLICTS OF INTEREST**

Grantee shall not engage in any business or personal activities or practices or maintain any relationships which conflict in any way with the full performance of Grantee's obligations hereunder. Grantee acknowledges that with respect to this Grant, even the appearance of a conflict of interest is harmful to the State's interests. Absent the State's prior written approval, Grantee shall refrain from any practices, activities or relationships that reasonably appear to be in conflict with the full performance of Grantee's obligations to the State hereunder. If a conflict or appearance exists, or if Grantee is uncertain whether a conflict or the appearance of a conflict of interest exists, Grantee shall submit to the State a disclosure statement setting forth the relevant details for the State's consideration. Failure to promptly submit a disclosure statement or to follow the State's direction in regard to the apparent conflict constitutes a breach of this Grant.

**12. REPRESENTATIONS AND WARRANTIES**

Grantee makes the following specific representations and warranties, each of which was relied on by the State in entering into this Grant.

**A. Standard and Manner of Performance**

Grantee shall perform its obligations hereunder in accordance with the highest standards of care, skill and diligence in the industry, trades or profession and in the sequence and manner set forth in this Grant.

**B. Legal Authority – Grantee and Grantee's Signatory**

Grantee warrants that it possesses the legal authority to enter into this Grant and that it has taken all actions required by its procedures, by-laws, and/or applicable laws to exercise that authority, and to lawfully authorize its undersigned signatory to execute this Grant, or any part thereof, and to bind Grantee to its terms. If requested by the State, Grantee shall provide the State with proof of Grantee's authority to enter into this Grant within 15 days of receiving such request.

**C. Licenses, Permits, Etc.**

Grantee represents and warrants that as of the Effective Date it has, and that at all times during the term hereof it shall have, at its sole expense, all licenses, certifications, approvals, insurance, permits, and other authorization required by law to perform its obligations hereunder. Grantee warrants that it shall maintain all necessary licenses, certifications, approvals, insurance, permits, and other authorizations required to properly perform this Grant, without reimbursement by the State or other adjustment in Grant Funds. Additionally, all employees and agents of Grantee performing Services under this Grant shall hold all required licenses or certifications, if any, to perform their responsibilities. Grantee, if a foreign corporation or other foreign entity transacting business in the State of Colorado, further warrants that it currently has obtained and shall maintain any applicable certificate of authority to transact business in the State of Colorado and has designated a registered agent in Colorado to accept service of process. Any revocation, withdrawal or non-renewal of licenses, certifications, approvals, insurance, permits or any such similar requirements necessary for Grantee to properly perform the terms of this Grant shall be deemed to be a material breach by Grantee and constitute grounds for termination of this Grant.

### 13. INSURANCE

Grantee and its Subgrantees shall obtain and maintain insurance as specified in this section at all times during the term of this Grant: All policies evidencing the insurance coverage required hereunder shall be issued by insurance companies satisfactory to Grantee and the State.

#### A. Grantee

##### i. Public Entities

If Grantee is a "public entity" within the meaning of the Colorado Governmental Immunity Act, CRS §24-10-101, et seq., as amended (the "GIA"), then Grantee shall maintain at all times during the term of this Grant such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under the GIA. Grantee shall show proof of such insurance satisfactory to the State, if requested by the State. Grantee shall require each subgrant with Subgrantees that are public entities, providing Goods or Services hereunder, to include the insurance requirements necessary to meet Subgrantee's liabilities under the GIA.

##### ii. Non-Public Entities

If Grantee is not a "public entity" within the meaning of the GIA, Grantee shall obtain and maintain during the term of this Grant insurance coverage and policies meeting the same requirements set forth in §13(B) with respect to Subgrantees that are not "public entities".

#### B. Grantees, Subgrantees and Subcontractors

Grantee shall require each subgrant with Subgrantees and each contract with Subcontractors, other than those that are public entities, providing Goods or Services in connection with this Grant, to include insurance requirements substantially similar to the following:

##### i. Workers' Compensation

Workers' Compensation Insurance as required by State statute, and Employer's Liability Insurance covering all of Grantee, Subgrantee and Subcontractor employees acting within the course and scope of their employment.

##### ii. General Liability

Commercial General Liability Insurance written on ISO occurrence form CG 00 01 10/93 or equivalent, covering premises operations, fire damage, independent contractors, products and completed operations, blanket contractual liability, personal injury, and advertising liability with minimum limits as follows: (a) \$1,000,000 each occurrence; (b) \$1,000,000 general aggregate; (c) \$1,000,000 products and completed operations aggregate; and (d) \$50,000 any one fire.

##### iii. Automobile Liability

Automobile Liability Insurance covering any auto (including owned, hired and non-owned autos) with a minimum limit of \$1,000,000 each accident combined single limit.

##### iv. Malpractice/Professional Liability Insurance

This section  shall |  shall not apply to this Grant.

Grantee, Subgrantees and Subcontractors shall maintain in full force and effect a Professional Liability Insurance Policy in the minimum amount of \$1,000,000 per occurrence and \$3,000,000 in the aggregate, written on an occurrence form, that provides coverage for its work undertaken pursuant to this Grant. If a policy written on an occurrence form is not commercially available, the claims-made policy shall remain in effect for the duration of this Grant and for at least two years beyond the completion and acceptance of the work under this Grant, or, alternatively, a two year extended reporting period must be purchased. The Grantee, Subgrantee or Subcontractor shall be responsible for all claims, damages, losses or expenses, including attorney's fees, arising out of or resulting from such party's performance of professional services under this Grant, a subcontract or subgrant.

##### v. Umbrella Liability Insurance

For construction projects exceeding \$10,000,000, Grantee, Subgrantees and Subcontractors shall maintain umbrella/excess liability insurance on an occurrence basis in excess of the underlying insurance described in §13B(i)-(iv) above. Coverage shall follow the terms of the underlying insurance, included the additional insured and waiver of subrogation provisions. The amounts of insurance required in subsections above may be satisfied by the Grantee, Subgrantee and

Subcontractor purchasing coverage for the limits specified or by any combination of underlying and umbrella limits, so long as the total amount of insurance is not less than the limits specified in each section previously mentioned. The insurance shall have a minimum amount of \$5,000,000 per occurrence and \$5,000,000 in the aggregate.

**vi. Property Insurance**

This subsection shall apply if Grant Funds are provided for the acquisition, construction, or rehabilitation of real property.

Insurance on the buildings and other improvements now existing or hereafter erected on the premises and on the fixtures and personal property included in the Subject Property against loss by fire, other hazards covered by the so called “all risk” form of policy and such other perils as State shall from time to time require with respect to properties of the nature and in the geographical area of the Subject Property, and to be in an amount at least equal to the replacement cost value of the Subject Property. Grantor will at its sole cost and expense, from time to time and at any time, at the request of State provide State with evidence satisfactory to State of the replacement cost of the Subject Property.

**vii. Flood Insurance**

If the Subject Property or any part thereof is at any time located in a designated official flood hazard area, flood insurance insuring the buildings and improvements now existing or hereafter erected on the Subject Property and the personal property used in the operation thereof in an amount equal to the lesser of the amount required for property insurance identified in §vi above or the maximum limit of coverage made available with respect to such buildings and improvements and personal property under applicable federal laws and the regulations issued thereunder.

**viii. Builder’s Risk Insurance**

The subsection shall apply if Grant Funds are provided for construction or rehabilitation of real property.

Grantee, Subgrantee and/or Subcontractor shall purchase and maintain property insurance written on a builder’s risk “all-risk” or equivalent policy form in the amount of the initial construction/rehabilitation costs, plus value of subsequent modifications and cost of materials supplied or installed by others, comprising total value for the entire Project at the site on a replacement cost basis without optional deductibles. Such property insurance shall be maintained, unless otherwise agreed in writing by all persons and entities who are beneficiaries of such insurance, until final payment has been made or until no person or entity other than the property owner has an insurable interest in the property.

- a) The insurance shall include interests of the property owner, Grantee, Subgrantee, Subcontractors in the Project as named insureds.
- b) All associated deductibles shall be the responsibility of the Grantee, Subcontractor and Subgrantee. Such policy may have a deductible clause but not to exceed \$10,000.
- c) Property insurance shall be on an “all risk” or equivalent policy form and shall include, without limitation, insurance against the perils of fire (with extended coverage) and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, earthquake, flood, windstorm, falsework, testing and startup, temporary buildings and debris removal including demolition occasioned by enforcement of any applicable legal requirements, and shall cover reasonable compensation for Grantee’s, Subgrantee’s and Subcontractor’s services and expenses required as a result of such insured loss.
- d) Builders Risk coverage shall include partial use by Grantee and/or property owner.
- e) The amount of such insurance shall be increased to include the cost of any additional work to be done on the Project, or materials or equipment to be incorporated in the Project, under other independent contracts let or to be let. In such event, Subgrantee and Subcontractor shall be reimbursed for this cost as his or her share of the insurance in the same ratio as the ratio of the insurance represented by such independent contracts let or to be let to the total insurance carried.

**ix. Pollution Liability Insurance**

If Grantee and/or its Subgrantee or Subcontractor is providing directly or indirectly work with pollution/environmental hazards, they must provide or cause those conducting the work to provide Pollution Liability Insurance coverage. Pollution Liability policy must include contractual liability coverage. The policy limits shall be in the amount of \$1,000,000 with maximum deductible of \$25,000 to be paid by the Grantee's Subcontractor and/or Subgrantee.

**C. Miscellaneous Insurance Provisions**

Certificates of Insurance and/or insurance policies required under this Grant shall be subject to the following stipulations and additional requirements:

- i. Deductible.** Any and all deductibles or self-insured retentions contained in any Insurance policy shall be assumed by and at the sole risk of the Grantee, its Subgrantees or Subcontractors,
- ii. In Force.** If any of the said policies shall fail at any time to meet the requirements of the Grant as to form or substance, or if a company issuing any such policy shall be or at any time cease to be approved by the Division of Insurance of the State of Colorado, or be or cease to be in compliance with any stricter requirements of the Grant, the Grantee, its Subgrantee and its Subcontractor shall promptly obtain a new policy.
- iii. Insurer.** All requisite insurance shall be obtained from financially responsible insurance companies, authorized to do business in the State of Colorado and acceptable to Grantee,
- iv. Additional Insured**  
Grantee and the State shall be named as additional insureds on the Commercial General Liability and Automobile Liability Insurance policies (leases and construction Grants require additional insured coverage for completed operations on endorsements CG 2010 11/85, CG 2037, or equivalent).
- v. Primacy of Coverage**  
Coverage required of Grantee, Subgrantees and Subcontractors shall be primary over any insurance or self-insurance program carried by Grantee or the State.
- vi. Cancellation**  
The above insurance policies shall include provisions preventing cancellation or non-renewal without at least 45 days prior notice to the Grantee and Grantee shall forward such notice to the State in accordance with §16 (Notices and Representatives) within seven days of Grantee's receipt of such notice.
- vii. Subrogation Waiver**  
All insurance policies in any way related to this Grant and secured and maintained by Grantee or its Subgrantees and Subcontractors as required herein shall include clauses stating that each carrier shall waive all rights of recovery, under subrogation or otherwise, against Grantee or the State, its agencies, institutions, organizations, officers, agents, employees, and volunteers.

**D. Certificates**

Grantee, Subgrantee and Subcontractor shall provide certificates showing insurance coverage required hereunder to the State within seven business days of the Effective Date of this Grant or of their respective subcontract or subgrant. No later than 15 days prior to the expiration date of any such coverage, Grantee, Subgrantee and Subcontractor shall deliver to the State or Grantee certificates of insurance evidencing renewals thereof. In addition, upon request by the State at any other time during the term of this Grant, subgrant or subcontract, Grantee, Subgrantee and Subcontractor shall, within 10 days of such request, supply to the State evidence satisfactory to the State of compliance with the provisions of this §13.

**14. BREACH**

**A. Defined**

In addition to any breaches specified in other sections of this Grant, the failure of either Party to perform any of its material obligations hereunder in whole or in part or in a timely or satisfactory manner, constitutes a breach. The institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Grantee, or the appointment of a receiver or similar officer for Grantee or any of its property, which is not vacated or fully stayed within 20 days after the institution or occurrence thereof, shall also constitute a breach.

**B. Notice and Cure Period**

In the event of a breach, notice of such shall be given in writing by the aggrieved Party to the other Party in the manner provided in §16. If such breach is not cured within 30 days of receipt of written notice, or if a cure cannot be completed within 30 days, or if cure of the breach has not begun within 30 days and pursued with due diligence, the State may exercise any of the remedies set forth in §15. Notwithstanding anything to the contrary herein, the State, in its sole discretion, need not provide advance notice or a cure period and may immediately terminate this Grant in whole or in part if reasonably necessary to preserve public safety or to prevent immediate public crisis.

**15. REMEDIES**

If Grantee is in breach under any provision of this Grant or if the State terminates this Grant pursuant to §15(B), the State shall have the remedies listed in this §15 in addition to all other remedies set forth in other sections of this Grant following the notice and cure period set forth in §14(B), if applicable. The State may exercise any or all of the remedies available to it, in its sole discretion, concurrently or consecutively.

**A. Termination for Cause and/or Breach**

If Grantee fails to perform any of its obligations hereunder with such diligence as is required to ensure its completion in accordance with the provisions of this Grant and in a timely manner, the State may notify Grantee of such non-performance in accordance with the provisions herein. If Grantee thereafter fails to promptly cure such non-performance within the cure period, the State, at its option, may terminate this entire Grant or such part of this Grant as to which there has been delay or a failure to properly perform. Exercise by the State of this right shall not be deemed a breach of its obligations hereunder. Grantee shall continue performance of this Grant to the extent not terminated, if any.

**i. Obligations and Rights**

To the extent specified in any termination notice, Grantee shall not incur further obligations or render further performance hereunder past the effective date of such notice, and shall terminate outstanding orders and subgrants/subcontracts with third parties. However, Grantee shall complete and deliver to the State all Work, Services and Goods not cancelled by the termination notice and may incur obligations as are necessary to do so within this Grant's terms. At the sole discretion of the State, Grantee shall assign to the State all of Grantee's right, title, and interest under such terminated orders or subgrants/subcontracts. Upon termination, Grantee shall take timely, reasonable and necessary action to protect and preserve property in the possession of Grantee in which the State has an interest. All materials owned by the State in the possession of Grantee shall be immediately returned to the State.

**ii. Payments**

The State shall reimburse Grantee only for accepted performance up to the date of termination. If, after termination by the State, it is determined that Grantee was not in breach or that Grantee's action or inaction was excusable, such termination shall be treated as a termination in the public interest and the rights and obligations of the Parties shall be the same as if this Grant had been terminated in the public interest, as described herein.

**iii. Damages and Withholding**

Notwithstanding any other remedial action by the State, Grantee also shall remain liable to the State for any damages sustained by the State by virtue of any breach under this Grant by Grantee and the State may withhold any payment to Grantee for the purpose of mitigating the State's damages, until such time as the exact amount of damages due to the State from Grantee is determined. The State may withhold any amount that may be due to Grantee as the State deems necessary to protect the State, including loss as a result of outstanding liens or claims of former lien holders, or to reimburse the State for the excess costs incurred in procuring similar goods or services.

**B. Early Termination in the Public Interest**

The State is entering into this Grant for the purpose of carrying out the public policy of the State of Colorado, as determined by its Governor, General Assembly, and/or Courts. If this Grant ceases to further the public policy of the State, the State, in its sole discretion, may terminate this Grant in whole or in part. Exercise by the State of this right shall not constitute a breach of the State's obligations hereunder. This

subsection shall not apply to a termination of this Grant by the State for cause or breach by Grantee, which shall be governed by §15(A) or as otherwise specifically provided for herein.

**i. Method and Content**

The State shall notify Grantee of such termination in accordance with §16. The notice shall specify the effective date of the termination and whether it affects all or a portion of this Grant.

**ii. Obligations and Rights**

Upon receipt of a termination notice, Grantee shall be subject to and comply with the same obligations and rights set forth in §15(A)(i).

**iii. Payments**

If this Grant is terminated by the State pursuant to this §15(B), Grantee shall be paid an amount which bears the same ratio to the total reimbursement under this Grant as the Services satisfactorily performed bear to the total Services covered by this Grant, less payments previously made. Additionally, if this Grant is less than 60% completed, the State may reimburse Grantee for a portion of actual out-of-pocket expenses (not otherwise reimbursed under this Grant) incurred by Grantee which are directly attributable to the uncompleted portion of Grantee's obligations hereunder; provided that the sum of any and all reimbursement shall not exceed the maximum amount payable to Grantee hereunder.

**C. Termination for No Substantial Progress in the Work**

The State may elect to terminate this Grant upon receipt and review of any Quarterly Progress Report, submitted per the time periods defined in Exhibit E – Project Performance Plan, if such Quarterly Progress Report fails to evidence Substantial Progress in the Work as directed, defined and expected under Exhibit B. Further, the State may elect to terminate this Grant if the Grantee fails to complete Project Closeout within **three months** of completion of the Work. Exercise by the State of this right shall not be deemed a breach of its obligations hereunder.

**i. Obligations and Rights**

To the extent specified in any termination notice, Grantee shall not incur further obligations or render further performance hereunder past the effective date of such notice, and shall terminate outstanding orders and subgrants/subcontracts with third parties. However, Grantee shall complete and deliver to the State all Work, Services and Goods not cancelled by the termination notice and may incur obligations as are necessary to do so within this Grant's terms. At the sole discretion of the State, Grantee shall assign to the State all of Grantee's right, title, and interest under such terminated orders or subgrants/subcontracts. Upon termination, Grantee shall take timely, reasonable and necessary action to protect and preserve property in the possession of Grantee in which the State has an interest. All materials owned by the State in the possession of Grantee shall be immediately returned to the State.

**ii. Payments**

The State shall reimburse Grantee only for accepted performance up to the date of termination.

**iii. Damages and Withholding**

Notwithstanding any other remedial action by the State, Grantee also shall remain liable to the State for any damages sustained by the State by virtue of any breach under this Grant by Grantee and the State may withhold any payment to Grantee for the purpose of mitigating the State's damages, until such time as the exact amount of damages due to the State from Grantee is determined. The State may withhold any amount that may be due to Grantee as the State deems necessary to protect the State, including loss as a result of outstanding liens or claims of former lien holders, or to reimburse the State for the excess costs incurred in procuring similar goods or services.

**D. Remedies Not Involving Termination**

The State, at its sole discretion, may exercise one or more of the following remedies in addition to other remedies available to it:

**i. Suspend Performance**

Suspend Grantee's performance with respect to all or any portion of this Grant pending necessary corrective action as specified by the State without entitling Grantee to an adjustment in price/cost or

performance schedule. Grantee shall promptly cease performance and incurring costs in accordance with the State's directive and the State shall not be liable for costs incurred by Grantee after the suspension of performance under this provision.

**ii. Withhold Payment**

Withhold payment to Grantee until corrections in Grantee's performance are satisfactorily made and completed.

**iii. Deny Payment**

Deny payment for those obligations not performed, that due to Grantee's actions or inactions, cannot be performed or, if performed, would be of no value to the State; provided, that any denial of payment shall be reasonably related to the value to the State of the obligations not performed.

**iv. Removal**

Demand removal of any of Grantee's employees, agents, or Subgrantees whom the State deems incompetent, careless, insubordinate, unsuitable, or otherwise unacceptable, or whose continued relation to this Grant is deemed to be contrary to the public interest or not in the State's best interest.

**v. Intellectual Property**

If Grantee infringes on a patent, copyright, trademark, trade secret or other intellectual property right while performing its obligations under this Grant, Grantee shall, at the State's option (a) obtain for the State or Grantee the right to use such products and services; (b) replace any Goods, Services, or other product involved with non-infringing products or modify them so that they become non-infringing; or, (c) if neither of the foregoing alternatives are reasonably available, remove any infringing Goods, Services, or products and refund the price paid therefore to the State.

**16. NOTICES and REPRESENTATIVES**

Each individual identified below is the principal representative of the designating Party. All notices required to be given hereunder shall be hand delivered with receipt required or sent by certified or registered mail to such Party's principal representative at the address set forth below. In addition to, but not in lieu of a hard-copy notice, notice also may be sent by e-mail to the e-mail addresses, if any, set forth below. Either Party may from time to time designate by written notice substitute addresses or persons to whom such notices shall be sent. Unless otherwise provided herein, all notices shall be effective upon receipt.

**A. State:**

Chantal Unfug, Division Director  
Division of Local Government  
Colorado Department of Local Affairs  
1313 Sherman Street, Room 521  
Denver, Colorado 80203  
Email: [chantal.unfug@state.co.us](mailto:chantal.unfug@state.co.us)

**B. Grantee:**

Roy McClung, Mayor  
Town of Parachute  
PO Box 100  
Parachute, Colorado 81635  
Email: N/A

**17. RIGHTS IN DATA, DOCUMENTS, AND COMPUTER SOFTWARE**

This section  shall |  shall not apply to this Grant.

Any software, research, reports, studies, data, photographs, negatives or other documents, drawings, models, materials, or Work Product of any type, including drafts, prepared by Grantee in the performance of its obligations under this Grant shall be the exclusive property of the State and, all Work Product shall be delivered to the State by Grantee upon completion or termination hereof. The State's exclusive rights in such Work Product shall include, but not be limited to, the right to copy, publish, display, transfer, and prepare derivative

works. Grantee shall not use, willingly allow, cause or permit such Work Product to be used for any purpose other than the performance of Grantee's obligations hereunder without the prior written consent of the State.

#### **18. GOVERNMENTAL IMMUNITY**

Notwithstanding any other provision to the contrary, nothing herein shall constitute a waiver, express or implied, of any of the immunities, rights, benefits, protection, or other provisions of the GIA. Liability for claims for injuries to persons or property arising from the negligence of the State of Colorado, its departments, institutions, agencies, boards, officials, and employees is controlled and limited by the provisions of the GIA and the risk management statutes, CRS §24-30-1501, et seq., as amended.

#### **19. STATEWIDE CONTRACT MANAGEMENT SYSTEM**

If the maximum amount payable to Grantee under this Grant is greater than \$100,000 either on the Effective Date or at anytime thereafter, this §19 applies.

Grantee agrees to be governed, and to abide, by the provisions of CRS §24-102-205, §24-102-206, §24-103-601, §24-103.5-101 and §24-105-102 concerning the monitoring of vendor performance on state Grants and inclusion of Grant performance information in a statewide Contract Management System.

Grantee's performance shall be subject to Evaluation and Review in accordance with the terms and conditions of this Grant, State law, including CRS §24-103.5-101, and State Fiscal Rules, Policies and Guidance. Evaluation and Review of Grantee's performance shall be part of the normal Grant administration process and Grantee's performance will be systematically recorded in the statewide Contract Management System. Areas of Evaluation and Review shall include, but shall not be limited to quality, cost and timeliness. Collection of information relevant to the performance of Grantee's obligations under this Grant shall be determined by the specific requirements of such obligations and shall include factors tailored to match the requirements of Grantee's obligations. Such performance information shall be entered into the statewide Contract Management System at intervals established herein and a final Evaluation, Review and Rating shall be rendered within 30 days of the end of the Grant term. Grantee shall be notified following each performance Evaluation and Review, and shall address or correct any identified problem in a timely manner and maintain work progress.

Should the final performance Evaluation and Review determine that Grantee demonstrated a gross failure to meet the performance measures established hereunder, the Executive Director of the Colorado Department of Personnel and Administration (Executive Director), upon request by the Department of Local Affairs, and showing of good cause, may debar Grantee and prohibit Grantee from receiving future grants and bidding on future contracts. Grantee may contest the final Evaluation, Review and Rating by: **(a)** filing rebuttal statements, which may result in either removal or correction of the evaluation (CRS §24-105-102(6)), or **(b)** under CRS §24-105-102(6), exercising the debarment protest and appeal rights provided in CRS §§24-109-106, 107, 201 or 202, which may result in the reversal of the debarment and reinstatement of Grantee, by the Executive Director, upon a showing of good cause.

#### **20. RESTRICTION ON PUBLIC BENEFITS**

This section  shall |  shall not apply to this Grant.

Grantee must confirm that any individual natural person is lawfully present in the United States pursuant to CRS §24-76.5-101 et seq. when such individual applies for public benefits provided under this Grant by requiring the applicant to:

- A.** Produce an identification document in accordance with §2.1.1 through §2.1.3 of Colorado Department of Revenue's Rule #1 CCR 201-17, Rule for Evidence of Lawful Presence, as amended.
- B.** Execute an affidavit herein attached as **Form 1**, Residency Declaration, stating
  - i.** That he or she is a United States citizen or legal permanent resident; or
  - ii.** That he or she is otherwise lawfully present in the United States pursuant to federal law.

[The following applies if Grant is funded with federal funds].

Notwithstanding the foregoing, to the extent that there is any conflict with the provisions above or those set forth in the Residency Declaration attached hereto as **Form 1** and any provision of federal law, the provisions of federal law shall prevail.

## 21. GENERAL PROVISIONS

### A. Assignment and Subgrants

Grantee's rights and obligations hereunder are personal and may not be transferred, assigned or subgranted without the prior, written consent of the State. Any attempt at assignment, transfer, or subgranting without such consent shall be void. All assignments, subgrants, or subcontracts approved by Grantee or the State are subject to all of the provisions hereof. Grantee shall be solely responsible for all aspects of subgranting and subcontracting arrangements and performance.

### B. Binding Effect

Except as otherwise provided in §21(A), all provisions herein contained, including the benefits and burdens, shall extend to and be binding upon the Parties' respective heirs, legal representatives, successors, and assigns.

### C. Captions

The captions and headings in this Grant are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions.

### D. Counterparts

This Grant may be executed in multiple identical original counterparts, all of which shall constitute one agreement.

### E. Entire Understanding

This Grant represents the complete integration of all understandings between the Parties and all prior representations and understandings, oral or written, are merged herein. Prior or contemporaneous additions, deletions, or other changes hereto shall not have any force or effect whatsoever, unless embodied herein.

### F. Indemnification-General

Grantee shall, to the extent permitted by law, indemnify, save, and hold harmless the State, its employees and agents, against any and all claims, damages, liability and court awards including costs, expenses, and attorney fees and related costs, incurred as a result of any act or omission by Grantee, or its employees, agents, Subgrantees, or assignees pursuant to the terms of this Grant; however, the provisions hereof shall not be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protection, or other provisions, of the GIA, or the Federal Tort Claims Act, 28 U.S.C. 2671 et seq., as applicable, as now or hereafter amended.

### G. Jurisdiction and Venue

All suits, actions, or proceedings related to this Grant shall be held in the State of Colorado and exclusive venue shall be in the City and County of Denver.

### H. List of Selected Applicable Laws

At all times during the performance of this Grant, Grantee shall comply with all applicable Federal and State laws and their implementing regulations, currently in existence and as hereafter amended, including without limitation those set forth on **Exhibit A**, Applicable Laws. Grantee also shall require compliance with such laws and regulations by subgrantees under subgrants permitted by this Grant.

### I. Use Covenants

This section  shall |  shall not apply to this Grant:

For Subject Property that is owned by Grantee upon execution of this Grant, Grantee shall record a Use Covenant substantially equivalent to **Exhibit F** with the county in which the property resides as soon as reasonably practicable after execution of this Grant. For Subject Property acquired by Grantee using Grant Funds, Grantee shall record a Use Covenant substantially equivalent to **Exhibit F** with the county in which the property resides as soon as reasonably practicable after acquisition of such property.

### J. Modification

#### i. By the Parties

Except as specifically provided in this Grant, modifications of this Grant shall not be effective unless agreed to in writing by the Parties in an amendment hereto, properly executed and approved in accordance with applicable Colorado State law, State Fiscal Rules, and Office of the State Controller Policies, including, but not limited to, the policy entitled MODIFICATION OF CONTRACTS -

**TOOLS AND FORMS.** Changes to the Grant shall be authorized to be approved by the following State or DOLA parties:

- a) **Approval by Division Director**  
The Division Director of DOLA or his delegee shall have authority to approve changes to the Responsible Administrator and Key Personnel specified in §5 of **Exhibit B** and the Principal Representative in §16.
- b) **Approval by DOLA Controller**  
The DOLA Controller shall have authority to approve all changes to the Grant which are not reserved to the Division Director above.

**ii. By Operation of Law**

This Grant is subject to such modifications as may be required by changes in Federal or Colorado State law, or their implementing regulations. Any such required modification automatically shall be incorporated into and be part of this Grant on the effective date of such change, as if fully set forth herein.

**K. Order of Precedence**

The provisions of this Grant shall govern the relationship of the Parties. In the event of conflicts or inconsistencies between this Grant and its exhibits and attachments including, but not limited to, those provided by Grantee, such conflicts or inconsistencies shall be resolved by reference to the documents in the following order of priority:

- i. Exhibit A (Applicable Laws)
- ii. Colorado Special Provisions
- iii. The provisions of the main body of this Grant (excluding the cover page)
- iv. Any executed Option Letters
- v. Exhibit B (Scope of Project)
- vi. Exhibit E (Project Performance Plan)
- vii. The cover page of this Grant

**L. Severability**

Provided this Grant can be executed and performance of the obligations of the Parties accomplished within its intent, the provisions hereof are severable and any provision that is declared invalid or becomes inoperable for any reason shall not affect the validity of any other provision hereof.

**M. Survival of Certain Grant Terms**

Notwithstanding anything herein to the contrary, provisions of this Grant requiring continued performance, compliance, or effect after termination hereof, shall survive such termination and shall be enforceable by the State if Grantee fails to perform or comply as required.

**N. Taxes**

The State is exempt from all federal excise taxes under IRC Chapter 32 (No. 84-730123K) and from all State and local government sales and use taxes under CRS §§39-26-101 and 201 et seq. Such exemptions apply when materials are purchased or services rendered to benefit the State; provided however, that certain political subdivisions (e.g., City of Denver) may require payment of sales or use taxes even though the product or service is provided to the State. Grantee shall be solely liable for paying such taxes as the State is prohibited from paying for or reimbursing Grantee for them.

**O. Third Party Beneficiaries**

Enforcement of this Grant and all rights and obligations hereunder are reserved solely to the Parties, and not to any third party. Any services or benefits which third parties receive as a result of this Grant are incidental to the Grant, and do not create any rights for such third parties.

**P. Waiver**

Waiver of any breach of a term, provision, or requirement of this Grant, or any right or remedy hereunder, whether explicitly or by lack of enforcement, shall not be construed or deemed as a waiver of any subsequent breach of such term, provision or requirement, or of any other term, provision, or requirement.

**Q. CORA Disclosure**

To the extent not prohibited by federal law, this Grant and the performance measures and standards under CRS §24-103.5-101, if any, are subject to public release through the Colorado Open Records Act, CRS §24-72-101, et seq.

**THE REST OF THIS PAGE INTENTIONALLY LEFT BLANK**

## 22. COLORADO SPECIAL PROVISIONS

A. The Special Provisions apply to all Grants except where noted in *italics*.

**i. CONTROLLER'S APPROVAL. CRS §24-30-202 (1).**

This Grant shall not be deemed valid until it has been approved by the Colorado State Controller or designee.

**ii. FUND AVAILABILITY. CRS §24-30-202(5.5).**

Financial obligations of the State payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.

**iii. GOVERNMENTAL IMMUNITY.**

No term or condition of this Grant shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, of the Colorado Governmental Immunity Act, CRS §24-10-101 et seq., or the Federal Tort Claims Act, 28 U.S.C. §§1346(b) and 2671 et seq., as applicable now or hereafter amended.

**iv. INDEPENDENT CONTRACTOR**

Grantee shall perform its duties hereunder as an independent Grantee and not as an employee. Neither Grantee nor any agent or employee of Grantee shall be deemed to be an agent or employee of the State. Grantee and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through the State and the State shall not pay for or otherwise provide such coverage for Grantee or any of its agents or employees. Unemployment insurance benefits shall be available to Grantee and its employees and agents only if such coverage is made available by Grantee or a third party. Grantee shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this Grant. Grantee shall not have authorization, express or implied, to bind the State to any Grant, liability or understanding, except as expressly set forth herein. Grantee shall (a) provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, (b) provide proof thereof when requested by the State, and (c) be solely responsible for its acts and those of its employees and agents.

**v. COMPLIANCE WITH LAW.**

Grantee shall strictly comply with all applicable federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

**vi. CHOICE OF LAW.**

Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this grant. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. Any provision incorporated herein by reference which purports to negate this or any other Special Provision in whole or in part shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise. Any provision rendered null and void by the operation of this provision shall not invalidate the remainder of this Grant, to the extent capable of execution.

**vii. BINDING ARBITRATION PROHIBITED.**

The State of Colorado does not agree to binding arbitration by any extra-judicial body or person. Any provision to the contrary in this Grant or incorporated herein by reference shall be null and void.

**viii. SOFTWARE PIRACY PROHIBITION. Governor's Executive Order D 002 00.**

State or other public funds payable under this Grant shall not be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Grantee hereby certifies and warrants that, during the term of this Grant and any extensions, Grantee has and shall maintain in place appropriate systems and controls to prevent such improper use of public funds. If the State determines that Grantee is in violation of this provision, the State may exercise any remedy available at law or in equity or under this Grant, including, without

limitation, immediate termination of this Grant and any remedy consistent with federal copyright laws or applicable licensing restrictions.

**ix. EMPLOYEE FINANCIAL INTEREST. CRS §§24-18-201 and 24-50-507.**

The signatories aver that to their knowledge, no employee of the State has any personal or beneficial interest whatsoever in the service or property described in this Grant. Grantee has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Grantee's services and Grantee shall not employ any person having such known interests.

**x. VENDOR OFFSET. CRS §§24-30-202 (1) and 24-30-202.4.**

*[Not applicable to intergovernmental agreements]* Subject to CRS §24-30-202.4 (3.5), the State Controller may withhold payment under the State's vendor offset intercept system for debts owed to State agencies for: (a) unpaid child support debts or child support arrearages; (b) unpaid balances of tax, accrued interest, or other charges specified in CRS §39-21-101, et seq.; (c) unpaid loans due to the Student Loan Division of the Department of Higher Education; (d) amounts required to be paid to the Unemployment Compensation Fund; and (e) other unpaid debts owing to the State as a result of final agency determination or judicial action.

**xi. PUBLIC GRANTS FOR SERVICES. CRS §8-17.5-101.**

*[Not applicable to agreements relating to the offer, issuance, or sale of securities, investment advisory services or fund management services, sponsored projects, intergovernmental Agreements, or information technology services or products and services]* Grantee certifies, warrants, and agrees that it does not knowingly employ or contract with an illegal alien who shall perform work under this Grant and shall confirm the employment eligibility of all employees who are newly hired for employment in the United States to perform work under this Grant, through participation in the E-Verify Program or the State program established pursuant to CRS §8-17.5-102(5)(c), Grantee shall not knowingly employ or contract with an illegal alien to perform work under this Grant or enter into a grant with a Subgrantee that fails to certify to Grantee that the Subgrantee shall not knowingly employ or contract with an illegal alien to perform work under this Grant. Grantee (a) shall not use E-Verify Program or State program procedures to undertake pre-employment screening of job applicants while this Grant is being performed, (b) shall notify the Subgrantee and the granting State agency within three days if Grantee has actual knowledge that a Subgrantee is employing or contracting with an illegal alien for work under this Grant, (c) shall terminate the Subgrant if a Subgrantee does not stop employing or contracting with the illegal alien within three days of receiving the notice, and (d) shall comply with reasonable requests made in the course of an investigation, undertaken pursuant to CRS §8-17.5-102(5), by the Colorado Department of Labor and Employment. If Grantee participates in the State program, Grantee shall deliver to the granting State agency, Institution of Higher Education or political subdivision, a written, notarized affirmation, affirming that Grantee has examined the legal work status of such employee, and shall comply with all of the other requirements of the State program. If Grantee fails to comply with any requirement of this provision or CRS §8-17.5-101 et seq., the granting State agency, institution of higher education or political subdivision may terminate this Grant for breach and, if so terminated, Grantee shall be liable for damages.

**xii. PUBLIC GRANTS WITH NATURAL PERSONS. CRS §24-76.5-101.**

Grantee, if a natural person eighteen (18) years of age or older, hereby swears and affirms under penalty of perjury that he or she (a) is a citizen or otherwise lawfully present in the United States pursuant to federal law, (b) shall comply with the provisions of CRS §24-76.5-101 et seq., and (c) has produced one form of identification required by CRS §24-76.5-103 prior to the Effective Date of this Grant.

(Special Provisions - effective 1/1/09)

SIGNATURE PAGE

**THE PARTIES HERETO HAVE EXECUTED THIS GRANT**

\* Persons signing for Grantee hereby swear and affirm that they are authorized to act on Grantee's behalf and acknowledge that the State is relying on their representations to that effect.

<p style="text-align: center;"><b>GRANTEE TOWN OF PARACHUTE</b></p> <p>By: <u>Roy B. McClung</u> Name of Authorized Individual (print)</p> <p>Title: <u>MAYOR</u> Official Title of Authorized Individual</p> <p style="text-align: center;">_____ *Signature</p> <p>Date: <u>MAY 21, 2015</u></p>	<p style="text-align: center;"><b>STATE OF COLORADO John W. Hickenlooper, GOVERNOR DEPARTMENT OF LOCAL AFFAIRS</b></p> <p>By: _____ Irv Halter, Executive Director</p> <p>Date: _____</p> <hr/> <p style="text-align: center;"><b>PRE-APPROVED FORM CONTRACT REVIEWER</b></p> <p>By: _____ Bret Hillberry, State Grants Program Manager</p> <p>Date: _____</p>
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**ALL GRANTS REQUIRE APPROVAL BY THE STATE CONTROLLER**

CRS §24-30-202 requires the State Controller to approve all State grants. This Grant is not valid until signed and dated below by the State Controller or delegate. Grantee is not authorized to begin performance until such time. If Grantee begins performing prior thereto, the State of Colorado is not obligated to pay Grantee for such performance or for any goods and/or services provided hereunder.

<p><b>STATE CONTROLLER Robert Jaros, CPA</b></p> <p>By: _____ Janet Miks, CPA, Controller Delegate</p> <p>Date: _____</p>
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## EXHIBIT A – APPLICABLE LAWS

Laws, regulations, and authoritative guidance incorporated into this Grant include, without limitation:

1. Colorado Revised Statutes §29-1-601 et seq., as amended, Colorado Local Governments Audit Law.
2. 5 USC552a, as amended, Privacy Act of 1974.
3. 8 USC 1101, Immigration and Nationality Act.
4. 29 USC Chapter 8, §§201, 206, et seq., as amended, Labor.
5. 29 USC Chapter 14, §§621-634, et seq., as amended, Age Discrimination in Employment.
6. 40 USC Subtitle II, et seq., as amended, Public Buildings and Works.
7. 40 USC 327–330, Section 103 and 107, Contract Work Hours and Safety Standards Act, as amended.
8. 40 CFR 1500-1508, as amended, Council on Environmental Quality Regulations Implementing NEPA.
9. 41 CFR Chapter 60, as amended, Executive Order 11246.
10. 41 USC 701, et seq., Drug Free Workplace Act of 1988.
11. 42 USC Chapter 21, et seq., as amended, Civil Rights.
12. CRS §24-34-302, et seq., as amended, Civil Rights Division.
13. CRS §24-34-501 – 510, et seq., as amended, Colorado Housing Act of 1970.
14. CRS §24-75-601 et seq., as amended, Legal Investment of Public Funds.

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## EXHIBIT B – SCOPE OF PROJECT (SOP)

### 1. PURPOSE

**1.1. Energy Impact.** The purpose of the Energy and Mineral Impact Assistance Program is to assist political subdivisions that are socially and/or economically impacted by the development, processing, or energy conversion of minerals and mineral fuels.

### 2. DESCRIPTION OF THE PROJECT(S) AND WORK.

**2.1. Project Description.** The Project consists of reconstructing 1650 linear feet of roadway on Parachute Park Boulevard.

**2.2. Work Description.** The Town of Parachute (Grantee) will contract for the reconstruction of approximately 1,650 linear feet of concrete roadway on Parachute Park Boulevard in the Town of Parachute. The Work will include removal of approximately 9,900 square yards of concrete roadway and subgrade and replacing it with new road base and asphalt pavement. Grantee will own all improvements and, in accordance with §9 below, a contractor will be hired to complete the Work.

**2.3. Responsibilities.** Grantee shall be responsible for the completion of the Work and to provide required documentation to DOLA as specified herein.

**2.3.1.** Grantee shall notify DOLA at least 30 days in advance of Project Completion.

**2.4. Recapture of Advanced Funds.** To maximize the use of Grant Funds, the State shall evaluate Grantee's expenditure of the Grant Funds for timeliness and compliance with the terms of this Grant. DOLA reserves the right to recapture advanced Grant Funds when Grantee has not or is not complying with the terms of this Grant.

**2.5. Eligible Expenses.** Eligible expenses shall include: labor and materials costs, bond and insurance costs, bid advertisements, and attorney's fees.

**2.6. Cost Savings.** Cost Savings derived while completing the Project shall be:

**2.6.1.**  split on a pro-rata basis between the State and Grantee

**2.6.2.**  returned to the State

### 3. DEFINITIONS

**3.1.** "Cost Savings" means the Project Budget amount less the amount expended to complete the Work. Cost Savings are determined at the time the Work is completed and the final payment request is submitted by the Grantee to the State. Cost Savings do not result in payment by the State to Grantee above actual expenditures beyond the required ratio, but deobligates unexpended Grant Funds and reduces Grantee's matching funds requirement. State shall provide written notice to Grantee verifying any Cost Savings.

**3.2.** "Cumulative Budgetary Line Item Changes" means a cumulative or increasing accumulation of additional expenses within a specific line item as listed in §6.2 Budget within this Exhibit B.

**3.3.** Project Budget Line items.

**3.3.1.** "Construction/Improvement of Public Roadways" means labor and materials costs, bond and insurance costs, bid advertisements, attorney's fees, and right-of-way acquisition costs.

**3.4.** "Substantial Completion" means the Work is sufficiently complete in accordance with the Grant so it can be utilized for its intended purpose without undue interference.

### 4. DELIVERABLES

**4.1. Outcome.** The final outcome of this Grant is completion of the reconstruction of a portion of Parachute Park Boulevard to provide the public with a safer roadway.

**4.2. Service Area.** The performance of the Work described within this Grant shall be located in Town of Parachute, Colorado.

**4.3. Performance Measures.** Grantee shall comply with the performance measures detailed in **Exhibit E**.

**4.4. Budget Line Item Adjustments.** Line Item Adjustments shall not increase the Grant Funds or the total amount of the Budget.

**4.4.1.** Grantee shall have authority to adjust individual budget line amounts without approval of the State up to an aggregate of 10% of such line item from which the funds are moved. Such authority shall not allow Grantee to transfer to or between administration budget lines. Grantee's Responsible Administrator shall send written notification of allowed adjustments to the State within 30 days of such adjustment.

**4.4.2.** All changes to individual budget line amounts which are in excess of 10% but less than 24.99% of such line item from which the funds are moved (each a "**Minor Line Item Adjustment**") shall require prior written approval of the DOLA Controller. Grantee's Responsible Administrator shall submit a written request for changes pursuant to this Section to the State. Such request shall include the amount of such request, the reason for the request and any necessary documentation. If the State approves such request, the State shall unilaterally execute an Option Letter accepting such request pursuant to §7(C)(i) of the Grant. Grantee is not authorized to perform until Grantee receives an executed Option Letter accepting such change.

**4.4.3.** All changes to individual budget line amounts which are in excess of 24.99% of such line item from which the funds are moved shall require a prior written amendment executed by the Grantee and DOLA pursuant to §21(J) of the Grant. Grantee shall submit a written request for changes pursuant to this Section to the State. Such request shall include the amount of such request, the reason for the request and any necessary documentation. Grantee is not authorized to perform until a bi-lateral amendment is fully executed by the DOLA Controller accepting such change.

**4.4.4. Signature Authority.** All Grantee notices and requests submitted to DOLA pursuant to this §4.4 (each a "**Line Item Proposal**"), must be signed and dated by a person authorized to bind the Grantee to such Line Item Proposal.

**4.5. Overall Budget Adjustments.**

**4.5.1.** All changes to the overall Budget which are less than 24.99% (each a "**Minor Budget Adjustment**") shall require prior written approval of the DOLA Controller. Grantee's Responsible Administrator shall submit a written request for changes pursuant to this Section to the State. Such request shall include the amount of such request, the reason for the request and any necessary documentation. If the State approves such request, the State shall unilaterally execute an Option Letter accepting such request pursuant to §7(C)(ii) of the Grant. Grantee is not authorized to perform until Grantee receives an executed Option Letter accepting such change. Minor Budget Adjustments shall not increase the Grant Funds.

**4.5.1.1. Exception for Setting Final Initial Budget.** Within 30 days of bid opening for its selection of its prime Subcontractor, Grantee shall submit a written request for changes to the overall Budget to revise the initial overall Budget estimate to align it with current market conditions (a "**True-up Budget Proposal**"). Grantee's Responsible Administrator shall submit a written request for changes pursuant to this Section to the State. Such request shall include the amount of such request, the reason for the request and any necessary documentation. If the State approves such request, the State shall unilaterally execute an Option Letter accepting such request pursuant to §7(C)(iii) of the Grant. Grantee is not authorized to perform until Grantee receives an executed Option Letter accepting such change. True-up Budget Proposals shall not increase the Grant Funds. The overall Budget adjustment permitted by this §4.5.1.1 is only permitted once under this Grant.

**4.5.2.** All changes to the overall Budget which are in excess of 24.99% shall require a prior written amendment executed by the Grantee and DOLA pursuant to §21(J) of the Grant. Grantee shall submit a written request for changes pursuant to this Section to the State. Such request shall include the amount of such request, the reason for the request and any necessary documentation. Grantee is not authorized to perform until a bi-lateral amendment is fully executed by the DOLA Controller accepting such change.

**4.5.3. Signature Authority.** All Grantee notices and requests submitted to DOLA pursuant to this §4.5 (each a “**Budget Proposal**”), must be signed and dated by a person authorized to bind the Grantee to such Budget Proposal.

**4.6. Quarterly Pay Request and Status Reports.** Beginning 30 days after the end of the first quarter following execution of this Grant and for each quarter thereafter until termination of this Grant, Grantee shall submit Pay Requests and Status Reports using a form provided by the State. The State shall pay the Grantee for actual expenditures made in the performance of this Grant based on the submission of statements in the format prescribed by the State. The Grantee shall submit Pay Requests setting forth a detailed description and provide documentation of the amounts and types of reimbursable expenses. For quarters in which there are no expenditures to reimburse, Grantee shall indicate zero (0) in the request and specify status of the Work in the Status Report. The report will contain an update of expenditure of funds by line item as per §6.2 of this **Exhibit B** Scope of Project as well as a projection of all Work expected to be accomplished in the following quarter, including an estimate of Grant Funds to be expended. This report is due within 30 days of the end of the quarter or more frequently at the discretion of the Grantee. See **Exhibit E** for specific submittal dates.

**4.7. DOLA Acknowledgment.** The Grantee agrees to acknowledge the Colorado Department of Local Affairs in any and all materials or events designed to promote or educate the public about the Work and the Project, including but not limited to: press releases, newspaper articles, op-ed pieces, press conferences, presentations and brochures/pamphlets.

## 5. PERSONNEL

**5.1. Replacement.** Grantee shall immediately notify the State if any key personnel specified in §5 of this **Exhibit B** cease to serve. Provided there is a good-faith reason for the change, if Grantee wishes to replace its key personnel, it shall notify the State and seek its approval, which shall be at the State's sole discretion, as the State executed this Grant in part reliance on Grantee's representations regarding key personnel. Such notice shall specify why the change is necessary, who the proposed replacement is, what their qualifications are, and when the change will take effect. Anytime key personnel cease to serve, the State, in its sole discretion, may direct Grantee to suspend Work until such time as replacements are approved. All notices sent under this subsection shall be sent in accordance with §16 of the Grant.

**5.2. Responsible Administrator.** Grantee's performance hereunder shall be under the direct supervision of **Stuart McArthur, Town Manager (stuartmc@parachutecolorado.com)**, an employee or agent of Grantee, who is hereby designated as the responsible administrator of this Project. Such administrator shall be updated through the approval process in §5.1. If this person is an agent of the Grantee, such person must have signature authority to bind the Grantee and must provide evidence of such authority.

**5.3. Other Key Personnel:** None. Such key personnel shall be updated through the approval process in §5.1.

## 6. FUNDING

The State provided funds shall be limited to the amount specified under the “Grant Funds” column of §6.2, Budget, below.

**6.1. Matching Funds.** Grantee shall provide the required (*see checked item*)  Matching Funds, as listed in the “Matching Funds” column of §6.2 below during the term of this Project. Funds used as match on previous grant(s) cannot be used as Matching Funds for this Grant.

**6.2. Budget**

Budget Line Item(s)	Total Cost	Grant Funds	Matching Funds	Matching Funds Source
Construction/Improvement of Public Roadways	\$697,000	\$350,000	\$347,000	Grantee
Construction/Improvement of Public Roadways: Asphalt	\$303,000	\$0	\$303,000	Grantee
<b>Total</b>	<b>\$1,000,000</b>	<b>\$350,000</b>	<b>\$650,000</b>	

**7. PAYMENT**

Payments shall be made in accordance with this section and the provisions set forth in §7 of the Grant.

**7.1. Payment Schedule.** If Work is subcontracted or subgranted and such Subcontractors and/or Subgrantees are not previously paid, Grantee shall disburse Grant Funds received from the State to such Subcontractor or Subgrantee within fifteen days of receipt. Excess funds shall be returned to DOLA.

Payment	Amount	
Interim Payment(s)	\$332,000	Paid upon receipt of actual expense documentation and written Pay Requests from the Grantee for reimbursement of eligible approved expenses.
Final Payment	\$17,500	Paid upon Substantial Completion of the Project (as determined by the State in its sole discretion), provided that the Grantee has submitted, and DOLA has accepted, all required reports.
<b>Total</b>	<b>\$350,000</b>	

**7.2. Remittance Address.** If mailed, payments shall be remitted to the following address unless changed in accordance with §16 of the Grant:

Town of Parachute  
 PO Box 100  
 Parachute, CO 81635

**7.3. Interest.** Grantee or Subgrantee may keep interest earned from Grant Funds up to \$100 per year for administrative expenses.

**8. ADMINISTRATIVE REQUIREMENTS**

**8.1. Reporting.** Grantee shall submit the following reports to DOLA using the State-provided forms. DOLA may withhold payment(s) if such reports are not submitted timely.

**8.1.1. Quarterly Pay Request and Status Reports.** Quarterly Pay Requests shall be submitted to DOLA in accordance with §4.6 of this Exhibit B.

**8.1.2. Final Reports.** Within 90 days after the completion of the Project, Grantee shall submit the final Pay Request and Status Report to DOLA.

**8.2. Monitoring.** DOLA shall monitor this Work on an as-needed basis. DOLA may choose to audit the records for activities performed under this Grant. Grantee shall maintain a complete file of all records, documents, communications, notes and other written materials or electronic media, files or communications, which pertain in any manner to the operation of activities undertaken pursuant to an executed Grant. Such books and records shall contain documentation of the Grantee’s pertinent activity under this Grant in accordance with Generally Accepted Accounting Principles.

- 8.2.1.Subgrantee/Subcontractor.** Grantee shall monitor its Subgrantees and/or Subcontractors, if any, during the term of this Grant. Results of such monitoring shall be documented by Grantee and maintained on file.
- 8.3. Bonds.** If Project includes construction or facility improvements, Grantee and/or its contractor (or subcontractors) performing such work shall secure the bonds here under from companies holding certificates of authority as acceptable sureties pursuant to 31 CFR Part 223 and are authorized to do business in Colorado.
- 8.3.1.Bid Bond.** A bid guarantee from each bidder equivalent to 5 percent of the bid price. The “bid guarantee” shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder shall, upon acceptance of his bid, execute such contractual documents as may be required within the time specified.
- 8.3.2.Performance Bond.** A performance bond on the part of the contractor for 100 percent of the contract price. A “performance bond” is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.
- 8.3.3.Payment Bond.** A payment bond on the part of the contractor for 100 percent of the contract price. A “payment bond” is one executed in connection with a contract to assure payment as required by statute of all persons supplying labor and material in the execution of the work provided for in the contract.
- 8.3.4.Substitution.** The bonding requirements in this §8.3 may be waived in lieu of an irrevocable letter of credit if the price is less than \$50,000.
- 9. CONSTRUCTION/RENOVATION.** The following subsections shall apply to construction and/or renovation related projects/activities:
- 9.1. Plans & Specifications.** Construction plans and specifications shall be drawn up by a qualified engineer or architect licensed in the State of Colorado, or pre-engineered in accordance with Colorado law, and hired by the Grantee through a competitive selection process.
- 9.2. Procurement.** A construction contract shall be awarded to a qualified construction firm through a formal selection process with the Grantee being obligated to award the construction contract to the lowest responsive, responsible bidder meeting the Grantee's specifications.
- 9.3. Subcontracts.** Copies of any and all contracts entered into by the Grantee in order to accomplish this Project shall be submitted to DOLA upon request, and any and all contracts entered into by the Grantee or any of its Subcontractors shall comply with all applicable federal and state laws and shall be governed by the laws of the State of Colorado.
- 9.4. Standards.** Grantee, Subgrantees and Subcontractors shall comply with all applicable statutory design and construction standards and procedures that may be required, including the standards required by Colorado Department of Public Health and Environment, and shall provide the State with documentation of such compliance.

**THE REST OF THIS PAGE INTENTIONALLY LEFT BLANK**

# EXHIBIT E – PROJECT PERFORMANCE PLAN

<b>Funding:</b> EIAF	<b>Name of Grantee</b>	Town of Parachute
<b>Project Number:</b> 7751	<b>Name of Project</b>	Parachute Park Boulevard Reconstruction
<b>DESCRIPTION OF PROJECT:</b>	The Project consists of reconstructing 1650 linear feet of roadway on Parachute Park Boulevard.	
<b>DLG Staff:</b>	Elyse Ackerman - Regional Manager (970) 248-7333 EA	Leslie Hentze - Regional Assistant (970) 248-7313 LH
<b>MILESTONES – Grantee shall...</b>	<b>By:</b>	<b>STATE ROLE- DLG shall...</b>
Put Project out to bid.	Within 60 days of the Effective Date of this Grant Agreement.	Assist Grantee with bidding process, if necessary. Provide feedback to Grantee identifying issues or concerns, if any.
Provide DOLA with Project Timeline.	Within 30 days of the Effective Date of the subcontract(s).	Review timeline to ensure timely completion of Project. Provide feedback to Grantee identifying issues or concerns, if any.
Contractor mobilization.	Within 60 days of the Effective Date of the subcontract(s).	Monitor progress reports from the Grantee. Help Grantee identify if/when a Grant Agreement amendment is needed. Provide feedback to Grantee identifying issues or concerns, if any.
Project Completion.	April 30, 2016	Review past quarterly reports, conduct on-site monitoring, and review final report.
		<b>ACHIEVED: <u>MM/DD/20YY</u></b>

<p>Submit <b>quarterly progress reports</b>, which includes: Project Performance Plan accomplishments and a Financial Summary Report for:</p> <p>2<sup>nd</sup> Quarter 2015  3<sup>rd</sup> Quarter 2015  4<sup>th</sup> Quarter 2015  1<sup>st</sup> Quarter 2016  2<sup>nd</sup> Quarter 2016</p> <p>Progress shall be evaluated by the Grantee and documented and included at least upon submittal of Quarterly Progress Reports.</p> <p>Such evaluation may consist of any/all of the following monitoring methods:</p> <p>a) on-site walk through inspections of the reconstructed roadway segment in order to determine if:</p> <ul style="list-style-type: none"> <li>i) the contractor has reconstructed a percentage of the roadway as would be expected under this Grant and Exhibit B (including but not limited to removal and disposal of debris, concrete, subgrade and other old materials, and application of road base and asphalt);</li> <li>ii) the contractor is experiencing delays;</li> <li>iii) the roadway reconstruction is progressing per agreed upon timeline/milestones and as would be expected under this Grant and Exhibit B (including but not limited to obtaining required approvals, use of approved materials, and testing of all elements);</li> </ul> <p>and b) question and answer sessions with the contractor to confirm understanding by all parties as to the nature of the Work and how far along it should be dependent upon the Quarter under review.</p>	<p>(30 calendar days after each quarter):</p> <p>July 30, 2015  October 30, 2015  <u>January 30, 2016</u>  April 30, 2016  July 29, 2016</p>	<p>Review documents and provide follow up technical assistance as necessary.</p> <p>If needed, respond to a request for training within 10 days.</p>	<p><b>ACHIEVED: <u>MM/DD/20YY</u></b></p> <p><b>ACHIEVED: <u>MM/DD/20YY</u></b></p> <p><b>ACHIEVED: <u>MM/DD/20YY</u></b></p> <p><b>ACHIEVED: <u>MM/DD/20YY</u></b></p>
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Submit, at a minimum <b>quarterly</b> basis, <b>pay requests</b> and supporting documentation of expenses.	July 30, 2015 October 30, 2015 <u>January 30, 2016</u> April 30, 2016 July 29, 2016	Review backup documentation and proof of payment prior to approving pay request. Reimbursement should not exceed pro rata share.	<b>ACHIEVED: <u>MM/DD/20YY</u></b>
Submit the <b>Project Final Report</b> to DLG within 90 days after the Project Completion or expiration of Grant Agreement.	July 29, 2016	Provide forms to Grantee within 30 days of completion of work or end of the Grant Agreement. Process the Final Report and deobligate any remaining grant funds within 30 days of receiving a complete Final report.	<b>ACHIEVED: <u>MM/DD/20YY</u></b>

### QUARTERLY QUESTIONS

List Reimbursement Requests for the three months being reported on:

<b><u>Month</u></b>	January	<b><u>Amount</u></b>	
<b><u>Month</u></b>	January	<b><u>Amount</u></b>	
<b><u>Month</u></b>	January	<b><u>Amount</u></b>	

Were any months "zero payment" (no costs incurred) during this quarter? If so, please provide an explanation.

What are the forecasted costs for the next quarter?

Are the budget lines still adequate? Is a contract amendment needed at this time? Are there any anticipated concerns or issues?

Do you foresee any potential problems meeting the Grant Agreement completion deadline?

Were previously identified problems (if any) corrected? Was a budget adjustment needed/done to address the problem(s)?

## EXHIBIT G Form of Option Letter

<b>Date:</b> _____	<b>Original Grant CMS #:</b> _____	<b>Option Letter #</b> _____	<b>CMS Routing #</b> _____
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**1) OPTIONS:**

- a. Option to issue a new Budget (§6.2 of Exhibit B) for a Minor Line Item Adjustment (as defined in §4.4.2 of Exhibit B).
- b. Option to issue a new Budget (§6.2 of Exhibit B) for a Minor Budget Adjustment (as defined in §4.5.1 of Exhibit B).
- c. Option to issue a new Budget (§6.2 of Exhibit B) for acceptance of a True-Up Budget Proposal (as defined in §4.5.1.1 of Exhibit B).

**2) REQUIRED PROVISIONS.** All Option Letters shall contain the appropriate provisions set forth below:

- a. **For use with Option 1(a):** In accordance with §7(C)(i) of the Original Grant referenced above between the State of Colorado, acting by and through the Colorado Department of Local Affairs, and **Grantee's Name** ("Grantee"), the State hereby approves the Minor Line Item Adjustment listed on the attached revised Budget for §6.2 of Exhibit B. Section 6.2 of Exhibit B of the Original Grant is hereby deleted and replaced with the attached §6.2 of Exhibit B. All references to §6.2 of Exhibit B in the Original Grant shall refer to the attached Exhibit. Minor Line Item Adjustments shall not increase the Grant Funds or the total amount of the Budget.
- b. **For use with Option 1(b):** In accordance with §7(C)(ii) of the Original Grant referenced above between the State of Colorado, acting by and through the Colorado Department of Local Affairs, and **Grantee's Name** ("Grantee"), the State hereby approves the Minor Budget Adjustment listed on the attached revised Budget for §6.2 of Exhibit B. Section 6.2 of Exhibit B of the Original Grant is hereby deleted and replaced with the attached §6.2 of Exhibit B. All references to §6.2 of Exhibit B in the Original Grant shall refer to the attached Exhibit. Minor Budget Adjustments shall not increase the Grant Funds.
- c. **For use with Option 1(c):** In accordance with §7(C)(iii) of the Original Grant referenced above between the State of Colorado, acting by and through the Colorado Department of Local Affairs, and **Grantee's Name** ("Grantee"), the State hereby approves the True-Up Budget Proposal listed on the attached revised Budget for §6.2 of Exhibit B. Section 6.2 of Exhibit B of the Original Grant is hereby deleted and replaced with the attached §6.2 of Exhibit B. All references to §6.2 of Exhibit B in the Original Grant shall refer to the attached Exhibit. True-Up Budget Proposals shall not increase the Grant Funds.

**3) Effective Date.** The effective date of this Option Letter is upon approval of the State Controller or Insert start date, whichever is later.

**STATE OF COLORADO**  
**John W. Hickenlooper GOVERNOR**  
 Colorado Department of Local Affairs

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By: Irv Halter, Executive Director

Date: \_\_\_\_\_

**ALL CONTRACTS REQUIRE APPROVAL BY THE STATE CONTROLLER**

CRS §24-30-202 requires the State Controller to approve all State contracts. This Option Letter is not valid until signed and dated below by the State Controller or delegate. Grantee is not authorized to begin performance until such time. If Grantee begins performing prior thereto, the State of Colorado is not obligated to pay Grantee for such performance or for any goods and/or services provided hereunder.

**STATE CONTROLLER**  
**Robert Jaros, CPA**

By: \_\_\_\_\_  
 Janet Miks, CPA, Controller Delegate

Date: \_\_\_\_\_



**COLORADO**  
Department of Local Affairs  
Division of Local Government

May 11, 2015

Judith Beasley, Mayor  
Town of Parachute  
P. O. Box 100  
Parachute, Colorado 81635

RE: EIAF 7488 - Parachute 2014 Comprehensive Plan, Contract Amendment #1

Dear Mayor Beasley:

Attached is Contract Amendment #1 for the above-referenced Energy Impact Assistance Fund project. If the amendment is satisfactory as written, please print and execute **three (3) originals** of the amendment, signed and dated by an authorized signator (**original signatures only; no photocopies, stamped or e-signatures**). Please note that an authorized signator is a County Chief Elected Official, City/Town Mayor, or District Board President. If any other individual should sign this contract, you must provide a letter from the Chief Elected Official documenting the specific individual's delegated authority to sign.

**Please be sure that you return three (3) sets of the entire amendment and not just the signature page.** An attesting signature and seal is not required.

**Please send these documents along with the return routing memo (see below) to:**

Department of Local Affairs  
ATTENTION: Diane Von Dollen  
1313 Sherman Street, Room 521  
Denver, CO 80203

If you have any questions, please call Elyse Ackerman at (970) 248-7333 or me at (303) 864-7731.

Sincerely,

Beth Lipscomb  
Contracts Specialist  
Department of Local Affairs

Enclosures

Cc: Elyse Ackerman, DOLA Regional Manager



RETURN ROUTING MEMORANDUM

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TO: Diane Von Dollen  
THROUGH: Stuart McArthur, Administrator, Town of Parachute  
FROM: Beth Lipscomb  
DATE: May 11, 2015  
RE: Contract Amendment Approvals

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FOR FINAL APPROVAL ROUTING (3 COPIES ENCLOSED):

RE: EIAF 7488 - Parachute 2014 Comprehensive Plan CA#2

Contractor's Federal I.D.# on file with Accounting

Form sent to Contractor to complete

Elyse Ackerman, DOLA Regional Manager



## CONTRACT AMENDMENT

<b>Amendment #: 1</b>	<b>Encumbrance #: F15MLG7488</b>
<b>Original Contract CMS or CLIN #: 71549</b>	<b>Amendment CMS #: 79866</b>

**1) PARTIES**

This Amendment to the above-referenced Original Contract (hereinafter called the Contract) is entered into by and between the **TOWN OF PARACHUTE** (hereinafter called "Grantee" or "Contractor"), and the STATE OF COLORADO (hereinafter called the "State") acting by and through the Department of Local Affairs, Division of Local Governments, (hereinafter called the "DOLA").

**2) EFFECTIVE DATE AND ENFORCEABILITY**

This Amendment shall not be effective or enforceable until it is approved and signed by the Colorado State Controller or designee (hereinafter called the "Effective Date"). The State shall not be liable to pay or reimburse Contractor for any performance hereunder including, but not limited to, costs or expenses incurred, or be bound by any provision hereof prior to the Effective Date.

**3) FACTUAL RECITALS**

The Parties entered into the Contract for updating the Town of Parachute's Comprehensive Master Plan. Grantee reports that the Work has begun however they have had to unexpectedly change contractors. Grantee requests additional time to properly complete the Project using its new contractor. This Amendment extends the time of performance as requested.

**4) CONSIDERATION - COLORADO SPECIAL PROVISIONS**

The Parties acknowledge that the mutual promises and covenants contained herein and other good and valuable consideration are sufficient and adequate to support this Amendment. The Parties agree to replacing the Colorado Special Provisions with the most recent version (if such have been updated since the Contract and any modification thereto were effective) as part consideration for this Amendment.

**5) LIMITS OF EFFECT**

This Amendment is incorporated by reference into the Contract, and the Contract and all prior amendments thereto, if any, remain in full force and effect except as specifically modified herein.

**6) MODIFICATIONS**

The Contract and all prior amendments thereto, if any, are modified as follows:

- a. **Grant Agreement, Cover Page, Project Information** is modified by deleting the Performance Period: End Date:

"Performance Period: Start Date: \_\_\_\_\_ End Date: 07/31/15"

and inserting the following in lieu thereof:

"Performance Period: Start Date: \_\_\_\_\_ End Date: 07/31/16"

- b. **Grant Agreement, Section 5, Term Subsection A, Initial Term-Work Commencement** is modified by deleting the subsection:

"Unless otherwise permitted in §2 above, the Parties' respective performances under this Grant shall commence on the Effective Date. This Grant shall terminate on **July 31, 2015** unless sooner terminated or further extended as specified elsewhere herein."

**and inserting the following in lieu thereof:**

“Unless otherwise permitted in §2 above, the Parties’ respective performances under this Grant shall commence on the Effective Date. This Grant shall terminate on **July 31, 2016** unless sooner terminated or further extended as specified elsewhere herein.”

**c. Exhibit E, Project Performance Plan is modified by deleting the Fifth Milestone:**

“Project Completion.	July 31, 2015	Review past quarterly reports, conduct on-site monitoring, and review final report.	<b>ACHIEVED: MM/DD/20YY”</b>
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**and inserting the following in lieu thereof:**

“Project Completion.	July 31, 2016	Review past quarterly reports, conduct on-site monitoring, and review final report.	<b>ACHIEVED: MM/DD/20YY”</b>
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**d. Exhibit E, Project Performance Plan is modified by deleting the Sixth Milestone:**

<p>“Submit <b>quarterly progress reports</b>, which includes: Project Performance Plan accomplishments and a Financial Summary Report for:</p> <p>3<sup>rd</sup> Quarter 2014 4<sup>th</sup> Quarter 2014 1<sup>st</sup> Quarter 2015 2<sup>nd</sup> Quarter 2015 3<sup>rd</sup> Quarter 2015</p> <p>Progress shall be evaluated by the Grantee and documented and included at least upon submittal of Quarterly Progress Reports. Such evaluation shall consist of at least the following monitoring method:</p> <p>a) Question and answer sessions with the contractor to confirm understanding by all parties as to the nature of the Work and how far along it should be dependent upon the Quarter under review. Specifically, such sessions will determine if:</p> <p>i) An acceptable percentage of the comprehensive master plan documents have been developed as per agreed time-line as would be expected under this Grant and described in Exhibit B; and</p> <p>ii) The information is acceptable in depth and detail to serve as a policy tool to inform Town decision makers as described in Exhibit B.</p>	<p>(30 calendar days after each quarter):</p> <p>October 30, 2014 January 30, 2015 April 30, 2015 July 30, 2015 October 29, 2015</p>	<p>Review documents and provide follow up technical assistance as necessary.</p> <p>If needed, respond to a request for training within 10 days.</p>	<b>ACHIEVED: MM/DD/20YY</b>
			<b>ACHIEVED: MM/DD/20YY</b>
			<b>ACHIEVED: MM/DD/20YY</b>
			<b>ACHIEVED: MM/DD/20YY”</b>

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and inserting the following in lieu thereof:

<p>"Submit <b>quarterly progress reports</b>, which includes: Project Performance Plan accomplishments and a Financial Summary Report for:</p> <p>3<sup>rd</sup> Quarter 2014  <u>4<sup>th</sup> Quarter 2014</u>                  1<sup>st</sup> Quarter 2015                  2<sup>nd</sup> Quarter 2015                  3<sup>rd</sup> Quarter 2015  <u>4<sup>th</sup> Quarter 2015</u>                  1<sup>st</sup> Quarter 2016                  2<sup>nd</sup> Quarter 2016                  3<sup>rd</sup> Quarter 2016</p> <p>Progress shall be evaluated by the Grantee and documented and included at least upon submittal of Quarterly Progress Reports. Such evaluation shall consist of at least the following monitoring method:</p> <p>a) Question and answer sessions with the contractor to confirm understanding by all parties as to the nature of the Work and how far along it should be dependent upon the Quarter under review. Specifically, such sessions will determine if:</p> <p>i) An acceptable percentage of the comprehensive master plan documents have been developed as per agreed time-line as would be expected under this Grant and described in Exhibit B; and</p> <p>ii) The information is acceptable in depth and detail to serve as a policy tool to inform Town decision makers as described in Exhibit B.</p>	<p>(30 calendar days after each quarter):</p> <p>October 30, 2014  <u>January 30, 2015</u>                  April 30, 2015                  July 30, 2015                  October 29, 2015  <u>January 30, 2016</u>                  April 30, 2016                  July 30, 2016                  October 29, 2016</p>	<p>Review documents and provide follow up technical assistance as necessary.</p> <p>If needed, respond to a request for training within 10 days.</p>	<p><b>ACHIEVED:</b>  <u>MM/DD/20YY</u></p> <p><b>ACHIEVED:</b>  <u>MM/DD/20YY</u></p> <p><b>ACHIEVED:</b>  <u>MM/DD/20YY</u></p> <p><b>ACHIEVED:</b>  <u>MM/DD/20YY</u></p>
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e. **Exhibit E, Project Performance Plan** is modified by deleting the Seventh Milestone:

<p>"Submit, at a minimum <b>quarterly</b> basis, <b>pay requests</b> and supporting documentation of expenses.</p>	<p>October 30, 2014                  January 30, 2015                  April 30, 2015                  July 30, 2015                  October 29, 2015</p>	<p>Review backup documentation and proof of payment prior to approving pay request. Reimbursement should not exceed pro rata share.</p>	<p><b>ACHIEVED:</b>  <u>MM/DD/20YY</u></p>
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and inserting the following in lieu thereof:

<p>"Submit, at a minimum <b>quarterly</b> basis, <b>pay requests</b> and supporting documentation of expenses.</p>	<p>October 30, 2014  <u>January 30, 2015</u>                  April 30, 2015                  July 30, 2015                  October 29, 2015  <u>January 30, 2016</u>                  April 30, 2016                  July 30, 2016                  October 29, 2016</p>	<p>Review backup documentation and proof of payment prior to approving pay request. Reimbursement should not exceed pro rata share.</p>	<p><b>ACHIEVED:</b>  <u>MM/DD/20YY</u></p>
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f. **Exhibit E, Project Performance Plan** is modified by deleting the Eighth Milestone:

"Submit the <b>Project Final Report</b> to DLG within 90 days after the Project Completion or expiration of Grant Agreement.	October 29, 2015	Provide forms to Grantee within 30 days of completion of work or end of the Grant Agreement. Process the Final Report and deobligate any remaining grant funds within 30 days of receiving a complete Final report.	<b>ACHIEVED:</b> <u>MM/DD/20YY</u> "
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and inserting the following in lieu thereof:

"Submit the <b>Project Final Report</b> to DLG within 90 days after the Project Completion or expiration of Grant Agreement.	October 29, 2016	Provide forms to Grantee within 30 days of completion of work or end of the Grant Agreement. Process the Final Report and deobligate any remaining grant funds within 30 days of receiving a complete Final report.	<b>ACHIEVED:</b> <u>MM/DD/20YY</u> "
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**7) START DATE**

This Amendment shall take effect on the later of its Effective Date or May 31, 2015.

**8) ORDER OF PRECEDENCE**

Except for the Special Provisions, in the event of any conflict, inconsistency, variance, or contradiction between the provisions of this Amendment and any of the provisions of the Contract, the provisions of this Amendment shall in all respects supersede, govern, and control. The most recent version of the Special Provisions incorporated into the Contract or any amendment shall always control other provisions in the Contract or any amendments.

**9) AVAILABLE FUNDS**

Financial obligations of the state payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, or otherwise made available.

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**THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT**

**\* Persons signing for Contractor hereby swear and affirm that they are authorized to act on Contractor's behalf and acknowledge that the State is relying on their representations to that effect.**

**CONTRACTOR  
TOWN OF PARACHUTE**

By: \_\_\_\_\_  
Name of Authorized Individual

Title: \_\_\_\_\_  
Official Title of Authorized Individual

\_\_\_\_\_  
\*Signature

Date: \_\_\_\_\_

**STATE OF COLORADO  
John W. Hickenlooper, GOVERNOR  
DEPARTMENT OF LOCAL AFFAIRS**

By: \_\_\_\_\_  
Irv Halter, Executive Director

Date: \_\_\_\_\_

**PRE-APPROVED FORM CONTRACT REVIEWER**

By: \_\_\_\_\_  
Bret Hillberry, State Grants Program Manager

Date: \_\_\_\_\_

**ALL CONTRACTS REQUIRE APPROVAL BY THE STATE CONTROLLER**

**CRS §24-30-202 requires the State Controller to approve all State Contracts. This Contract is not valid until signed and dated below by the State Controller or delegate. Contractor is not authorized to begin performance until such time. If Contractor begins performing prior thereto, the State of Colorado is not obligated to pay Contractor for such performance or for any goods and/or services provided hereunder.**

**STATE CONTROLLER  
Robert Jaros, CPA**

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

Janet Miks, CPA, Controller Delegate

Date: \_\_\_\_\_

April 29, 2015

To the Board of Trustees and Management  
Town of Parachute  
222 Grand Valley Way  
Parachute, Colorado 81635

We are pleased to confirm our understanding of the services we are to provide the Town of Parachute for the year ended December 31, 2014. We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, if applicable, including the related notes to the financial statements, which collectively comprise the basic financial statements of the Town of Parachute as of and for the year ended December 31, 2014. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Town of Parachute's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. As part of our engagement, we will apply certain limited procedures to the Town of Parachute's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.

We have also been engaged to report on supplementary information other than RSI that accompanies the Town of Parachute's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole:

- 1) Individual Budget to Actual Schedules

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information.

- 1) Local Highway Finance Report

## **Audit Objective**

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

## **Management Responsibilities**

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein.

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

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

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

### **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditor is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

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

### **Audit Procedures—Internal Control**

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Town of Parachute's compliance with the provisions of applicable laws, regulations, contracts and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

### **Engagement Administration, Fees and Other**

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

If acceptable to the Town, we expect to begin our audit on approximately April 29, 2015 and to issue our reports no later than June 30, 2015. Steven Plutt is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for these services will be \$9,500 which includes out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.). Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

**Accountant-Client Privilege**

We understand and agree to fully comply with the accountant-client privilege set forth in section 13-90-107(f), C.R.S., in connection with all work performed for the Town or relating in any manner to the Town.

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

Very truly yours,

*Dazzio & Plutt, LLC*

RESPONSE:

This letter correctly sets forth the understanding of the Town of Parachute.

Management signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Board Member signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## REVOCABLE LICENSE AGREEMENT

THIS REVOCABLE LICENSE AGREEMENT is made and entered into this \_\_\_ day of \_\_\_\_\_, 2015, by and between the TOWN OF PARACHUTE, COLORADO, a Colorado home rule municipality (the "TOWN") and DAVID L. AND PAMELA M. STANSBURY, individuals ("Licensee").

WITNESSETH:

WHEREAS, Licensee owns real property located at 6 Alpine Court, Parachute, CO 81635 (Garfield County Parcel No. 2409-123-04-006);

WHEREAS, Licensee has located a fence near their property boundary that encroaches onto property owned by the Town (the "Licensed Area"), as depicted on Exhibit A; and

WHEREAS, the Town is willing to grant Licensee a revocable license to encroach on its property for the Licensed Area, as shown on Exhibit A, subject to the terms and conditions of this Revocable 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 Revocable License/Conditions of Use. The Town hereby grants Licensee a revocable license to encroach and occupy the Town property shown as the Licensed Area on Exhibit A. This grant of a revocable license is expressly limited to and for the sole purpose of locating a fence. Licensee shall be responsible for all improvements located in the Licensed Area. Licensee hereby acknowledges the title of the Town to the Licensed Area, and agrees never to resist or deny such title. Any and all use of the Town property by Licensee under this License is permissive and not adverse to the interest of the Town. The license granted herein shall be revocable at the Town's sole discretion.
3. Indemnification. Licensee agrees to forever indemnify, defend, and hold harmless the Town, its managers, agents, and employees, against any and all claims, liabilities, or demands whatsoever relating to or arising out of the use of the Town property and the Licensed Area or arising out of or related to this Agreement. Licensee shall be solely responsible to defend any such action, proceeding, or claim for which the Town may be entitled to indemnification, and the Town hereby agrees to fully cooperate with Licensee in the defense or settlement, as the case may be, of such action, proceeding or claim, but the Town reserves the right to participate in the defense of any such action, proceeding or claim at its own expense.

4. 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.
5. Entire Agreement. This Agreement is the entire agreement of the parties, and neither party has relied on any promises or representations except as expressly described herein.
6. 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.
7. No Liens. Licensee shall keep the Licensed Area 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.
8. Fees and Expenses. Licensee agrees to reimburse the Town promptly upon receipt of a billing for all of the Town's costs and expenses relating to the negotiation, drafting, enforcement, and performance of this Agreement, including but not limited to recording fees, engineering fees, and attorney fees.

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

TOWN OF PARACHUTE, COLORADO

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

ATTEST:

\_\_\_\_\_  
Town Clerk

DAVID L. STANSBURY

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

PAMELA M. STANSBURY

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

STATE OF COLORADO )  
 ) ss.  
COUNTY OF GARFIELD )

Acknowledged, subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 2015,  
by \_\_\_\_\_.

WITNESS my hand and official seal. My Commission expires: \_\_\_\_\_.

\_\_\_\_\_  
Notary Public (SEAL)

STATE OF COLORADO )  
 ) ss.  
COUNTY OF GARFIELD )

Acknowledged, subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 2015,  
by \_\_\_\_\_.

WITNESS my hand and official seal. My Commission expires: \_\_\_\_\_.

\_\_\_\_\_  
Notary Public (SEAL)





# THANKS

You made the 2015 GVHS After Prom a success!!!!  
Thank you for all of your support!

Grand Valley High School students!!!

*Kylee  
Hayden*

*Andy*

*Taylor  
Mills*



*David*

*Andy  
Dre*

*Andy*

*Haley  
Lund*

*Ashley*

*Sierra  
Hegwood*

# THANK YOU!!!

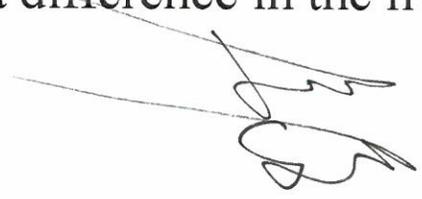
*Haley  
Jones*

*Ally*

We really appreciate all the support for  
Grand Valley High School After Prom 2015.

GVHS had 154 students out of 260 participate!!

You made a difference in the lives of our students.



*Hayden*

*Hayden*

*Merritt Jones*

*Hayden*

*Join Us to Celebrate*  
**Our 8th Annual**  
*Teacher of the Year Luncheon*  
*Music*  
*Presentation of Awards*

Grand Valley Educational Foundation  
invites you and a guest to attend the  
Teacher of the Year Awards' Ceremony  
on Friday, May 22<sup>nd</sup> at 1 p.m.  
Grand Valley Middle School Cafetorium

*Please RSVP to Dasa Bryan 970-987-1739*