



AGENDA

TOWN OF PARACHUTE

BOARD OF TRUSTEES REGULAR MEETING

SEPTEMBER 11, 2014

(A) ROLL CALL

(B) PLEDGE OF ALLEGIANCE

(C) CONSENT AGENDA:

- (1) APPROVAL OF MINUTES FROM THE AUGUST 14, 2014 MEETING**
- (2) APPROVAL OF AUGUST 2014 EXPENDITURES**

(D) COMMENTS FROM CITIZENS NOT ON THE AGENDA

(E) 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 Update..... Derek Wingfield, Community Development Specialist**

(F) APPOINT MARY C. ALL BEE (CANDY) TO THE PLANNING AND ZONING COMMISSION.

STAFF: S. DENISE CHIARETTA

(G) CHERYL PICKETT

RE: VALLEY SENIOR CENTER

(H) PRESENTATION TROUT UNLIMITED:

Presented by Richard Gytenbeek

(I) GARFIELD CLEAN ENERGY 2015 BUDGET REQUEST:

Presented by Heather McGregor and Chair Trustee Allyn Harvey, Carbondale Trustee

(J) GRAND VALLEY FIRE PROTECTION DISTRICT:

Presentation: Wild Lands

(K) PUBLIC HEARING CONTINUED FROM AUGUST 14, 2014 MEETING

GRAND VIEW INDUSTRIAL CENTER PUD

STAFF: DAVIS FARRAR, TOWN PLANNER

(L) BOARD CONSIDERATION OF ORDINANCE NO. 675

AN ORDINANCE OF THE TOWN OF PARACHUTE, COLORADO, AMENDING THE ZONE DISTRICT MAP OF THE TOWN OF PARACHUTE BY APPROVING AN INDUSTRIAL PLANNED UNIT DEVELOPMENT WITHIN THE TOWN OF PARACHUTE TO BE KNOWN AS THE GRAND VIEW INDUSTRIAL CENTER PLANNED UNIT DEVELOPMENT AND APPROVING A SITE SPECIFIC DEVELOPMENT PLAN ESTABLISHING A VESTED PROPERTY RIGHT PURSUANT TO ARTICLE 68 OF TITLE 24, C.R.S., AND SECTION 15.01.107 OF THE PARACHUTE MUNICIPAL CODE.

(M) LAND USE APPLICATION:

APPLICANT: URSA OPERATING COMPANY LLC,

PROJECT NAME: TOMPKINS PAD

LOCATION: TOMPKINS PROPERTY

269 COUNTY ROAD 309

PARACHUTE, CO 81635

LEGAL DESCRIPTION: INCLUDED IN PACKET

STAFF: MARK AUSTIN, TOWN ENGINEER

(N) AWARD CONTRACT FOR SOLID WASTE REMOVAL:

BIDS: DEPENDABLE WASTE (Dependable Waste is the only bid)

STAFF: S. DENISE CHIARETTA, TOWN CLERK

(O) DISCUSSION 2015 PRELIMINARY BUDGET

STAFF: STUART MCARTHUR, TOWN MANAGER

(P) OTHER MATTERS:

LETTERS OF INTEREST FOR BOARD REVIEW

THANK YOU LETTER:

CAROL AND STUART MCARTHUR



AGENDA ITEM

CONSENT AGENDA:

- (1) APPROVAL OF MINUTES FROM THE AUGUST 14, 2014 MEETING**
 - (2) APPROVAL OF AUGUST 2014 EXPENDITURES**
-

**TOWN OF PARACHUTE
BOARD OF TRUSTEES
MINUTES OF REGULAR MEETING
August 14, 2014**

Meeting called to order at 6:31 p.m. by Mayor Roy McClung

ACTION MINUTES:

(A) ROLL CALL

TRUSTEES PRESENT:

Roy McClung, Timothy Olk, Juanita Williams, John Yadloski, John Loschke

TRUSTEES ABSENT:

Tom Rugaard
Trustee Tom Rugaard arrived at 6:34pm

STAFF PRESENT:

Town Manager Stuart McArthur, Town Clerk Denise Chiaretta, Finance Clerk Dustie Colella, Public Works Director Mark King, Chief of Police Cary Parmenter, Community Development Specialist Derek Wingfield, Town Attorney Ed Sands, Town Planner Davis Farrar, Town Engineer Mark Austin

STAFF ABSENT:

(B) PLEDGE OF ALLEGIANCE

(C) CONSENT AGENDA:

- (1) APPROVAL OF MINUTES FROM THE JULY 10, 2014 MEETING**
- (2) APPROVAL OF JULY 2014 EXPENDITURES**

MOTION NO. 1

Moved and seconded by Trustees Yadloski/Olk to approve minutes and expenditures as presented.

Motion passed unanimously

(D) COMMENTS FROM CITIZENS NOT ON THE AGENDA

There were none.

(E) DEPARTMENTAL REPORTS:

(1) Mayor and Board of Trustees

Mayor McClung stated that the School District has been working on a bond issue/mill levy. Very long capital improvement plan. Just over \$30 in million improvements needed in school district. Bee Uunderwood Elementary is in need of the most repair. Trustee Loschke asked if there was a company helping them with this. Mayor McClung responds that they do have someone helping, but could not recall who. Recruiting from everyone in the school district. Finally approved at district's meeting on Monday. School District asking if the Town would be willing to partner up with them. Town Manager McArthur-would be happy to help with the grant process.

Trustee Williams attended the mayors meeting

(2) Administrative Monthly Update

Town Manager Stuart McArthur

The Town of Parachute will be hosting CML District Meeting on October 8, beginning at 4:00pm. Dinner at 6:30pm. Ideas for a speaker let us know. Scott McInnis was mentioned.

Sales tax numbers are 32% higher. Hotel and Oil/Gas related.

Financials through June. The water fund is looking healthy with water fund balance of \$200,000. Wastewater fund balance \$40,000. Capital Improvements fund nothing spent. Street and alleys doing well.

Development of new Town website underway. Community Development Specialist Wingfield and Town Manager McArthur are working on the website, projected completion is some time in November.

Celebration for Misty Way was held with signs in place. Misty did attend.

Town Manager McArthur stated the schedule for the 2015 Budget. September 11, 2015 preliminary budget presentation, October 9, 2015 proposed budget. October 15, 2014 will be available for public view.

Grand Valley Days was a success with record breaking crowds. Hands up to Community Development Specialist Wingfield and Diana Lawrence of Mama's Restaurant for the Smoke Off.

The Parachute Battlement Mesa Chamber of Commerce, Park Association and Town of Parachute need to work together on Grand Valley Days. Would like to make it more of an economic weekend fair not just bringing out local people.

(3) Police Department Monthly Update

Chief Parmenter introduced Alex Graham the new police officer. Alex introduced himself, gave some background on himself. From Costillo County.

Chief Parmenter stated that Officer Graham jumped right into Grand Valley Days. It was uneventful for the Police Department, and Chief Parmenter did ask for some coverage from other agencies.

Chief Parmenter – reported that someone shot a bear by the creek. The department is receiving about 5-7 calls a day for bears.

a. Liquor License Renewal for a 3.2 Off Premise License

Applicant: Rocky Mountain C Stores
Location: 201 Columbine Court
Parachute, CO 81635

Mayor McClung asked if fees were paid and application was in order. Town Clerk Chiaretta stated fees are paid, application is in order and no violations or changes.

MOTION NO.2

Moved and seconded by Trustees Loschke/Olk to approve Liquor License Renewal for Rocky Mountain C Stores.

Motion passed with Trustees Williams, Olk and Loschke voting yes; Yadloski and Rugaard abstained.

(4) Public Works Monthly Update

Mark King – Public Works Director

Public Works Director King reported that has been a busy month for the Department. Four water leaks were repaired this week. Working on getting the streets and

alley behind Napa repaired. Parks are looking good. Seasonal employee has been working in the parks which is freeing up the time of other staff members.

Water meter installation should be completed by end of August.

(5) Code Enforcement Update

Derek Wingfield – Community Development Specialist

Community Development Specialist informed the board that he made 15 contacts this month and is working on getting the weeds at family dollar taken care of.

The Town removed a Russian olive from behind Evelyn Schaller’s property. She was very appreciative.

Grand Valley Days went well and Community Development Specialist has gotten lots of great feedback. Vendors are contacting him regarding being a part of it next year.

Trustee Loschke asked how are the restaurants in town feeling about vendors?

Community Development Specialist Wingfield has talked to them and they had more business during that weekend. Not just food vendors, but craft vendors and recreational vendors. No negative impact as far as he can see or what was reported. Estimated that we had more than ever before that attended.

Building side of things Community Development Specialist Wingfield reported that 6 people were in today looking for building permits. Seeing some activity.

(F) BOARD APPROVAL OF RESOLUTION NO. 2014-18

A RESOLUTION OF THE BOARD OF TRUSTEE OF THE TOWN OF PARACHUTE COLORADO APPROVING THE GRANT OF A GRANT OF RIGHT-OF-WAY (EASEMENT) TO CAERUS PICEANCE, LLC TO CONSTRUCT, MAINTAIN, INSPECT, OPERATE, REPLACE MODIFY AND REMOVE PIPELINES WITH FITTINGS AND APPLIANCES FOR THE TRANSPORTATION OF OIL, GAS, PETROLEUM PRODUCTS, WATER AND ANY OTHER SUBSTANCES, PRODUCTS AND DERIVATIVES OF THE FOREGOING.

STUART McARTHUR, Town Manager

Caerus is requesting a right of way easement and will pay \$3.00 per square foot.

Trustee Loschke-is the easement already in an established right of way? Town Manager McArthur stated yes there is.

Motion to approve grant of easement.

MOTION NO.3

Moved and seconded by Trustees Williams/Rugaard to approve Resolution No. 2014-18 approving the grant of the Right of Way.

Motion passed unanimously

(G) BOARD APPROVAL OF RESOLUTION NO. 2014-21

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF PARACHUTE, COLORADO, AUTHORIZING THE CONVEYANCE OF A TEN FOOT (10') WIDE PERPETUAL NON-EXCLUSIVE EASEMENT TO PUBLIC SERVICE COMPANY OF COLORADO FOR THE CONSTRUCTION, OPERATION, MAINTENANCE, REPAIR, AND REPLACEMENT OF UTILITY LINES, FIXTURES AND DEVICES.

Town Manager McArthur informed the board that Xcel has offered \$500.00 for the easement.

MOTION NO.4

Moved and seconded by Trustees Loschke/Yadloski to approve Resolution No. 2014-21

Motion passed unanimously

(H) BOARD APPROVAL OF PROFESSIONAL SERVICES CONTRACT WITH BRUCE STOLBACH D/B/A CADFISH, LLC TO PROVIDE BUILDING CONSTRUCTION CONSULTATION SERVICES. APPROVAL OF MAYOR'S SIGNATURE.

**DEREK WINGFIELD, Community Development Specialist
STUART McARTHUR, Town Manager**

Town Manager McArthur introduced Mr. Bruce Stolbach. Town Manager McArthur stated there has been minimal activity in building in Town for several years. It is becoming more active. There is one potential large condominium project which requires someone with more expertise. He will review building plans, and make sure it complies with current codes. Mr. Stolbach ran through his resume for the Board and gave a little background on himself.

Trustee Loschke asked about the term of the contract? Town Manager McArthur stated no term on the contract. Terminable by either party with 30 day notice.

MOTION NO.5

Moved and seconded by Trustees Rugaard/Williams to approve contract with Bruce Stolbach d/b/a Cadfish, LLC and approval of mayor's signature.

Motion passed unanimously

Public hearing called to order at 7:16 p.m.

(I) PUBLIC HEARING BEFORE THE BOARD OF TRUSTEES FOR A LAND USE APPLICATION REGARDING THE GRAND VIEW INDUSTRIAL CENTER PLANNED UNIT DEVELOPMENT

Mayor McClung asked Town Clerk Chiaretta is there proof of publication; certified mailings to property owners, and application fees paid? Town Clerk stated they had been.

Phil Vaughan introduced himself, his clients Hank and Kamron Kraft and their attorney Melodi Massih.

Mr. Vaughan stated they meet with Planning & Zoning Commission Meeting on August 11, 2014. There are just a few items that are still not agreed upon.

Town Attorney Sands explains a PUD is a zoning concept and a PUD Plat is for a subdivision. Rezoning of portions of the town were approved in 2002. Subject property was zoned as light industrial at that time. Mutual goal is to clean up all past mistakes and come up with rules for future development, pre-existing uses may stay, but for new development it's coming up with rules of the road. Governing body has to sign off on those. Planned Unit Developments can be altered some.

Comments from property owners-none

Comments from general public-none

Trustee Loschke had a thought about the road. In the past built out infrastructure, selling of property could put in road improvement fee.

Town Attorney Ed Sands to propose to reach agreement to look for direction from board for approval at September meeting with all documents to support such.

Mayor McClung-Items that are disagreed upon:
Research and development-special use
Vehicle sales & service-special use

- (#2) Dust, fumes odors provision-consensus of Board that this not apply
- (#5) (a) within building-consensus of Board that this not apply
- (#13) (g) & (h) landscaping-consensus of Board that this not apply
- (#14) (j) maintain all property and signs-consensus of Board that this not apply
(n) storage of combustible materials 20ft...-consensus of Board that this not apply

Motion to continue the public hearing to September 11, 2014.

MOTION NO.6

Moved and seconded by Trustees Rugaard/Loschke to continue to September 11, 2014.

Motion passed unanimously

(J) BOARD APPROVAL OF ORDINANCE NO. 675

AN ORDINANCE OF THE TOWN OF PARACHUTE, COLORADO, AMENDING THE ZONE DISTRICT MAP OF THE TOWN OF PARACHUTE BY APPROVING AN INDUSTRIAL PLANNED UNIT DEVELOPMENT WITHIN THE TOWN OF PARACHUTE TO BE KNOWN AS THE GRAND VIEW INDUSTRIAL CENTER PLANNED UNIT DEVELOPMENT AND APPROVING A SITE SPECIFIC DEVELOPMENT PLAN ESTABLISHING A VESTED PROPERTY RIGHT PURSUANT TO ARTICLE 68 OF TITLE 24, C.R.S., AND SECTION 15.01.107 OF THE PARACHUTE MUNICIPAL CODE.

DAVIS FARRAR, Town Planner

Tabled until September 11, 2014

(K) BOARD APPROVAL OF RESOLUTION NO. 2014-22

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF PARACHUTE, COLORADO, APPROVING A GRANT AGREEMENT BETWEEN THE STATE OF COLORADO DEPARTMENT OF LOCAL AFFAIRS AND THE TOWN OF PARACHUTE, PROVIDING FOR A GRANT IN THE AMOUNT OF \$62,500.00 FOR THE PURPOSE OF UPDATING THE TOWN'S COMPREHENSIVE (MASTER) PLAN.

STUART McARTHUR, Town Manager

Request amendment to resolution appropriating the funds to the general fund.

MOTION NO. 7

Moved and seconded by Trustees Rugaard/Olk to adopt Resolution 2014-22 and amend for appropriation of funds.

Motion passed unanimously

(L) BOARD APPROVAL OF PROFESSIONAL SERVICES CONTRACT WITH THE FARNSWORTH GROUP TO DEVELOP 2014 INFRASTRUCTURE MASTER PLAN. APPROVAL FOR MAYOR'S SIGNATURE

MARK KING, Public Works Director

Two companies responded to RFP. One from SGM and one from Farnsworth Group. Staff recommends going with the Farnsworth Group. The Town received a grant for this project.

MOTION NO. 8

Moved and seconded by Trustees Loschke/Williams to approve Professional Services Contract with the Farnsworth Group to develop 2014 Infrastructure Master Plan and mayor's signature.

Motion passed unanimously

(M1) BOARD APPROVAL OF CONSTRUCTION CONTRACT WITH THE UNITED COMPANIES TO RECONSTRUCT PARACHUTE PARK BOULEVARD. APPROVAL FOR MAYOR'S SIGNATURE.

MARK KING, Public Works Director

Motion to approve construction contract with United Companies for 2700 ft from Diamond Loop to bridge. Will do half now and try to get grant monies for other half. Fixed price bid and they qualified for low bid. While they are here would like to get approval to do change orders on top of that contract for some fixes around town that need to be taken care of.

MOTION NO. 9

Moved and seconded by Trustees Loschke/Williams to approve Services Contract with United Companies to reconstruct Parachute Park Blvd and approval for mayor's signature.

Motion passed unanimously

Discussion followed regarding change order approval for Town Manager McArthur and/or Public Works Director King.

MOTION NO. 10

Moved and seconded by Trustees Loschke/Williams to allow Public Works Director King to approve change orders not to exceed budget.

Motion passed unanimously

(M2) BOARD APPROVAL OF RESOLUTION NO. 2014-19

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF PARACHUTE, COLORADO, CONCERNING THE FIRE AND POLICE PENSION ASSOCIATION ELECTION REGARDING MEMBER CONTRIBUTIONS TO THE STATEWIDE DEFINED BENEFIT PLAN.

S. DENISE CHIARETTA, Town Clerk

Town Clerk Chiaretta explained that the membership has already voted to raise the percentage. The Town needs to decide if they want to match the percentage.

MOTION NO. 11

Moved and seconded by Trustees Loschke/Williams to match the increase.

Motion passed unanimously

(N) BOARD APPROVAL OF CONTRACT WITH XCEL ENERGY TO INSTALL STREET LIGHTING ON CARDINAL WAY. APPROVAL FOR MAYOR'S

SIGNATURE.

STUART McARTHUR, Town Manager
MARK KING, Public Works Director

Motion to approve contract for underground lighting. Town will have to cover some of the cost. The town has a couple of grants in place. Encana for \$2,797.00 and \$750.00 from AGNC. Mayor Pro Tem Williams was able to get about \$10,000. Xcel gave a bid of \$85,173.00 for underground lighting.

MOTION NO. 12

Moved and seconded by Trustees Rugaard/Loschke to enter into contract with Xcel Energy for the underground lighting.

Motion passed unanimously

(O) BOARD APPROVAL OF RESOLUTION NO. 2014-23

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF
PARACHUTE, COLORADO DESIGNATING THE DAYS AND TIMES FIXED
FOR REGULAR MEETINGS OF THE PLANNING AND ZONING
COMMISSION.**

STUART McARTHUR, Town Manager

Town Manager McArthur stated moving Planning & Zoning Meetings prior to the Board so as to have information before the meeting as opposed to after.

Planning & Zoning Commission-Second Thursday of the month
Board of Trustees Meeting-Third Thursday of the month

MOTION NO. 13

Moved and seconded by Trustees Loschke/Rugaard to adopt Resolution 2014-23 with the amendment of time from 6:00pm to 6:30pm.

Motion passed unanimously

Due to meetings already scheduled this will be effective January 2015.

(R) BOARD CONSIDERATION AND APPROVAL OF MAYOR'S SIGNATURE ON LETTER TO THE ASSOCIATED GOVERNMENTS OF NORTHWEST COLORADO (AGNC) REGARDING THE ROAN PLATEAU.

STUART McARTHUR, Town Manager

Bill Barrett working on settlement agreement with BLM which would limit their leases to 1,500 acres on the Roan Plateau. We received \$8 million of this money. AGNC is working on letter of support that the communities involved be held harmless and lease not be increased within next several years.

MOTION NO. 14

Moved and seconded by Trustees Rugaard/Loschke for support of AGNC letter.

Motion passed unanimously

(S) BOARD CONSIDERATION OF AGENDA ITEMS FOR JOINT MEETING OF THE BOARD OF TRUSTEES AND THE GARFIELD BOARD OF COUNTY COMMISSIONERS

STUART McARTHUR, Town Manager

Board of County Commissioners has requested meeting this week, would rather have as part of our agenda not on a special night. But will have meeting October 9th, will need agenda items.

Work Session

Bridge over Colorado River (County Road 300)

West Interchange – Loop from Battlement Mesa to West Parachute Interchange

Senior Center

County Road 215

County approvals of development outside Town of Parachute town limits

(T) EXECUTIVE SESSION

FOR DISCUSSION OF A PERSONNEL MATTER UNDER C.R.S SECTION

24-6-402(2)(f) AND NOT INVOLVING: ANY SPECIFIC EMPLOYEES WHO HAVE REQUESTED DISCUSSION OF THE MATTER IN OPEN SESSION; ANY MEMBER OF THIS BODY OR ANY ELECTED OFFICIAL; THE APPOINTMENT OF ANY PERSON TO FILL AN OFFICE OF THIS BODY OR OF AN ELECTED OFFICIAL; OR PERSONNEL POLICIES THAT DO NOT REQUIRE THE DISCUSSION OF MATTERS PERONAL TO PARTICULAR EMPLOYEES.

To be continued to future date.

(U) OTHER MATTERS:

RESIGNATION LETTER FROM MARY (CANDY) ALLBEE FROM THE BOARD OF TRUSTEES

RESIGNATION LETTER FROM EVERT BARTZ FROM THE PLANNING & ZONING COMMISSION.

VITAL FOR COLORADO-

MOTION NO.15

Moved/seconded by Members Loschke/Ruggard to show support

Motion passed unanimously.

PLANNING REFRESHER WORKSHOP

COLORADO MOSQUITO CONTROL, INC. MOSQUITO REPORT

Meeting adjourned at 9:54 p.m.

Mayor

Town Clerk

The preceding Action Minutes were prepared in accordance with the Town of Parachute Board of Trustees Rules of Order and Procedure, General Rules 9.9. These Minutes contain a record of actions that were TAKEN at the meeting, not a transcript of what was said by members of the Board, staff or other parties present. A recording of the meeting is available for review in the Town Clerk's Office for thirty days after the meeting.

*Note: If you have corrections to the minutes that are minimal (incorrect spelling etc.), **please contact the Town Clerk the day prior to the meeting**. A corrected copy of the minutes will then be prepared for approval by the Board of Trustees.*

Payee or Description	Check Amount
CDM Ref. #3 Colo. Dept. of Labor & Employment	\$16.70
CDM Ref. # 2 2nd Qrt. Unemployment Pmt.	\$624.13
CDM REF # 8 Colorado Dept. of Revenue	\$1,318.00
CDM REF # 15 Federal Tax Deposit	\$8,668.09
CDM REF #25 Paylocity	\$98.00
CDM REF # 19 Payflex Health Hub HRA	\$11,212.69
CDM REF # 20 HRA Reimbursement	\$4,675.00
State withholding	\$1,318.00
Paylocity Ref. # 26	\$125.00
Federal Tax Deposit Ref #16	\$8,748.21
Colo. Dept. of Labor & Employment Ref#3	\$21.76
AFLAC	\$803.70
ANDREW SIDENER	\$51.80
CENTURY LINK	\$912.92
DEPENDABLE WASTE SERVICES	\$5,332.14
DUSTIE COLELLA	\$257.10
FIRE AND POLICE PENSION ASSOC.	\$2,143.89
KANSAS CITY LIFE INS.	\$2,144.56
KONICA MINOLTA	\$1,056.71
LEGAL DEFENSE PLAN	\$28.00
LIBERTY NATIONAL LIFE INSURANCE CO.	\$151.78
ORCHARD TRUST COMPANY, LLC	\$2,605.47
RICOH USA, INC	\$9.61
RICOH USA, INC.	\$148.96
ROCKY MT. HEALTH PLANS	\$17,604.56
VISION SERVICE PLAN - (CONNECTICUT)	\$280.80
WELLS FARGO BUSINESS	\$243.97
WELLS FARGO BUSINESS	\$70.00
WELLS FARGO BUSINESS	\$1,522.31
WELLS FARGO BUSINESS CARD	\$524.00
FIRE AND POLICE PENSION ASSOC.	\$3.63
360 ELECTRIC, LLC	\$885.82
ACCUTEST LABORATORIES	\$224.00
ACTION SHOP SERVICE	\$145.65
AIRGAS USA, LLC	\$50.08
ALPHA CARD	\$409.95
ALSCO	\$121.48
BARONE, INC.	\$108.06
BATTLEMENT MESA HARDWARE LLC	\$179.83
BATTLEMENT MESA METROPOLITAN DISTRICT	\$15,195.00
BRUBACHER DESIGN	\$51.90
CASELLE INC	\$525.33
CENTRAL DISTRIBUTING	\$146.50
CHEMPLIANCE, INC.	\$1,224.99
CIRSA	\$74.00
COLORADO MT. NEWS MEDIA	\$39.47
COLORADO MUNICIPAL JUDGES ASSO	\$175.00
COMCAST CABLE	\$139.85
COMFORT AIR OF GRAND JUNCTION	\$520.00
DESKTOP CONSULTING, INC.	\$742.80
DISA, Inc.	\$362.00
FIKES WEST, INC.	\$89.00
FILTER TECH SYSTEMS, INC.	\$171.32
FIRE AND POLICE PENSION ASSOC.	\$2,086.44
GARFIELD & HECHT, P.C.	\$80.00
GARFIELD COUNTY TREASURER	\$22.00
GRAND JUNCTION PIPE & SUPPLY	\$765.62
HOLY CROSS ENERGY	\$63.37
KROGER SOOPERS CUSTOMER CHARGES	\$93.48

MOUNTAIN PEST CONTROL	\$104.00
NATIONAL NEIGHBORHOOD WATCH INST.	\$155.00
OLD MOUNTAIN PACK & SHIP	\$15.88
ORCHARD TRUST COMPANY, LLC	\$2,536.09
PARACHUTE AUTO PARTS & SUPPLY	\$142.54
PARACHUTE RADIO SHACK	\$134.96
QUILL CORPORATION	\$1,083.96
R & S SALES & WELDING SERVICE	\$12.00
Safety & Construction Supply Inc.	\$201.86
SANDS LAW OFFICE, LLC	\$2,513.48
SHERWIN WILLIAMS	\$400.73
SWALLOW OIL COMPANY	\$2,900.16
TRI COUNTY FIRE EXTINGUISHERS	\$270.00
TRU GREEN	\$456.75
U.S. PUBLIC SAFETY GROUP, INC.	\$677.57
U.S. TRACTOR & HARVEST, INC.	\$125.61
UNCC	\$39.78
UNIVAR USA INC.	\$366.76
VERIZON WIRELESS	\$623.85
WAGNER RENTS INC.	\$770.00
XCEL ENERGY	\$9,243.59
Salaries for August	\$59,591.19
TOTAL	\$179,780.19



AGENDA ITEM

DEPARTMENTAL REPORTS:

- (1) Mayor and Board of Trustee**
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 Update**
**Derek Wingfield, Community Development
Specialist**



Town of Parachute

222 Grand Valley Way Parachute, Colorado 81635
(970) 285-7630 Stuart S. McArthur, Town Administrator

DATE: September 11, 2014
TO: Board of Trustees
FROM: Stuart S. McArthur, Town Manager
SUBJECT: TOWN MANAGER MONTHLY REPORT – SEPTEMBER 2014

The purpose of this memo is to report to the Board of Trustees the activities of the Town during the past month.

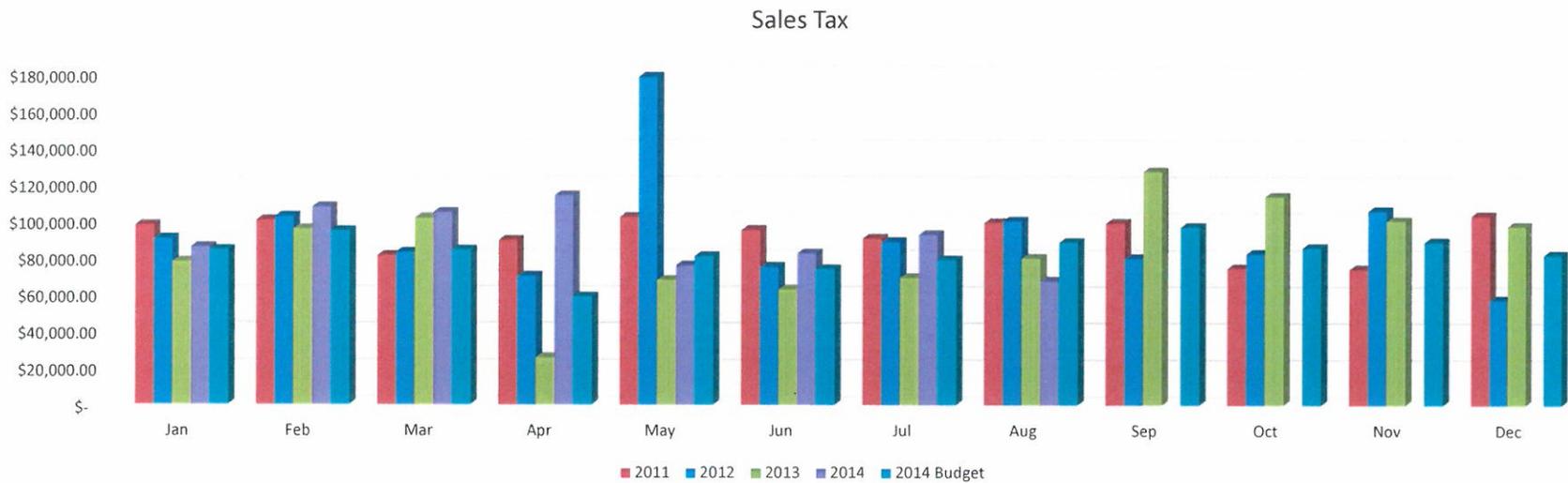
1. Sales tax report showing current month sales tax and comparing the last three years is a hand out. We did not receive sales tax figures from the State in time for this report.
2. The financial summaries cannot be provided this month. We are having issues with the General Ledger and I am working to rectify the problem.
3. Development of the new Town website is well underway. Derek is well ahead of schedule. We are working to include the Chamber of Commerce in the hosting by the State.
4. Octoberfest is coming up rapidly. The Town and the Chamber of Commerce is working together to make it a big success. Does the Board support supporting the event for the upfront amount of \$15,000? We should get a portion of that amount back from sponsorships and fees charged.
5. For your information there will be two meetings for the Board of Trustees in the month of October:
 - a. CML District Meeting – Wednesday, October 8, 4:00 – 8:00 PM
 - i. Business meeting – Hear from CML on policy development and provide for the input for the 2015 legislative session.
 - ii. Social Hour – Sponsored by URSA Operating Company
 - iii. Dinner – Catered by Parachute restaurants.
 - iv. Program – Tom Jankovsky will speak about the oil and gas industry on the Western Slope and Roan Plateau.
 - b. Board of Trustees Regular Meeting – Thursday, October 9, 6:00 – 9:00ish PM.
 - i. Dinner with the Board of County Commissioners @ 6:00 PM
 - ii. Board Meeting @ 6:30 PM. Part of agenda is a joint meeting with the Board of County Commissioners.
6. Met with Battlement Mesa Service Association Board of Directors to discuss potential of a Memo of Understanding regarding working together on the comprehensive plan update.
7. I have been appointed the review committee for Greater Outdoors Colorado (GOCO) grant program.
8. Thank you for your support regarding the death of my mother-in-law.

If you have any additional questions or concerns, please contact me.

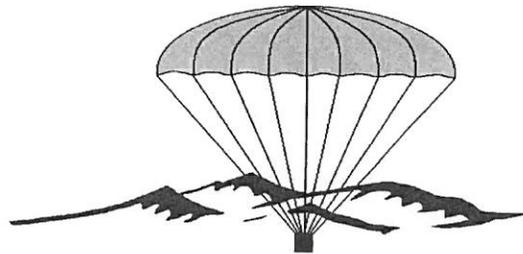
**Town of Parachute
Sales Tax Trend Analysis**

Actuals										
Month Received	Month Paid*	2011	2012	2013	2013 YTD	2014	2014 Budget	% Over / Under	YTD % Compared to 2013	
Jan	Nov	\$ 97,703.10	\$ 90,418.70	\$ 77,729.45	\$ 77,729.45	\$ 85,800.99	\$ 84,265.30	1.82%		
Feb	Dec	\$ 100,445.96	\$ 102,462.53	\$ 95,706.59	\$ 95,706.59	\$ 107,541.87	\$ 94,650.26	13.62%		
Mar	Jan	\$ 81,081.96	\$ 82,964.67	\$ 101,588.06	\$ 101,588.06	\$ 104,702.30	\$ 84,196.66	24.35%		
Apr	Feb	\$ 89,465.87	\$ 70,051.54	\$ 25,564.29	\$ 25,564.29	\$ 113,904.74	\$ 58,664.26	94.16%		
May	Mar	\$ 102,176.60	\$ 178,676.32	\$ 67,891.55	\$ 67,891.55	\$ 75,764.05	\$ 80,858.25	-6.30%		
Jun	Apr	\$ 95,085.52	\$ 75,074.79	\$ 62,753.99	\$ 62,753.99	\$ 82,490.46	\$ 73,825.47	11.74%		
Jul	May	\$ 90,603.01	\$ 88,865.35	\$ 69,165.79	\$ 69,165.79	\$ 92,727.04	\$ 78,808.10			
Aug	Jun	\$ 99,265.65	\$ 100,295.75	\$ 79,877.98	\$ 79,877.98	\$ 67,447.53	\$ 88,572.25			
Sep	Jul	\$ 99,092.47	\$ 79,785.87	\$ 127,189.55			\$ 97,012.54			
Oct	Aug	\$ 74,409.25	\$ 82,319.43	\$ 113,405.91			\$ 85,622.97			
Nov	Sep	\$ 73,869.26	\$ 105,816.61	\$ 100,377.26			\$ 88,769.96			
Dec	Oct	\$ 103,113.77	\$ 57,266.18	\$ 97,548.24			\$ 81,753.98			
Total		\$ 1,106,312.42	\$ 1,113,997.74	\$ 1,018,798.66	\$ 580,277.70	\$ 730,378.98	\$ 997,000.00		25.87%	

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



Parachute Police Department
Office of the Chief
222 Grand Valley Way
P.O. Box 100 Parachute, CO 81635-0100



Chief of Police
Cary L. Parmenter

Telephone (970)285-7630 ext. 114
Facsimile: (970)285-9146

August, 2014

Calls for service in August, 2013: **423**
Calls for service in August, 2014: **443**

Officer's Sidener, Harrison and I participated in the National Night Out that was held August 5th in the parking lot of Clarks Market. The event was well received by residence of Parachute and Battlement Mesa.

We helped out the Garfield County Sheriff's Auxiliary again this year by playing Golf for their annual fund raiser. Even though we didn't bring home a trophy everyone had a good time and we helped out a great program for the community.

Officers working interdiction on I-70 in August recovered over 8 pounds of Marijuana, 1 pound of Meth; 35ml's of liquid meth and made multiple arrests for possession and intent to distribute Narcotics. The information obtained was also sent to Minnesota Law Enforcement, and the DEA which lead to further charges pending in other jurisdictions.

We are also in the process of seizing a vehicle that was used in the transportation of Narcotics across State Lines.

Liquor License:

None

Thank You

Cary L. Parmenter

Cary Parmenter
Police Chief

PARACHUTE POLICE DEPARTMENT

POLICE ACTIVITY BLOTTER FOR AUGUST 2014

DATE	SUMMARY
08/02/14	Allen Zapata, 23, from California was issued a summons for Speed, Driving without a Valid Driver's License and Failing to Yield to an Emergency Vehicle.
08/02/14	Officers responded to a Domestic Disturbance at 10 St. John Cir. Mark Bernal, 32, of Parachute was arrested for False Imprisonment, Domestic Violence, Child Abuse and 3 rd Degree Assault. Bernal was transported to the Garfield County Jail.
08/04/14	Yoselina Villa-Mesa, 41, of Battlement Mesa, was issued a summons for Permitting an Unauthorized Minor to Drive a Vehicle. The Minor involved was also issued a summons.
08/05/14	Officers contacted a suspicious couple and vehicle outside the Shell Food Mart. Jason Foreman, 31, address unknown, was arrested for 5 outstanding warrants, Unlawful Possession of a Controlled Substance-Schedule II and Possession of Drug Paraphernalia. Foreman was transported to the Garfield County Jail.
08/06/14	Annalei Chavez, 25, of Denver, was contacted for careless driving in Town. While on the traffic contact, the Officer found suspicious substances and open alcoholic bottles. Ms. Chavez's vehicle was impounded for traffic violations and further investigation. Ms. Chavez was charged with Careless Driving, Driving While Revoked-Habitual Traffic Offender, Failure to Obey Traffic Control Signal, Open Alcoholic Beverage Container in Vehicle, Open Marijuana Container in Vehicle, Possession of Drug Paraphernalia, Unlawful Possession of a Controlled Substance-Schedule I or II and transported to the Garfield County Jail.
08/10/14	While on patrol at Cottonwood Park the Officer observed a vehicle driving recklessly. The Officer contacted Johny Ray Newland, 37, of Grand Junction and issued him a summons for Reckless Driving and Marijuana-Open Container Prohibited in Vehicle.
08/11/14	Joseph Salazar, 55, of Clifton, CO was issued a summons for Speed, Failure to Provide Proof of Insurance, Driving Vehicle while Under Restraint-Suspended and Open Marijuana Container in Motor Vehicle Prohibited.
08/15/14	Stephen McIntire, 55, of Parachute, CO was issued a summons for Driving Vehicle While License Under Restraint-Suspended.
08/16/14	Officers contacted Thomas Kilpatrick, 24, of Lakewood, CO for no visible front or rear registration or temporary registration. The ownership of the vehicle was suspicious causing the Officer to impound the vehicle. A summons for Failure to Display Valid Registration and Operating an Unregistered Vehicle was issued to Kilpatrick.
08/17/14	Officer contacted a vehicle for a traffic violation of speed, found there was no proof of insurance in the vehicle and impounded the vehicle. While conducting an inventory of the vehicle to be impounded, the Officer found methamphetamine, marijuana and drug paraphernalia. Rachel Renae Hunter, 20, of Kansas City, MO was charged with Possession of a Schedule II Controlled Substance, Distribution of Marijuana 5-100lbs and Possession of Drug Paraphernalia. She was transported to the Garfield County Jail.

PARACHUTE POLICE DEPARTMENT

- 08/19/14 There was a report of a Theft and Criminal Mischief at 20 St John Cir.
- 08/20/14 Rodney Connally, 48, of Grand Junction was contacted and issued a summons for Failure to Stop/Yield at a Stop Sign and Driving Vehicle While License Under Restraint.
- 08/22/14 A stolen vehicle from Mesa County was recovered in the parking lot of South Gate Plaza.
- 08/23/14 Officers are investigating a report of a Burglary at 200 Colorado Ave.
- 08/23/14 Noel Chavez-Espinoza, 36, of Oakland, CA was issued a summons for Driver's Vision Obstructed, Driving Vehicle without a Valid Driver's License and Speed.
- 08/24/14 Sergio Solorio-Gomez, 19, of Rifle was issued a summons for No Proof of Insurance, Careless Driving, Disregarding Traffic Control Device and Driving without a Valid Driver's License.
- 08/26/14 Mark Bernal, 32, of Parachute was arrest while in custody in the Garfield County Jail for Harassment(repeated communications), Domestic Violence, Violation of a Protection Order and Stalking.
- 08/29/14 Victor Almanzar-Cardenas, 24, of Denver, CO was contacted during a routine traffic stop. Mr. Almanzar-Cardenas was charged with DUI, Speed (20-24 over), Open Alcoholic Beverage Container in Motor Vehicle, Open Marijuana Container in Motor Vehicle, Driving Vehicle while Revoke-Habitual Traffic Offender and Driving a Defective/Unsafe Vehicle and transported to the Garfield County Jail.
- 08/30/14 Melissa Ann Archuleta, 33, of Grand Junction, CO was arrest for DUI, Open Marijuana Container in Motor Vehicle, Speed and Possession of Drug Paraphernalia and transported to the Garfield County Jail.
- 08/30/14 A juvenile was issued a summons with False Reporting to Authorities.
- 08/31/14 During a routine traffic contact Dominic Trujillo, 20, of Grand Junction, CO was issued a summons for Driving Vehicle while License Under Restraint and Speed. The Passenger in the vehicle, Saul Benjamin Reyes, 25, of Clifton, CO was issued a summons for Open Marijuana Container in Motor Vehicle.

43 Traffic Citations were issued in August 2014

442 Total Calls for Service in August 2014



Town of Parachute

222 Grand Valley Way Parachute, Colorado 81635
Phone: 970.285.7630 Fax: 970-285-0292
Mark King Public Works Director
mking@parachutecolorado.com

MONTHLY REPORT FOR AUGUST 2014

Hello again-

Five more water leaks this month. Most of what we are finding is leaks in the poly lines that were installed in the 80's. When we have leaks we repair them but we should be replacing them from the main to the meter. Unfortunately it would cost up to five times more per leak plus more asphalt and concrete.

The 2014 street maintenance asphalt portion is completed. The Parachute Park Boulevard project is under way. I visited the site on September 5th and the crew is moving at a rapid pace, the concrete is about 8" thick and they are finding water in several spots. As soon as the concrete is removed another crew will start removing all the wet soils and hauling in new base material.

The springs water plant is looking good it is getting a new coat of paint and a new road. If you get a chance drive by and see what a great job the guys did. The fence is all replaced and looks great.

We didn't get all the meters installed in August, we had an ordering problem. We do have the meters at the shop now and in between water leaks we will start installing them again.

We have a kick off meeting for the infrastructure master plan on the 12th of September. We will get the schedule of work. I will have that in next month's report.

Respectfully submitted,



Mark King

TOWN OF PARACHUTE

PO Box 100

222 Grand Valley Way, Parachute, CO 81635



Telephone: (970) 285-7630

Facsimile: (970) 285-9146

Community Development

Derek Wingfield

September 2, 2014

August 2014 update:

- Website work
 - Website is going well there was a small software conflict. It is resolved and the site is coming together well.
 - Working with the High School on a Town Facebook page
- Oktoberfest
 - Going to be big
 - Zip line, bounce houses, bungee trampolines, hamster balls and more
 - Changes in parking and layout
- Several questions on building permits
 - 1 possible new residence
 - 2 sign permit inquiries
- Code Enforcement Update
 - Filed Public Nuisance case
 - Initiated public nuisance case
 - Weeds and sidewalks are getting cleared
- 2015 Budget for Department

Thank You,

A handwritten signature in blue ink, appearing to be "Derek Wingfield", is written over a blue oval scribble.

Derek Wingfield

Community Development

dwingfield@parachutecolorado.com

970-285-7630

970-985-9084



AGENDA ITEM

**APPOINT MARY C. ALLBEE (CANDY) TO THE
PLANNING AND ZONING COMMISSION.**

STAFF: S. DENISE CHIARETTA

Mary C. Allbee

321 W FIRST STREET ▪ PARACHUTE, CO 81635 ▪ 970-985-5915

August 14, 2014

Mr. Roy McClung
Mayor
Town of Parachute, CO
222 Grand Valley Way
Parachute, CO 81635

SUBJECT: NOTIFICATION OF RESIGNATION FROM THE BOARD OF TRUSTEES OF THE TOWN OF PARACHUTE

Dear Roy,

It is with deep sadness that I must inform you of my need to resign from the Board of Trustees of the Town of Parachute effective immediately. My current health does not allow me to perform the functions of the role to the extent that I desire and the Town deserves from a member of the Board.

I have enjoyed my time spent on the Board. I very much appreciate the trust the Board had in me to appoint me to the Board after the last election.

I respectfully request to be allowed to continue serving the seniors in the area and remaining on the County Senior Advisory Board. I would also like to indicate my interest to serve on the Planning and Zoning Commission.

I love the Town of Parachute and wish you well.

Regretfully yours,



Mary C. Allbee

SSMc



AGENDA ITEM

PRESENTATION TROUT UNLIMITED:

Presented by Richard Gytenbeek

Dennie Chiaretta

From: Richard Gytenbeek <R.Vangytenbeek@tu.org>
Sent: Friday, August 22, 2014 11:08 AM
To: Dennie Chiaretta
Subject: Trout Unlimited-Our Colorado River Presentation.
Attachments: OCR Brochure.pdf

Good Morning

As promised, here is the information about the Trout Unlimited-Our Colorado River program for the upcoming Parachute City Council meeting, Sept. 11th at 6:30 PM. I have attached a PDF file of the Our Colorado River brochure and here is the link to the website: <http://www.ourcoriver.com/>. I have also included a short written description below. My purpose in presenting will be to provide information on the program and to seek the Council's support by requesting them to become signatories to the program's Core Values (the Core Values are found on both the brochure and website). The presentation is a short PowerPoint which is about 15 minutes long and with questions from the Council members, 25 minutes should be adequate (I can be even more brief if necessary).

The *Our Colorado River* Program Description.

The Our Colorado River program has grown out of TU's successful work in western Colorado with the agricultural community. Through our staff who live and work on the West Slope we have partnered with irrigators to improve diversion structures, stabilize stream channels, improve fish passage and upgrade aging irrigation infrastructure. These partnerships have proven the value of cooperation between the agricultural and sportsman/recreation communities in protecting West Slope water resources.

While the OCR program highlights our successful partnerships and encourages continuing collaboration, its primary goal is to broaden this cooperative effort between agriculture and sportsman groups to include recreation-tourism based business, ancillary support businesses and West Slope communities. To express this cooperation the Our Colorado River program endorses five core values. The core values are five common sense principles which speak to cooperation, protection of agriculture, protection of open space and habitat, upgrading irrigation systems and employing innovative water conservation and management practices. We believe these values are common to all West Slope citizens and by signing the core values individuals, businesses, organizations and elected officials express unity and resolve as we move towards the creation of a Colorado Water Plan.

I believe the Council will find the presentation valuable and their support would be very meaningful in this effort to reflect West Slope values in the evolving Colorado Water Plan. Thanks again for your help it is most appreciated.

Richard Van Gytenbeek
Colorado River Basin Outreach Coordinator
115 N. 5th St., Suite 409
Grand Junction, CO 81502
Ph. 307-690-1267
Email r.vangytenbeek@tu.org
Website <http://www.ourcoriver.com/>



Total Control Panel

[Login](#)

To: depden@parachutecolorado.com

Message Score: 1

High (60): Pass



WE'RE IN THIS TOGETHER

Farms and ranches, recreation and tourism, towns and cities: they all depend on the health of the Colorado River and its tributaries. In western Colorado, water from the Colorado River basin irrigates about 700,000 acres of land on about 9,000 farms and ranches. These operations produce crops and animals for market and contribute over \$1 billion to the Western Slope economy.

Similarly, our recreation and tourism industries depend heavily on western Colorado rivers to support rafting, camping, and other activities. Recreation contributes over \$9 billion to the economy of western Colorado. This industry owes much of its success to agriculture's protection of open spaces, wildlife habitat and the unique culture and heritage that still exist in the West.

Together, these independent sectors comprise western Colorado's largest economic engine: an engine that runs on water. Healthy rivers are the key.

CONTACT US

WWW.OURCORIVER.COM

For more information on the **OUR COLORADO RIVER** effort please contact:

Richard Van Gytenbeek
Colorado River Basin
Outreach Coordinator
307-690-1267
r.vangytenbeek@tu.org

For more information about **CONSERVATION PARTNERSHIPS** contact Drew Peterzell at 303-440-2937 or the Trout Unlimited staff in your river basin.

UPPER COLORADO RIVER BASIN

Rob Firth
970-531-3939
rfirth@tu.org

GUNNISON RIVER BASIN

Cary Denison **Jesse Kruthaupt**
970-596-3291 970-209-0976
cdenison@tu.org jkruthaupt@tu.org

YAMPA/WHITE RIVER BASIN

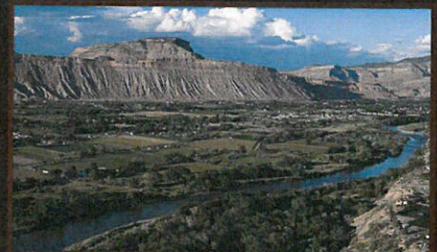
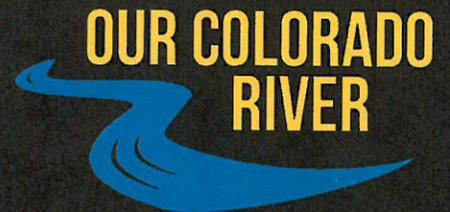
Brian Hodge
970-846-0414
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DOLORES/MANCOS RIVER BASIN

Matthew Clark
970-799-0274
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SAN JUAN/ANIMAS RIVER BASIN

Mely Whiting
720-470-4758
mwhiting@tu.org



KEEP IT FLOWING



WWW.OURCORIVER.COM





OUR COLORADO RIVER: WHO WE ARE

OUR COLORADO RIVER is a project of Trout Unlimited (TU). TU is a non-profit fisheries conservation organization made up of sportsmen and women. We have 150,000 members nationwide and 10,000 in Colorado.

The Our Colorado River project is an outgrowth of TU's work in local communities across western Colorado to improve the quality of the Colorado River and its many tributaries. While the Our Colorado River project highlights our ongoing partnerships with agriculture, its primary intent is to facilitate broad support for smart water management on Colorado's Western Slope through a set of core values designed to promote healthy communities through healthy rivers.

OUR COLORADO RIVER: CORE VALUES

These five core values are essential to protecting and maintaining healthy rivers and healthy communities on the Western Slope of Colorado. By endorsing them, western Colorado expresses our unified resolve for smart water management. These core values should also be reflected in water planning efforts such as Governor Hickenlooper's executive order to complete a draft state water plan by December 2014.

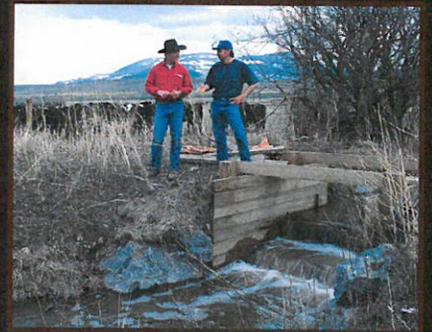
- 1) **Cooperation, Not Conflict:** Work together to ensure the Colorado River is able to meet our diverse needs, from agriculture to recreation and tourism. Cooperation is the key to sustaining our economy and way of life.
- 2) **Protect Our Quality of Life:** Maintain our open spaces through a vigorous agricultural sector and ensure that our rivers and streams are flowing and healthy.
- 3) **Modernize Irrigation:** Upgrade our aging irrigation infrastructure systems to make them more productive, economical, and habitat-friendly.
- 4) **Innovative Management:** Explore new ways to meet our water supply needs through innovative conservation and management practices.
- 5) **Keep our Rivers at Home:** Leave water in its home basins and oppose new, large-scale, river-damaging trans-basin diversions of water from the Colorado River to the Front Range.

To show your support for these core values go to:
www.ourcoriver.com

OUR COLORADO RIVER: CONSERVATION PARTNERSHIPS

Citizens of western Colorado have a lot to gain by working cooperatively to meet water needs and maintain healthy rivers and streams. Trout Unlimited partners with ranchers and irrigators to implement projects that benefit agriculture while ensuring healthy rivers.

For example, we work with agricultural producers to improve diversion structures, stabilize stream channels, improve fish passage, upgrade irrigation infrastructure, augment stream flows, and complete other mutually beneficial projects.



Are you interested in a stream restoration project on your land? Trout Unlimited is here to help. For many landowners this is a fulfilling way to improve operations, boost land values and practice stewardship.



AGENDA ITEM

GARFIELD CLEAN ENERGY 2015 BUDGET REQUEST:

**Presented by Heather McGregor and Chair Trustee Allyn
Harvey, Carbondale Trustee**



Town of Parachute | City of Rifle | Town of Silt
Town of New Castle | City of Glenwood Springs
Town of Carbondale | Garfield County Public Library District
Roaring Fork Transportation Authority
Garfield County | Colorado Mountain College

Memo to: Mayor McClung and the Parachute Board of Trustees
From: Garfield Clean Energy Collaborative Board
Date: Aug. 22, 2014
Re: **2015 Budget Request**

In 2015, the Garfield Clean Energy Collaborative will mark its fourth year as Colorado's first intergovernmental clean energy authority, and its sixth year as a countywide partnership.

We greatly appreciate the Town of Parachute's active involvement and investment in GCE since its inception in 2008. This innovative and successful regional partnership would not have been possible without Parachute's leadership.

Moreover, Parachute has set a strong example with its investments in efficiency, renewable energy, and in petroleum reduction through CNG.

Garfield Clean Energy is currently making plans for a vital year of services for 2015 to help households, businesses and local governments save energy and money through energy efficiency, renewable energy and petroleum independence.

Joining together as a county, we have been able to create programs and services that help create a more resilient and diversified economy. Since GCE started as an intergovernmental partnership in 2009 (the authority was established in 2012), it has helped 262 businesses, 294 households and 55 government buildings make energy upgrades that are saving more than \$754,000 per year. GCE is also working to increase the use of Colorado-produced electricity and natural gas as transportation fuels.

As a countywide joint effort GCE and CLEER have harnessed significant outside funding, including two grants in 2014 from the Colorado Dept. of Public Health and Environment. One of these grants is funding energy efficiency rebates for the people of western Garfield County, the other will fund upgrades for low-income households countywide.

To continue this track record of regional collaboration and success, GCE is requesting that its 10 member governments include funding for the Garfield Clean Energy Collaborative in their 2015 budgets at the same or slightly higher levels than 2014.

For the Town of Parachute, we are requesting an increase in the contribution to \$3,000. This level of funding comes closer to covering the actual cost of Garfield Clean Energy services to the town government and its households and businesses.

The proposed Garfield Clean Energy 2015 scope of work would cover these programs and services. The level of activity will depend on the final totals in the 2015 budget.

- Free energy coaching for households and businesses throughout Garfield County, with associated marketing of programs, community outreach and case studies.
- **New: Deep energy efficiency retrofit program for low-income** households.
- Residential Revolving Loan Fund financing for energy and safety upgrades.
- **New: Use of Green MLS** listings and trainings for real estate professionals to drive building efficiency upgrades at point of sale.
- Annual event for contractors: energy incentives workshop and energy technology trade show.
- Active Energy Management consultations with member governments.
- **New: ENERGY STAR benchmarking** of member government buildings.
- Energy data management for 100 facilities on the Garfield Building Energy Navigator.
- **New: Affiliate memberships** for other governmental entities and organizations to support the county wide clean energy effort and take advantage of GCE services.
- Active transportation programs for schools and the broader community.
- Technical assistance and outreach for electric vehicles and public charging stations.
- Hosting the Western Slope CNG Collaborative to provide advocacy and technical assistance for broader adoption of CNG vehicles and public fueling infrastructure.
- Technical assistance for renewable energy installations, including micro-hydro for farm and ranch settings.
- Sponsorship of “Solar Rollers” teams at high schools throughout Garfield County.
- The Garfield Clean Energy website, media releases and social media to support programs and inform the public.
- Facility manager trainings and fact sheets on energy technologies.
- **New: Garfield County Energy Inventory**, updating the 2009 inventory with 2014 energy usage data to measure progress and quantify energy savings needed to reach the 2020 goals.
- Support for the GCE board’s monthly meetings, including strategic planning, grant-writing, quarterly reports, budgeting and accounting, and annual energy reports for member governments.
- State level policy work related to clean energy.



AGENDA ITEM

**PUBLIC HEARING CONTINUED FROM AUGUST 14, 2014
MEETING**

GRAND VIEW INDUSTRIAL CENTER PUD

STAFF: DAVIS FARRAR, TOWN PLANNER

**PUD DEVELOPMENT AGREEMENT
GRAND VIEW INDUSTRIAL CENTER PUD**

THIS AGREEMENT is entered into and made effective as of the _____ day of _____, 2014, by and between the TOWN OF PARACHUTE, COLORADO, a Colorado home rule municipal corporation, whose address is 222 Grand Valley Way, Parachute, Colorado 81635 (hereinafter referred to as the "Town"); and Clear Creek Ranch, LLC, a Colorado limited liability company, whose address is P.O. Box 301, Parachute, Colorado 81635 (hereinafter referred to as the "Developer")

RECITALS

A. WHEREAS, the Developer desires to amend the Town's Official Zone District Map by rezoning the real property described in Exhibit "A", attached hereto and incorporated herein by this reference, Town of Parachute, County of Garfield, State of Colorado (the "Property" or "Development") as Planned Unit Development ("PUD"); and

B. WHEREAS, the Grand View Industrial Center PUD is an existing 8.68 acre, more or less, twenty-one (21) lot project that was approved in 1982 as a "PUD Subdivision" and the Subdivision Final Plat was recorded in the records of the Garfield County Clerk and Recorder on August 13, 1982. However, the Town of Parachute never amended its Official Zone District Map by ordinance rezoning the Property as a Planned Unit Development (PUD); and

C. WHEREAS, the Property has been used for various industrial purposes and possibly other uses since that time; and

D. WHEREAS, an Improvement Survey Plat created by Bookcliff Survey Services, Inc. for the Developer and submitted with Developer's application for a PUD, dated September 4, 2013, shows five (5) existing structures on the Property; and

E. WHEREAS, several of the existing structures encroach on setbacks, cross lot lines and encroach on public utility easements, as shown on the Improvement Survey Plat; and

F. WHEREAS, no listing of acceptable uses for the Property and no dimensional standards are on record for the Property; and

G. WHEREAS, in 2004, the Town zoned the Property as light industrial (LI); and

H. WHEREAS, the Town and the Developer now desire to set forth allowable uses on the Property and set forth dimensional standards for future improvements on the Property; and

I. WHEREAS, the Developer or previous owners of the Property have installed the necessary infrastructure to provide for municipal services within the Development; and

J. WHEREAS, the Town and the Developer's predecessor entered in to a Subdivision Improvements Agreement for Grand View Industrial Center, recorded August 26, 1982 at Reception No. 332001 in the records of the Garfield County Clerk and Recorder ("SIA"). Unless specifically stated herein, nothing in this Agreement shall amend the terms or conditions of the SIA; and

K. WHEREAS, the Legislature of the State of Colorado adopted Section 24-68-101, *et. seq.* of the Colorado Revised Statutes (the "Vested Property Rights Statute") to provide for the establishment of vested property rights in order to insure reasonable certainty, stability and fairness in the land use planning process and in order to stimulate economic growth, security, reasonable investment-backed expectations of landowners, and foster cooperation between the public and private sectors in the area of land use planning. The Vested Property Rights Statute authorizes the Town to enter into development agreements with landowners providing or vesting of certain property or development rights; and

L. WHEREAS, consistent with the Vested Property Rights Statute, Section 15.01.107 of the Parachute Municipal Code ("Vested Property Rights Regulations") authorizes the Town to enter into development agreements with landowners and other qualified applicants providing for the vesting of property development rights; and

M. WHEREAS, development of the Property in accordance with the Subdivision Final Plat, any future amended Subdivision Final Plat, the Improvement Survey Plat, the PUD Guide, and this Agreement will provide for orderly growth in accordance with the policies and goal set forth in the Town's Master Plan, and show reasonable certainty, stability and fairness in the land use planning process, stimulate economic growth, secure the reasonable investment-back expectations of Developer, foster cooperation between the public and private sectors in the area of land use planning, and otherwise achieve the goals and purposes for which the Vested Property Rights Statute and the Vested Property Rights Regulations were enacted; and

N. WHEREAS, the Town and Developer mutually agree that the matters hereinafter set forth are reasonable conditions and requirements to be imposed by the Town upon the Developer and its successors in connection with the acceptance and favorable action on the Developer's application for a PUD; the Town recognizing and reciting that such matters are necessary to protect, promote and enhance the public welfare.

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

SECTION 1
DEFINITIONS

- 1.1 Agreement. This PUD Development Agreement for the Grand View Industrial Center PUD, Town of Parachute, between Developer and the Town.
- 1.2 Board. The Board of Trustees of the Town of Parachute, Colorado.
- 1.3 Contractor Yards-Heavy Equipment. The use of land for the purpose of storing machinery, equipment, and supplies for an individual business that may include office, maintenance, and repair facilities that provide services to clients through the use of the machinery, equipment, or supplies
- 1.4 Developer. Clear Creek Ranch, LLC, a Colorado limited liability company, and its successors and assigns.
- 1.5 Development. The industrial center to be developed on the Property.
- 1.6 Development Plan. The Development Plan for the Property shall consist of the Subdivision Final Plat, the Improvement Survey Plat, the PUD Guide, which together with this Agreement shall constitute the “site-specific development plan” establishing Vested Property Rights in accordance with the Vested Property Rights Statute and the Vested Property Rights Regulations.
- 1.7 Improvement Survey Plat. The Improvement Survey Plat created by Bookcliff Survey Services, Inc. and submitted with Developer’s PUD zoning application, dated September 4, 2013, attached hereto as Exhibit “B” and incorporated herein by this reference.
- 1.8 Mixed Industrial Uses and Multiple Uses in the Same Building or on the Same Lot. The combination of industrial uses and/or related uses in a building or on lot planned as a unified and functionally integrated whole.
- 1.9 Motor Vehicle Repair. Repair of vehicles conducted within a building or not within a building on the lot.
- 1.10 Offices for Conduct of a Business or Profession. A room or suite of rooms or portion of a building used for the practice of a business or profession or for the conduct of the affairs of an on-site business.
- 1.11 Outside Storage. The keeping of materials, stock, supplies, machines, equipment, or materials that are not kept in a structure and that are related to the principal use of the lot.
- 1.12 Parking and Loading Areas. Any public or private area designed and used for off-street parking spaces and berths for the loading or unloading of commercial motor vehicles.

1.13 Property. The real property described in Exhibit "A" attached hereto and incorporated herein by this reference.

1.14 PUD. Planned Unit Development.

1.15 PUD Guide. The PUD Guide for the Grand View Industrial Center PUD, as approved by the Board, attached hereto as Exhibit "C", an incorporated herein by this reference.

1.16 Subdivision Final Plat. The Subdivision Final Plat for the Property recorded on August 13, 1982, in the records of the Garfield County Clerk and Recorder.

1.17 Town. The Town of Parachute, Colorado, a home rule municipal corporation.

1.18 Uniform, Non-discriminatory Regulations. Collectively, Town ordinances, rules, regulations, policies and standards, including engineering and design standards, applicable in the same manner to all developments within the Town.

1.19 Vested Property Rights Regulations. Section 15.01.107 of the Parachute Municipal Code.

1.20 Vested Property Rights Statute. Sections 24-68-101, *et. seq.*, C.R.S.

SECTION 2 TERM

The term of this Agreement and the vested property rights expressly established under this Agreement shall commence on the effective date of the Town ordinance zoning the Property as PUD and shall continue for such period that the Property remains zoned PUD.

SECTION 3 SCOPE OF THIS AGREEMENT

3.1 Purpose. This Agreement is intended to set forth the parties' understanding and agreement as to the future development of the Property pursuant to Article 68 of Title 24 of the Colorado Revised Statutes and Title 15 of the Parachute Municipal Code; as to the nature of the development proposed for the Property; as to the responsibilities of the parties for various costs, fees and charges; and as to such other matters the parties believe can be adequately addressed at this time. This Agreement is not intended to address those matters which are more appropriately considered at the time of issuance of building permits within the Development, or future subdivision of the Property.

3.2 Town's Rights Reserved. It is not the intention of the parties in any way to

diminish or limit the Town's legislative, quasi-judicial, or other non-delegable discretionary powers or to impose on the Town any duty, beyond its ordinances and regulations as they may from time to time exist, nor to impose any special obligation on the Town to approve or accept any future applications, plans, drawings, security documents, improvements, and conveyances, except as otherwise set forth in this Agreement. The Town reserves all rights to review, approve or deny any future Subdivision of the Property or building permit application for the Property in accordance with State law and the ordinances and policies of the Town then in effect. It is furthermore the express intention of the parties that nothing in this Agreement shall be construed to void the rights and obligations of the parties as set forth herein, to the extent such rights and obligations are consistent with law. The parties expressly agree they will fully perform this Agreement to the extent it is consistent with the law.

SECTION 4 DEVELOPMENT OF THE PROPERTY

4.1 Nature of Development. The Property is intended to be zoned PUD and used for industrial purposes.

4.2 Compliance with Current Regulations. Developer states that it has reviewed all applicable zoning, subdivision, building and other development regulations and ordinances of the Town currently in effect. Developer agrees to comply with all said regulations and requirements unless as set forth herein.

SECTION 5 PRE-EXISTING USES AND NON-CONFORMING STRUCTURES

5.1 Permit Pre-existing Uses. The Town and the Developer recognize that certain existing uses within in the Development have been occurring for a lengthy period of time and shall be permitted to continue in perpetuity, regardless of ownership of the Property, provisions contained in the PUD Guide, or the Town's Land Use Regulations as follows:

5.1.1 Lots 1, 4, 5, 6 and 8 through 14.

- (a) Parking and loading areas.
- (b) Contractors yards – heavy equipment.
- (c) Outside storage.
- (d) Mixed-use commercial uses and multiple commercial uses in the same building or on the same lot.
- (e) Mixed industrial uses of multiple uses in the same building or on the same lot.
- (f) Motor vehicle repair.

5.1.2 Lots 2 and 3.

- (a) Offices for the conduct of the business or profession.

- (b) Parking and loading areas.
- (c) Contractors yards - heavy equipment.
- (d) Outside storage.

5.1.3 Lots 15, 16 and 17.

- (a) Contractors (carpentry, machine, electrical, plumbing) shops.
- (b) Parking and loading areas.
- (c) Contractors yards – heavy equipment.
- (d) Outside storage.
- (e) Mixed use commercial uses and multiple commercial uses in the same building or on the same lot.
- (f) Mixed industrial uses and multiple uses in the same building or on the same lot.
- (g) Motor vehicle repair.

5.1.4 Lots 18 and 19.

- (a) Offices for the conduct of the business or profession.

5.1.5 Lots 20 and 21.

- (a) Commercial parking lots or garages.
- (b) Contractors yards – heavy equipment.
- (c) Outside storage.

5.2 Pre-existing Non-conforming Structures. The Town and Developer agree that the following lots within the Development have non-conforming pre-existing structures and the non-conforming nature of the structures shall be remedied by the Developer by the filing with the Town an application for an amended Subdivision Final Plat within ninety (90) days from the date of adoption of an ordinance approving Developer’s application for the Planned Unit Development unless as indicated below as follows:

- 5.2.1 Lots 2 and 3 – Dimension: 24.2 feet X 72.4 feet – modular building. The Developer will be required to bring the structure into conformance with all applicable setback requirements within the Grand View Industrial Center PUD by adjusting the lot lines by February 1, 2018.
- 5.2.2 Lots 15, 16, and 17 – Dimension: 51.8 feet X 146.7 feet – 8 bay shop with offices. The Developer shall be required to dissolve the lot line between Lots 15 and 16 and adjust the lot line between Lots 16 and 17 to meet all building setback requirements for Grand View Industrial Center PUD.
- 5.2.3 Lots 18 and 19 – Dimension: 34.3 feet X 94.2 feet – single story wood frame building with a 16.3 foot X 45.6 foot addition at the southwest elevation. Developer shall be required to adjust the lot line between Lots

18 and 19 east to meet all building setback requirements within the Grand View Industrial Center PUD. Additionally, a new 20 foot utility easement shall be dedicated or conveyed by Developer to the Town, at no cost, for a water main. At the time the new utility easement is created, the existing 20 foot utility easement will be vacated upon relocation of the water main by the Town to the new utility easement. The Town shall pay all costs for such relocation of the water main and any other costs associated with the new utility easement, including but not limited to any engineering, legal or recording costs.

5.3 Building Permit Required for Shed.

Lots 17 and 18 – Dimension: 14 feet X 14 feet shed. The Developer shall be required to bring the structure into conformance to meet all applicable setbacks within the Grand View Industrial Center PUD and shall apply for any necessary building permits from the Town. The building permit application for such action shall be submitted by the Developer to the Town no later than ninety (90) days from the date the Board approves Developer’s PUD application.

SECTION 6
PERFORMANCE STANDARDS FOR FUTURE CONSTRUCTION

6.1 Applicable Performance Standards. The following performance standards shall apply to new uses and new construction within the Development following the Board’s approval of the PUD:

6.1.1 Travel and parking portions of the lots within the PUD shall be surfaced with asphalt, concrete, compressed gravel or an equivalent surfacing material approved by the Town.

6.1.2 The total building area of all mixed-use commercial uses or multiple commercial uses in the same building must conform to the provisions of the PUD Guide as adopted by the Town.

6.2 Other Standards. All future uses shall fully comply with the requirements set out in Section 15.03.197 of the Parachute Municipal Code.

SECTION 7
LANDSCAPING

7.1 No Requirement of Landscaping. There is no requirement that any landscaping be installed on any of the lots within the Development. Paragraph 10 of the SIA shall not apply with regard to landscaping, and no landscaping plans are required to be

submitted to the Town.

SECTION 8
WATER AND WASTEWATER SERVICES

8.1 Water Rights. The Town and Developer agree that the Town has sufficient senior water rights which will provide a reliable and dependable legal and physical source of supply of water through the Town's municipal water system for the Development.

8.2 Provision of Water Service by the Town. Provision of water service within the Development to customers shall be made on a first come/first served basis with other water customers, subject to system capacity and any prior commitments, payment of applicable plant investment (tap) fees and connection charges and at the then applicable rate. No lot owner shall receive any preference for or assurance of the availability of water service from the Town until such fees are paid. This Section 8.2 does not apply to any of the lots currently receiving water service from the Town, which includes Lots 2, 3, 8, 15, 16, 17, 18 and 19.

8.3 Provision of Wastewater Service by the Town. The Town agrees to provide wastewater treatment and collection service to the Development upon the Developer or other property owner making a written request for such service and the payment of required plant investment (tap) fees and connection charges. Provision of wastewater service by the Town within the Development shall be made pursuant to agreement by the Town and on a first come/first served basis with other wastewater service customers subject to system capacity and any prior commitments, and at the then applicable rate. Neither the Developer nor any other lot owner shall receive any preference for or assurance of the availability of wastewater service from the Town until such fees are paid. This Section 8.3 does not apply to any of the lots currently receiving water service from the Town, which includes Lots 2,3,8, 15,16,17,18 and 19.

8.4 Payment of Plant Investment (Tap) Fees. All plant investment (tap) fees for treated water service and wastewater treatment and collection service provided within the Development shall be assessed using the Town's prevailing plant investment (tap) fee schedule and connection charge schedule established in the Parachute Municipal Code at the time of application for a building permit for the structure for which service sought. This Section 8.4 does not apply to any of the lots currently receiving water service from the Town which includes Lots 2,3,8, 15,16,17,18 and 19.

SECTION 9
REIMBURSEMENT OF COSTS

Pursuant to Section 15.01.108 of the Parachute Municipal Code, other than as set forth in Section 5.2.3 above, the Developer shall pay to the Town the actual cost to the Town for consulting engineering services, consulting planning services, base map updating and legal services rendered in connection with the Developer's application for approval of the PUD. Said

costs shall be paid prior to the effective date of the ordinance amending the Town's Official Zone District Map by zoning the subject Property as PUD. Provided, however, upon request, the Developer shall receive detailed invoices reflecting the nature and description of each charge so incurred by the Town. In the event the Developer does not believe that the costs assessed under this Section are reasonable, the Developer may appeal such assessment to the Board. Following an opportunity for the Developer to be heard, the Board shall affirm the appeal or deny the appeal.

SECTION 10
REZONING OF THE PROPERTY AS PUD

Upon payment set forth in Section 9, the Town agrees to adopt an ordinance amending the Official Zone District Map of the Town of Parachute, Colorado by rezoning the Property as PUD, subject to the terms and conditions of this Agreement, the PUD Guide and the Development Plan as approved by the Town.

SECTION 11
ENFORCEMENT

11.1 Default; Notice; Termination. In the event of any default or breach by the Developer of a covenant, term, condition, or obligation under this Agreement, and if such default or breach continues after notice thereof for sixty (60) days without resolution as set forth in Section 13 below, this Agreement may be forthwith terminated with respect to such party, at the option of the non-breaching party. Any declaration of termination of the Agreement shall be effective only after and upon a resolution to that effect duly authorized by the Town's Board. All rights concerning remedies or attorney's fees shall survive any termination of this Agreement.

11.2 Legal Action. The parties to this Agreement shall have all rights available at law or in equity to enforce the terms of this Agreement, including the right of specific performance. In the event that any action is filed or maintained by either party in relation to this Agreement, the prevailing party shall be entitled to its costs and reasonable attorney's fees (including legal assistant's fees) or the reasonable value of a salaried attorney's time.

11.3 Other Remedies Available to Town. In the event of any default or breach by the Developer of a covenant, term, condition or obligation under this Agreement, and if such default or breach continues after notice thereof for sixty (60) days without resolution as set forth in Section 13 below, the Town may also suspend approval of the PUD during which time the Developer will have no right to lease or sell portions of the Property without the express written approval of the Town. Provided, however, such suspension shall not effect (a) any right arising from other Town permits, approvals or other entitlements for the Property which were granted or approved prior to, concurrently with, or subsequent to the approval of this Agreement; (b) previously leased or conveyed property; or (c) the Parties rights pursuant to

subsection 14.5 below. These remedies are cumulative in nature.

SECTION 12 VESTED RIGHTS

12.1 Vested Property Rights. Developer and the Town agree that (a) this Agreement, together with the documents constituting the approved PUD Development Plan constitute an approved "Site Specific Development Plan" as defined in the Vested Property Rights Statute and the Vested Property Rights Regulations, and (b) the owner of the Property shall have vested property rights to undertake and complete development and use of the Property. The Town shall not initiate any zoning, land use or other legal or administrative action that would directly or indirectly have the effect of altering, impairing, preventing, diminishing, imposing a moratorium on development, delaying or otherwise materially and adversely impairing to a substantial degree any of Developer's vested property rights, except as otherwise permitted under Section 24-68-105, C.R.S., or as expressly set forth in this Agreement.

12.2 Vacation of PUD. Failure of the Developer to comply with provisions of this Agreement within the times provided herein and following the delivery of the notice described below and the expiration of the sixty (60) day time period described below without a cure by Developer, the Vested Property Rights associated with the PUD Development Plan and this Agreement shall be forfeited. Upon such an event, the Board may enact an ordinance vacating the PUD Development Plan and may rezone the Property. Any property rights dedicated to the Town of Parachute for public purposes shall remain the property of the Town and shall be considered liquidated damages. Provided, however, vacation of the PUD Development Plan shall not effect (a) any right arising from other Town permits, approvals or other entitlements for the Development which were granted or approved prior to, or concurrently with, or subsequent to the approval of the PUD; or (b) the Parties' rights pursuant to subsection 14.5.

12.3 Certificate of Compliance. Upon compliance with all of the terms of this Agreement, the Town shall, upon request from Developer, execute a resolution or certificate stating that all improvements have been constructed in compliance with this Agreement.

SECTION 13 NOTICE OF DEFAULT

13.1 Upon the Developer's failure to perform its obligations under this Agreement as applicable to this Development, all other applicable plans, drawings, specifications and other documents submitted by the Developer to the Town as approved, and applicable Uniform Non-discriminatory Regulations of the Town within the time periods set forth in this Agreement, the Town's Mayor may give written notice to the Developer of the nature of the default and an opportunity to be heard before the Board of Trustees concerning such default. If such default has not been remedied within sixty (60) days of receipt of the notice or of the date of any hearing before the Board, whichever is later, (or such reasonable time period as is necessary to

cure the default provided that Developer has commenced to cure the default) the Town's Mayor may then give a final written notice of default to the Developer.

SECTION 14
MISCELLANEOUS PROVISIONS

14.1 Waiver of Defects. In executing this Agreement, Developer and the Town waive all rights they may have concerning defects, if any, of the form of this Agreement, the formalities whereby it is executed; and concerning the procedure, substance and form of the ordinances or resolutions adopting this Agreement. Developer further waives all rights it may have concerning the power of the Town to impose conditions on Developer as set forth herein.

14.2 Failure to Exercise Rights. No waiver of any provision of this Agreement will be deemed or constitute a waiver of any other provision, nor will it be deemed or constitute a continuing waiver unless expressly provided for by written amendment to this Agreement signed by the Town and the Developer; the waiver of any default under this Agreement shall not be deemed a waiver of any subsequent default or defaults of the same type. The Town's failure to exercise any right under this Agreement will not constitute the approval of any wrongful act by the Developer. The Developer's failure to exercise any right under this Agreement will not constitute the approval of any wrongful act by the Town.

14.3 Complete Agreement. This Agreement together with the PUD Development Plan, the PUD Guide, and the ordinance rezoning the Property as PUD contain all of the understandings, conditions and related plans and design specifications contain all of the understandings, conditions and agreements between the Town and Developer relating to the Development at this time, and no other prior or current representation, oral or written, shall be effective or binding upon the Town and Developer, except for representations made by the Developer, or its agent, or the Town Board and Town staff members at public hearings concerning approval of the Development Plan, not in conflict with the express provisions of this Agreement.

14.4 Enabling Ordinances Required. To the extent required by law and by the terms of this Agreement, the obligations and covenants of the Town are conditional upon the adoption by the Town of appropriate enabling ordinances.

14.5 Attorney's Fees. In the event that any action is filed or maintained by any party in relation to this Agreement, the prevailing party shall be entitled to its costs and reasonable attorney fees (including legal assistant's fees) or the reasonable value of a salaried attorney's time (including legal assistant's time). All rights concerning remedies or attorney's fees shall survive termination of this Agreement.

14.6 Authorization. The signatories to this Agreement affirm and warrant that they are fully authorized to enter into and execute this Agreement, and all necessary actions,

notices, meetings, and/or hearings pursuant to any law required to authorize their execution of this Agreement have been made or will be made.

14.7 Amendments. This Agreement may be amended from time to time by written agreement duly authorized by the parties.

14.8 Representations of Town Officials. It is expressly understood that the Town cannot be legally bound by the representations of any of its officers or agents or their designees except in accordance with the Parachute Municipal Code and ordinances, and that the Developer, when dealing with the Town, acts at its own risk as to any representation or undertaking by the Town or its officers or agents or their designees which is subsequently held unlawful by a court of law, which is in accordance with the laws of the State of Colorado. Provided, however, that this subsection shall not be construed to limit the rights and remedies of the parties otherwise provided by law.

14.9 Covenants. The provisions of this Agreement shall be binding on all subsequent owners of the Property as covenants running with the Property, to be released only by the Town of Parachute, and the benefits and burdens of this Agreement shall bind and inure to the benefit of all estates and interests in the Property and all successors in interest to the parties to this Agreement, except as otherwise provided herein.

14.10 Notices. All notices required or given by the terms of this Agreement shall be made by certified first class mail, postage prepaid, return receipt requested, to the parties at their addresses listed below. All notices shall be effective upon mailing. These addresses shall remain valid until notice of a change of address is given in accordance herewith.

If to Town: Town of Parachute, Colorado Board of Trustees
 P.O. Box 100
 Parachute, Colorado 81635
 Attn.: Town Manager

With a copy to: Sands Law Office, LLC
 450 West Avenue, Suite 204
 Rifle, Colorado 81650
 Attn.: Edward P. Sands, Esq.

If to Developer: Clear Creek Ranch, LLC
 P.O. Box 301
 Parachute, Colorado 81635
 Attn: Kamron DeMarco-Kracht and Hank Kracht

With a copy to: Melody Massih
1204 Grand Avenue
P.O. Box 916
Glenwood Springs, Colorado 81602

14.11 Time of the Essence. Time is of the essence of this Agreement.

14.12 Colorado Law Applicable. This Agreement is made and delivered within the State of Colorado, and the laws of the State of Colorado shall govern its interpretation, validity, and enforceability.

14.13 Jurisdiction of Courts. Personal jurisdiction and venue for any civil action commenced by either party to this Agreement arising out of or relating to the Agreement will be deemed to be proper only if such action is commenced in the District Court for Garfield County, Colorado. The Developer expressly waives its right to bring such action in or to remove such action to any other court, whether State or federal.

14.14 Rights of Persons Not a Party. No person or entity who or which is not a party to this Agreement will have any right of action under this Agreement.

14.15 Provisions Deemed Severable. If any part, term or provision of this Agreement is held by the courts to be illegal or otherwise unenforceable, such illegality or unenforceability will not affect the validity of any other part, term, or provision and the rights of the parties will be construed as if the part, term, or provision was never part of the Agreement.

14.16 Assignment of Rights; Release of Obligations. This Agreement is binding on the heirs, successors, and assigns of the Developer, unless otherwise released by the Town.

14.17 No Waiver of Immunity. Nothing contained in this Agreement constitutes a waiver of the Town's sovereign immunity or governmental immunity under any applicable State law.

14.18 Recordation of Agreement. The Town shall record a copy of this Agreement in the office of the Clerk and Recorder of Garfield County, Colorado.

14.19 Execution of Other Documents. The parties agree to execute any additional documents and to take any additional actions necessary to carry out the terms of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the day and year first above written.

TOWN OF PARACHUTE, COLORADO, a home rule municipal corporation, acting by and through its Board of Trustees

By: _____
Roy McClung, Mayor

ATTEST:

S. Denise Chiaretta, Town Clerk

CLEAR CREEK RANCH, LLC, a Colorado limited liability company

By: _____
Kamron DiMarco-Kracht

By: _____
Hank Kracht

[NOTARY BLOCKS ON FOLLOWING PAGE]

STATE OF COLORADO)
)ss.
COUNTY OF GARFIELD)

Subscribed and sworn to before me this ____ day of _____, 2014, by Roy McClung, Mayor, and S. Denise Chiaretta, Town Clerk, respectively, of the Town of Parachute, Colorado.

WITNESS MY HAND AND OFFICIAL SEAL.

My commission expires: _____

Notary Public

STATE OF COLORADO)
)ss.
COUNTY OF GARFIELD)

Subscribed and sworn to before me this ____ day of _____, 2014, by Kamron DeMarco-Kracht and Hank Kracht, respectively, of Clear Creek Ranch, LLC.

WITNESS MY HAND AND OFFICIAL SEAL.

My commission expires: _____

Notary Public

Exhibit A
Legal Description

All that portion of the south $\frac{1}{2}$ of the southwest $\frac{1}{4}$ of Section 1 Township 7 south Range 96 west of the 6th P.M. Garfield County Colorado, described as follows:

Considering the south line of said southeast $\frac{1}{4}$ as bearing N $88^{\circ}49'41''$ W and with all bearing contained herein relative thereto. Beginning at the southeast corner of said Section 1 thence along said south line of the southeast $\frac{1}{4}$ N $88^{\circ}49'41''$ W 594.93' to a point 761.0' east of the southwest corner of the southeast $\frac{1}{4}$ of said southeast $\frac{1}{4}$ of Section 1 and the true point of beginning. Thence continuing along said south line N $88^{\circ}49'41''$ W 1120.39' to the east line of that certain parcel of land as described in Deed Recorded in Book 471 Page 327 Garfield County Records. Thence along said east line N $03^{\circ}34'33''$ E 411.90' to the north line of that certain parcel of land as described in Deed Recorded in Book 364 Page 90 Records of Garfield County. Thence along said north line S $86^{\circ}12'17''$ E 1104.27' to the east line of said parcel of land as described in Book 364 Page 90 thence along said east line S $01^{\circ}10'19''$ W 361.0' to the true point of beginning, and containing 9.86 acres more or less.

**DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS
FOR GRAND VIEW INDUSTRIAL CENTER, P.U.D.**

This Declaration of Covenants, Conditions and Restrictions for that real property described on Exhibits A and B attached hereto and incorporated herein, Town of Parachute, Colorado (hereafter the "Declaration"), is made this _____ day of _____, 2014, by Clear Creek Ranch, LLC, (hereafter referred to as the "Declarant").

RECITALS

WHEREAS, Declarant is the owner of that certain real property known as Grand View Industrial Center, P.U.D., as described on the plat thereof recorded as Reception No. 331635 in the Office of the Garfield County, Colorado, Clerk and Recorder, together with all appurtenances thereto; and

WHEREAS, Declarant desires to provide a flexible and reasonable procedure for the overall operation of the Lots, and to establish a method for the administration, maintenance, preservation, control, use, and enjoyment of the Lots, as well as provide for the enforcement of the restrictions, covenants and conditions hereinafter set forth.

DECLARATION

NOW THEREFORE, Declarant hereby declares that all of the Lots described above, individual or collective, shall be held, transferred, sold, conveyed, occupied and benefitted by and subject to the following covenants, conditions and restrictions which are established for the purpose of protecting the value and desirability of such real property and which shall run with title to the Lots and be binding on all owners or other parties having any right, title or interest therein.

**ARTICLE I
DEFINITIONS**

Articles of Incorporation and Articles. Articles of Incorporation or Articles shall mean the Articles of Incorporation of the Association filed or to be filed in the office of the Secretary of State of the State of Colorado.

Association. "Association" means the Grand View Industrial Center P.U.D. Lot Owner's Association, Inc., a Colorado nonprofit corporation, its successors and assigns, whose Members shall be the respective Owners of the Lots.

Board of Directors. Board of Directors of Board shall mean and refer to the Board of Directors of the Association as constituted from time to time.

Bylaws. Bylaws shall mean the Bylaws adopted by the Association, as amended from time to time.

Declarant. “Declarant” shall mean Clear Creek Ranch, LLC, its successors and assigns.

Declaration. “Declaration” shall mean the covenants, conditions and restrictions and all other terms or provisions set forth in this document as the same is recorded in the records of Garfield County, Colorado, and as the same may be amended from time to time in accordance with the provisions hereof, with such amendments being likewise recorded.

Lot or Parcel. “Lot” or “Parcel” shall mean each of Lots 1, 2, 3, 4, 5, 6, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 and 21 inclusive, according to the Plat of the Grand View Industrial Center, P.U.D., and as said Lot lines are subsequently relocated, adjusted or dissolved by Declarant.

Lot Owner or Owner. “Lot Owner” or “Owner” means the person, persons, entity or entities who or which together shall comprise the record owner of fee simple title to a Lot.

Member. “Member” shall mean a person or entity which, by virtue of their status as a Lot Owner, is deemed to enjoy the membership privileges and responsibilities in the Association.

ARTICLE II **ASSOCIATION MEMBERSHIP, BOARD AND VOTING**

Declarant shall cause to be incorporated as a Colorado nonprofit corporation, the Grand View Industrial Center P.U.D. Lot Owner’s Association, Inc. for purposes of administering and enforcing the covenants, conditions and restrictions herein set forth.

The Owner of record of fee simple title to each Lot shall be a Member of the Association. Members shall be entitled to one (1) vote for each five thousand square feet (5000 ft²) of Lot surface area owned, rounded up to the nearest multiple of 5000. There shall be no fractional votes or voting rights. Where there is more than one Owner of a Lot, all co-owners shall be Members of the Association and may attend any meeting of the Association; however, one owner shall be designated with the voting authority for the Lot and this information shall be furnished to the Board prior to any meeting in which a voting right is exercised. Divided votes shall not be allowed and the vote for each Lot shall be exercised, if at all, as a Lot. In any case, where a majority of the co-owners fail or are unable to designate the voting Member for a Lot, the Board can designate the voting Member for that Lot or refuse to allow the Owners of that Lot to cast a vote. Non-voting co-owners shall be jointly and separately responsible for all of the obligations imposed upon the co-owned Lot and shall be entitled to all other benefits of ownership. All agreements and determinations made by the Association shall be deemed to be binding on all Lot Owners, their successors and assigns. For purposes of voting matters in the Association, a Member owning more than one Lot shall be entitled to vote for each Lot owned.

The Association shall be governed by a Board of three (3) Directors, to be elected annually by majority vote of the Members. Notwithstanding any other provision of this Declaration, the exclusive right to appoint and remove members of the Board of Directors shall be vested solely in Declarant so long as Declarant is the Owner of seven (7) or more Lots. Once the Declarant no longer has exclusive right to appoint and remove the Board of Directors, the Members shall meet annually for the purpose of electing Directors.

The Board shall meet annually for the transaction of such business as may come before the meeting and, upon the call of two (2) or more Directors, may meet at any other time deemed necessary. The Board may designate any place within Parachute, Colorado as the place of meeting for any annual meeting or for any special meeting called by the Board. All action by the Association shall be taken by majority vote of a quorum of the Board.

ARTICLE III
ASSOCIATION DUTIES, RIGHTS AND POWERS

The Association shall have all duties, rights and powers provided in this Declaration, including the power to enforce the provisions of this Declaration.

ARTICLE IV
LANDSCAPING

Each Lot Owner is solely responsible for constructing all landscaping and related improvements on his/hers Lot(s). Each Lot Owner is solely responsible for maintenance of all landscaping and related improvements on his/her Lot(s), and the Association shall have no responsibility for this landscaping or maintenance. Each Lot Owner shall construct and maintain his/her landscaping improvements consistent with the requirements of the conditions contained in any Town of Parachute approvals granted to a Lot Owner. Each Lot owner shall be responsible for replacement of living vegetation removed or damaged during such maintenance.

To the extent that landscape areas are shared in common by two or more Lots, the Owners of said Lots shall enter into maintenance agreements concerning the upkeep of said shared landscape areas at the time said Lots are developed.

ARTICLE V
ROADWAYS, WALKWAYS AND PARKING FACILITIES

Each Lot Owner is solely responsible for construction of all roadways, walkways and parking facilities on said Lot Owner's respective Lot(s) in accordance with the requirements of the conditions contained in any Town of Parachute approvals granted to a Lot Owner and otherwise in accordance with all applicable covenants, conditions and restrictions and all applicable federal, state and local laws. The Association shall have no responsibility for any roadways, walkways or parking facilities located on any Lot(s). To the extent that roadways, walkways and parking facilities are shared in common by two or more Lots, the Owners of said Lots may enter into construction agreements with other Lot Owners or the Declarant concerning construction of said shared roadways, walkways and parking facilities.

Each Lot Owner shall, at its sole cost and expense, maintain all roadways, walkways and parking facilities on said Lot Owner's respective Lot(s) in accordance with the requirements of the conditions contained in any Town of Parachute approvals granted to a Lot Owner and otherwise in

accordance with all applicable covenants, conditions and restrictions and all applicable federal, state and local laws.

Such maintenance shall include maintaining the surfaces of the roadways, walkways and parking facilities in good and serviceable condition and repainting and maintaining striping, markers and directional signs as necessary to maintain the roadways, walkways and parking facilities.

Each Lot Owner is solely responsible for all costs of repair, maintenance, clearing, trash removal, snow plowing, and other expenses of upkeep and preservation of the roadways, walkways and parking facilities on said Lot Owner's respective Lot(s). To the extent that roadways, walkways and parking facilities are shared in common by two or more Lots, the Owners of said Lots shall enter into maintenance agreements concerning the upkeep of said shared roadways, walkways and parking facilities at the time said Lots are developed.

ARTICLE VI **RESTRICTIONS ON USE AND BUILDING**

In addition to any other restrictions contained herein, all Lots shall be subject to the following covenants and restrictions on use and building restrictions:

1. All Lots shall be used only for commercial and industrial purposes.
2. All Lots shall be kept and maintained at all times in good repair and overall appearance as well as in a sanitary, healthful, safe and neat and attractive condition, no uncontained rubbish or refuse shall be allowed to accumulate on Lots.
3. The use and development of all Lots within the Grand View Industrial Center, P.U.D shall be in strict accordance with the conditions contained in any Town of Parachute approvals granted to a Lot Owner.
4. No immoral, improper, offensive or unlawful use shall be made of any Lot nor any part thereof and all valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction thereof shall be observed.
5. Maintenance, upkeep and repair of any improvement on each Lot shall be the sole responsibility of the individual Owner thereof.
6. All utilities, fixtures and equipment installed within the perimeter of any Lot, commencing at a point where the utility lines, pipes, wires, conduits or systems enter the perimeter lot line, shall be maintained and kept in repair by the Owner thereof. All service lines for utilities extending from the utility main lines to the individual Lots, shall be installed and maintained underground.

7. No Lot Owner shall permit or suffer the growth or spread of noxious weeds on or about his/hers Lot. No burning of trash, leaves, garbage or other household refuse, etc., shall be permitted.
8. Construction of all improvements or alterations shall, once construction has been initiated, proceed in a timely manner.

ARTICLE VII **ARCHITECTURAL CONTROL COMMITTEE**

No Lot improvements shall be commenced, erected or maintained, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to in writing and approved as to harmony of external design and location in relation to surrounding structures and topography by the Architectural Control Committee of the Board of Directors of the Association, which Committee shall be comprised of three (3) representatives, to be appointed annually by majority vote of the Board of Directors. The Architectural Control Committee shall have the power to adopt and enforce architectural regulations. In the event the Architectural Control Committee fails to approve or disapprove such design within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. Neither the Architectural Control Committee nor any member thereof shall be liable for any damages to any person or entity submitting any plans or specifications for approval, or to any Owner or Owners of Lots, by any reason of any action, failure to act, approval, disapproval or failure to approve or disapprove any plans or specifications.

As a courtesy, the Town of Parachute will request submission of a signed approval form from the Architectural Control Committee in association with consideration of a building permit. The Town of Parachute will not be prevented from issuing a building permit in the event of an Architectural Control Committee denial, but may as a courtesy communicate with the Architectural Control Committee. In any case, the Town of Parachute shall not be liable for properly issuing a building permit absent agreement from the Architectural Control Committee or the Architectural Control Committee approval document.

ARTICLE VIII **USE BY DECLARANT**

Notwithstanding any provision herein to the contrary, during the period of Construction and/or sale of Lots, it shall be expressly permissible for Declarant to maintain such facilities as Declarant in its sole discretion determines reasonably required, convenient, or incidental to such construction and sale. This permission shall include, but not be limited to, business offices, storage areas, construction yards, signs and sales offices.

ARTICLE IX
ENFORCEMENT

The Association, the Declarant, or any Lot Owner shall have the right to enforce the covenants, conditions and restrictions contained in this Declaration by any legal or equitable means necessary and available including actions for damages and injunctive relief. Each remedy provided under this Declaration is cumulative and not exclusive. In the event of any such action, the Association, Declarant or Lot Owner or Owners, if they prevail in said action, shall be entitled to receive reasonable attorney's fees and costs from the Lot Owner or Owners found to be in violation of this Declaration.

ARTICLE X
INSURANCE

It is the responsibility of each Owner to provide insurance on his/her personal property and upon all real property and improvements within his/her Lot, and any other insurance deemed necessary, including liability insurance.

ARTICLE XI
PRE-EXISTING USES

1. The Town of Parachute recognizes that the existing uses on the Grand View Industrial PUD have been occurring for a lengthy period of time and are allowed to continue, regardless of ownership of the property.

- a. Lots 1, 4, 5, 6 and 8 through 14.
 - 1. Parking and loading areas
 - 2. Contractors yards- heavy equipment
 - 3. Outside Storage
 - 4. Mixed-use commercial uses and multiple commercial uses in the same building or on the same lot
 - 5. Mixed industrial uses and multiple uses in the same building or on the same lot
 - 6. Vehicle (automobiles and trucks) Repair

- b. Lots 2 & 3
 - 1. Offices for the conduct of a business or profession
 - 2. Parking and loading areas
 - 3. Contractors yards- heavy equipment
 - 4. Outside Storage

- c. Lots 15, 16, 17.
 - 1. Contractors (carpentry, machine, electrical, plumbing) shops
 - 2. Parking and loading areas

3. Contractors yards- heavy equipment
4. Outside Storage
5. Mixed-use commercial uses and multiple commercial uses in the same building or on the same lot
6. Mixed industrial uses and multiple uses in the same building or on the same lot
7. Vehicle (automobiles and trucks) Repair

d. Lots 18 & 19

1. Offices for the conduct of a business or profession

e. Lots 20 and 21

1. Parking and loading areas
2. Contractors yards- heavy equipment
3. Outside Storage

2. The following lots as of May 2014 have pre-existing structures that will be dealt with in the following manners:

a. Lots 2 and 3- Dimension: 24.2' x 72.4'- Modular building. This structure will be allowed to continue occupation and operation until February 1, 2018. At this time, the property owner will be required to bring the structure in conformance to meet all applicable setbacks within the Grand View Industrial Center PUD.

b. Lots 15, 16, and 17- Dimension: 51.8' x 146.7'- 8 bay shop with offices. The property owner is required to dissolve the lot line between lots 15 and 16 and adjust the lot line between lots 16 and 17 East to meet all building setback requirements of the Grand View Industrial Center PUD. The application for this action shall be submitted by the property owner to the Town of Parachute no later than 90 days after approval of the land use permit application that was submitted to the Town of Parachute on 5/22/14 by Clear Creek Ranch, LLC.

c. Lots 18 and 19- Dimension: 34.3' x 94.2'- Single Story Wood Frame building with a 16.3' x 45.6' addition at the Southwestern elevation. The property owner is required to adjust the lot line between lots 18 and 19 East to meet all building setback requirements of the Grand View Industrial Center PUD. Additionally, a new 20' Utility Easement will be granted by the property owner for a future Town of Parachute water line. Language will be incorporated into this new utility easement to note that the existing 20' Utility Easement will be abandoned upon relocation of the water line by the Town of Parachute. The application for this action shall be submitted by the property owner to the Town of Parachute no later than 90 days after approval of the land use permit application that was submitted to the Town of Parachute on 5/22/14 by Clear Creek Ranch, LLC.

d. Lots 17 and 18- Dimension: 14'x14' Shed

The property owner will be required to bring the structure in conformance to meet all applicable setbacks within the Grand View Industrial Center PUD and will apply for any necessary building permits from the Town of Parachute. The building permit application for this action shall be submitted by the property owner to the Town of Parachute no later than 90 days after approval of the land use permit application that was submitted to the Town of Parachute on 5/22/14 by Clear Creek Ranch, LLC.

3. The existing 20' Drainage and Access Easement located at the West, North and East sides of the Grand View Industrial Center P.U.D. and the irrigation ditch located within this easement will be maintained by the Grand View Industrial Center P.U.D. Lot Owner's Association, Inc.

The Town of Parachute shall be a 3rd party beneficiary of the maintenance obligation for the 20' Drainage and Access Easement noted above. The Town of Parachute shall have the right but not an obligation to enforce this provision. This paragraph 3 shall not be amended or repealed without the written consent of the Town of Parachute.

ARTICLE XII

GENERAL PROVISIONS

Benefits/Burdens. The covenants, conditions and restrictions of this shall run with title to the Lots and shall inure to the benefit of the Lot Owners and shall be enforceable by the Declarant, or the Association, or any of the Lot Owners.

Indemnification. The Association shall indemnify Declarant against any and all expenses, including attorneys' fees and costs reasonably incurred by or imposed upon said Declarant in connection with any action, suit or other proceeding (including settlement of any suit or proceeding) to which the Declarant may be a party by reason of any actions, contracts, agreements or other activity undertaken by the Declarant before or after the making of this Declaration. The Declarant shall not be liable for any mistake of judgment, negligent or otherwise, except for willful misfeasance, malfeasance, misconduct or bad faith. The Declarant shall have no personal liability with respect to any contract or other commitment made by them, in good faith on behalf of the Association, and the Association shall indemnify, save and forever hold such Declarant free and harmless against any and all liability to any other party on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which Declarant may be entitled in this regard.

Amendment or Modifications. This Declaration may be amended or modified by the Declarant so long as Declarant is the Owner of seven (7) or more Lots. At any time Declarant is the Owner of less than seven (7) Lots, the Lot Owners may amend or modify this Declaration by a written instrument executed by the Owners of not less than thirteen (13) of the Lots, and

recorded in the records of Garfield County. Provided further, that no such amendment or modification of this Declaration which affects or purports to affect any rights accorded to or reserved by the Declarant herein shall be operable or effective unless the aforementioned instrument of amendment or modification is also executed by Declarant.

Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Perpetuities. If any of the covenants, conditions and restrictions of this Declaration shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the longest lived member of the presently constituted Town of Parachute Board of Trustees.

Non-Waiver. The failure of Declarant, the Association, or a Lot Owner to object to any breach of or failure to comply with the provisions of this Declaration of the Association by a person subject thereto shall in no event be deemed a waiver of any right to object to the same and to seek compliance therewith at any time.

Captions. Article and paragraph or section captions, headings, or titles inserted throughout this Declaration are intended solely as a means of convenience and reference and in no way shall such captions, headings or titles define, limit or in any way affect any of the substantive terms and provisions of this Declaration.

Context. Whenever the context requires, any pronoun used herein shall be deemed to mean both the feminine and masculine gender, and the singular shall be deemed to also encompass the corresponding plural.

Separate Taxation. Each Lot shall be deemed to be a separate parcel and be subject to separate assessment and taxation for all types of taxes authorized by law, including ad valorem levies and special assessments. The lien for taxes assessed to any Lot shall be confined to that Lot. No forfeiture or sale of any Lot for delinquent taxes, assessments or other governmental charges shall divest or in any way affect the title to any other Lot.

Not a Dedication. Nothing contained in this Declaration shall be deemed to be a gift or dedication of all or any part of the Grand View Industrial Center, P.U.D. to the public or for any public use.

IN WITNESS WHEREOF, the undersigned Declarant has executed this Declaration of Covenants, Conditions and Restrictions for Grand View Industrial Center, P.U.D. the day and year first above written.

DATED this ____ day of _____, 2014.

CLEAR CREEK RANCH, LLC

ATTEST:

By: _____
President

Secretary

STATE OF COLORADO)
) ss.
COUNTY OF GARFIELD)

The foregoing instrument was acknowledged before me on this _____ day of _____, 2014, by _____, as President of CLEAR CREEK RANCH, LLC

Witness my hand and official seal.

My commission expires: _____

Notary Public

EXHIBIT A

Legal Description

Lots 1, 2, 3, 4, 5, 6, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 and 21
Grand View Industrial Center Planned Unit Development
in the Town of Parachute
The plat of which is recorded as document number 331635
County of Garfield
State of Colorado

All that portion of the south $\frac{1}{2}$ of the southwest $\frac{1}{4}$ of Section 1 Township 7 south Range 96 west of the 6th P.M. Garfield County Colorado, described as follows:

Considering the south line of said southeast $\frac{1}{4}$ as bearing N 88°49'41"W and with all bearing contained herein relative thereto. Beginning at the southeast corner of said Section 1 thence along said south line of the southeast $\frac{1}{4}$ N 88°49'41"W 594.93' to a point 761.0' east of the southwest corner of the southeast $\frac{1}{4}$ of said southeast $\frac{1}{4}$ of Section 1 and the true point of beginning. Thence continuing along said south line N 88°49'41" W 1120.39' to the east line of that certain parcel of land as described in Deed Recorded in Book 471 Page 327 Garfield County Records. Thence along said east line N 03°34'33"E 411.90' to the north line of that certain parcel of land as described in Deed Recorded in Book 364 Page 90 Records of Garfield County. Thence along said north line S 86°12'17"E 1104.27' to the east line of said parcel of land as described in Book 364 Page 90 thence along said east line S01°10'19" W 361.0' to the true point of beginning, and containing 9.86 acres more or less.

EXHIBIT B

Improvement Survey Plat
Prepared by Bookcliff Survey Services, Inc.
Revision 9/4/13

Only relevant to:

Parcel 1

Lots 1, 2, 3, 4, 5, 6, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 and 21

Grand View Industrial Center

in the Town of Parachute

The plat of which is recorded as document no. 331635

County of Garfield

State of Colorado



AGENDA ITEM

BOARD CONSIDERATION OF ORDINANCE NO. 675

AN ORDINANCE OF THE TOWN OF PARACHUTE, COLORADO, AMENDING THE ZONE DISTRICT MAP OF THE TOWN OF PARACHUTE BY APPROVING AN INDUSTRIAL PLANNED UNIT DEVELOPMENT WITHIN THE TOWN OF PARACHUTE TO BE KNOWN AS THE GRAND VIEW INDUSTRIAL CENTER PLANNED UNIT DEVELOPMENT AND APPROVING A SITE SPECIFIC DEVELOPMENT PLAN ESTABLISHING A VESTED PROPERTY RIGHT PURSUANT TO ARTICLE 68 OF TITLE 24, C.R.S., AND SECTION 15.01.107 OF THE PARACHUTE MUNICIPAL CODE.

**TOWN OF PARACHUTE
ORDINANCE NO. 675**

AN ORDINANCE OF THE TOWN OF PARACHUTE, COLORADO, AMENDING THE ZONE DISTRICT MAP OF THE TOWN OF PARACHUTE BY APPROVING AN INDUSTRIAL PLANNED UNIT DEVELOPMENT WITHIN THE TOWN OF PARACHUTE TO BE KNOWN AS THE GRAND VIEW INDUSTRIAL CENTER PLANNED UNIT DEVELOPMENT AND APPROVING A SITE SPECIFIC DEVELOPMENT PLAN ESTABLISHING A VESTED PROPERTY RIGHT PURSUANT TO ARTICLE 68 OF TITLE 24, C.R.S., AND SECTION 15.01.107 OF THE PARACHUTE MUNICIPAL CODE.

WHEREAS, by Title 15 of the Parachute Municipal Code, the Town of Parachute enacted a comprehensive zoning ordinance for the Town, known as the Town of Parachute Land Use Regulations; and

WHEREAS, the Board of Trustees of the Town of Parachute has received an application from Clear Creek Ranch, LLC, a Colorado limited liability company (the "Applicant"), to amend the zone district map by approving an industrial Planned Unit Development ("PUD") for the real property described in Exhibit "A", attached hereto and incorporated herein by this reference (the "Property") in the particulars hereinafter set forth; and

WHEREAS, the Town of Parachute Planning and Zoning Commission following a public hearing recommended approval of the PUD Application on August 11, 2014 subject to conditions; and

WHEREAS, notice of a public hearing on Applicant's application for approval of the proposed PUD and rezoning of the Property has been given as required by Section 15.01.106 of the Parachute Municipal Code; and

WHEREAS, a public hearing considering said Applicant's proposed PUD and rezoning of the Property was held on September 11, 2014 as required by Title 15 of the Parachute Municipal Code; and

WHEREAS, The Board of Trustees finds and determines that the Applicant has provided sufficient evidence that the proposed PUD is desirable because one or more of the purposes set forth in Section 15.03.310 of the Parachute Municipal Code have been met; and

WHEREAS, the Board of Trustees finds and determines that the Applicant has met its burden of providing evidence that the proposed PUD is in conformity with the Town's goals, policies, and master plan, and that the Applicant has met its burden of providing evidence that the area in question possesses geological, physiological, and other environmental conditions compatible with and characteristic of the uses requested, and is compatible with surrounding

land uses, and that the advantages of the PUD requested outweigh the disadvantages of such requested zoning designation; and

WHEREAS, the Board of Trustees has agreed to designate the PUD Development Plan, as approved, together with the PUD Guide and the PUD Development Agreement as the site specific development plan for the Grand View Industrial Center Planned Unit Development (“Site Specific Development Plan”) pursuant to Article 68 of Title 24, C.R.S., and Section 15.01.107 of the Parachute Municipal Code.

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

Section 1. That Chapter 15.03 of the Parachute Municipal Code, as well as the Official Zone District Map of the Town of Parachute, established by and incorporated into said Chapter, be and the same hereby is amended so as to provide that the real property described in Exhibit “A”, situate in the Town of Parachute, County of Garfield, State of Colorado, is hereby rezoned as Planned Unit Development (PUD). The zoning densities, uses, and their locations shall be those depicted in the PUD Development Plan and PUD Guide for the Grand View Industrial Center Planned Unit Development, as approved by the Board of Trustees, which is hereby incorporated herein by reference. The zoning designation herein approved specifically requires the Applicant’s full compliance with the PUD Development Plan, as approved, and the Grand View Industrial Center PUD Guide, dated September 11, 2014 (“PUD Guide”), attached hereto as Exhibit “B” and incorporated herein by this reference.

Section 2. The Applicant and the Town have negotiated a PUD Development Agreement, attached hereto s Exhibit “C” and incorporated herein by this reference. Said Agreement is hereby approved. The Mayor of the Town of Parachute is hereby authorized and directed to execute said Agreement on behalf of the Town.

Section 3. Upon the effective date of this Ordinance, the zoning amendment herein contained shall be promptly entered on the appropriate page of the Official Zone District Map, showing general location, effective date, and nature of the change. One copy of the application, including the approved PUD Development Plan, PUD Development Agreement, and the approved PUD Guide, shall be retained in the records of the Building Official, in order to insure that development proceeds in conformance with the requirements of the approved zone district designation and this Ordinance.

Section 4. The PUD Development Plan, together with the PUD Guide, and the PUD Development Agreement as approved, is hereby designated as and shall collectively constitute the approved Site Specific Development Plan for the Grand View Industrial Center Planned Unit Development pursuant to Article 68 of Title 24, C.R.S., and Section 15.01.107 of the Parachute Municipal Code and by virtue of such approval, a vested property right therein has been created.

Section 5. After the effective date of this Ordinance, it shall be unlawful for any person

to erect, construct, reconstruct, use or alter any building or structure or to use any land in violation of the PUD Guide. Any person who violates this Ordinance shall be guilty of a municipal offense. Each person shall be deemed guilty of a separate offense for each and every day or portion thereof during which any violation of any provisions of this Ordinance are committed, continued or permitted and shall constitute a Class B municipal offense subject to fines and/or imprisonment as provided under the Parachute Municipal Code.

Section 6. Within ten (10) days after the effective date of this Ordinance, the Town Clerk, on behalf of the Town of Parachute, Colorado, is directed to:

a. File one copy each of the approved PUD Development Plan, the approved PUD Guide, the approved PUD Development Agreement and the original of this Ordinance in the office of the Town Clerk of Parachute, Colorado;

b. File one certified copy of this Ordinance, one copy of the approved PUD Development Plan, a copy of the PUD Development Agreement and one copy of the approved PUD Guide in the office of the Garfield County, Colorado, Assessor; and

c. File for record one certified copy of this Ordinance, one certified copy of the approved PUD Guide, one (1) certified copy of the PUD Development Agreement and one certified copy of the approved PUD Development Plan with the Clerk and Recorder of Garfield County, Colorado.

Section 7. Within fourteen (14) days after the approval of this Ordinance, the Town Clerk, on behalf of the Town of Parachute, is hereby authorized and directed to:

a. Publish in a newspaper of general circulation within the Town the full text of this Ordinance (without attachments); and

b. Publish concurrently with the publication of the within Ordinance a notice advising the general public that the PUD Development Plan, as approved, together with the PUD Guide, as approved, and the PUD Development Agreement collectively constitutes approval of a site specific development plan establishing a vested property pursuant to Article 68 of Title 24, C.R.S., and pursuant to Section 15.01.107 of the Parachute Municipal Code.

INTRODUCED, READ, PASSED, ADOPTED, AND ORDERED PUBLISHED BY TITLE ONLY at a regular meeting of the Board of Trustees of the Town of Parachute, Colorado, held on September 11, 2014.

TOWN OF PARACHUTE, COLORADO

By: _____
Roy McClung, Mayor

ATTEST:

S. Denise Chiaretta, Town Clerk

PUBLIC NOTICE

Public notice is hereby given that an Ordinance entitled:

AN ORDINANCE OF THE TOWN OF PARACHUTE, COLORADO, AMENDING THE INDUSTRIAL DISTRICT MAP OF THE TOWN OF PARACHUTE BY APPROVING AN INDUSTRIAL PLANNED UNIT DEVELOPMENT WITHIN THE TOWN OF PARACHUTE TO BE KNOWN AS THE GRAND VIEW INDUSTRIAL CENTER PLANNED UNIT DEVELOPMENT AND APPROVING A SITE SPECIFIC DEVELOPMENT PLAN ESTABLISHING A VESTED PROPERTY RIGHT PURSUANT TO ARTICLE 68 OF TITLE 24, C.R.S., AND SECTION 15.01.107 OF THE PARACHUTE MUNICIPAL CODE.

was approved at a regular meeting of the Board of Trustees held on September 11, 2014, and approved by the Mayor on September 11, 2014.

A copy of the adopted ordinance is available for inspection at the Parachute Town Hall 222 Grand Valley way Parachute, Colorado.

Dated this ____ day of _____ 2014.

TOWN OF PARACHUTE

S. Denise Chiaretta, Town Clerk



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 81650
(INCLUDE ADDRESS AND TELEPHONE NO.)

Project Name: Tompkins Pad

Project Location: Tompkins property, 269 County Road 309, Parachute, CO 81635

LEGAL DESCRIPTION: SESE QuarterQuarter, Section 5, Township 7 South, Range 95 West, 6th Prime Meridian

Existing Zoning: Garfield County - Rural

Proposed Zoning: Garfield County - Rural

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 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 checked="" type="checkbox"/> WATERSHED PERMIT | |

PROPERTY OWNER: Thomas Lynn Tompkins
269 County Road 309, Parachute CO 81635, 970-986-1390
(INCLUDE NAME, ADDRESS, AND TELEPHONE NO.)

PROJECT ENGINEER/SURVEYOR:

SURVEYOR: Scott Aibner, River Valley Survey, Inc., 110 East 3rd Street, Suite 213, Rifle CO 81650 970-379-7846
(INCLUDE NAME, ADDRESS, AND TELEPHONE NO.)

ENGINEER: Stephen Kesler, Westar, Inc., 448 Will Avenue, Rifle CO 81650 970-625-2774
(INCLUDE NAME, ADDRESS, AND TELEPHONE NO.)

ADJACENT PROPERTY OWNERS: (attach separate sheet if needed)

Name	Address
Battlement Mesa Land Investments	73 G Sipprelle Drive, Battlement Mesa, CO 81635
Savage Limited Partnership	PO Box 1926, Rifle, CO 81650

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
MR Thomas Lynn Tompkins	269 County Road 309, Parachute, CO 81635

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

Please see attached: Appendix A - Project Narrative Description, Appendix B - Proposed Mitigation BMPs, Appendix C - Site Map
Appendix D - Tompkins Pad Site Plan Grading and Drainage
Appendix E - Tompkins Pad Form 2A, reviewed and approved by regulatory agencies (incl. COGCC, CDPHE, CPW),
and released for public review and comment with no opposing comments received.

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

Municipal Code: Development within the Town of Parachute's Watershed District is governed by Title 9, Chapter 9.15 of the Parachute Municipal Code. Ursa's proposal for drilling operations on the Tompkins property requires a permit per Section 9.15.040.C.5. Ursa is submitting this permit application in accordance with the requirements of Section 9.15.050.
Master Plan: The project is located outside the boundaries of incorporated Town of Parachute, and would not affect the Master Plan.

Describe any possible Flood Plain issues:

The entirety of the site is located outside of any designated FEMA flood zones (see Appendix F - FEMA Flood Insurance Rate Map).

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

Not applicable.

Describe Land Dedication Proposal:

Not applicable.

Describe Water Rights Dedication Proposal:

Not applicable.

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) Robert Bleil, Regulatory and Environmental Manager, Ursa Operating Company LLC

Address: 792 Buckhorn Drive, Rifle, CO 81650

Signature:

Maurice J. Foye on behalf of R. Bleil. Date: 9/8/14

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: _____

Appendix A - Project Narrative Description

Tompkins Pad Garfield County, CO

The Tompkins Pad is a proposed multi-well oil and gas pad with a total of 16 proposed production wells. The pad and all associated surface facilities, wellheads, access roads, and pipelines are located entirely on privately owned surface underlain by private mineral rights. The mineral leases that would be accessed by the proposed wells would be developed using directional drilling. A copy of the approved COGCC Form 2A, Oil and Gas Location Assessment, is provided in Appendix E of this document. The application presented in this form was reviewed and approved by numerous regulatory agencies (incl. CDPHE, COGCC, CPW), and was released for public comment. No public comments were submitted opposing the granting of this permit. A copy of the executed Surface Use and Easement Agreement (SUA) with the landowner is provided in Appendix G of this document, with an updated Exhibit B to the SUA provided in Appendix H.

The proposed well pad would cover an area of 4.6 acres during construction and development. Once the location enters the production phase, interim reclamation would be performed per COGCC Rules to reduce the pad area to 1.50 acres.

The well pad is located approximately 2.1 miles east-northeast of the Town of Parachute. A map indicating the location and extent of the proposed pad is included (see Appendix C – Site Map).

Facilities for this pad would be shared among the wells drilled from this pad. Surface facilities could consist of wellheads, separation units, fugitive emission combustors, radio antennas, solar panel brackets, pig launcher/receiver, and above-ground condensate and produced water tanks with approximately 300 to 500-bbl capacities each. Telemetry equipment may be used where feasible to remotely monitor well conditions. Ancillary facilities on site during drilling will include garbage containers and portable toilets as well as up to three (3) site offices to provide accommodation to personnel. All ancillary facilities would be removed following the conclusion of drilling and completions activity.

Production facilities would be located on the well pad. Tank batteries would be placed within secondary containment to prevent the migration of accidentally spilled condensate or produced water. Secondary containment would consist of corrugated steel containment rings with fabric liners bolted to the containment ring. The liners would be sufficiently impermeable to prevent lateral or vertical movement of fluids out of the containment ring. Secondary containment shall conform to the provisions of 40 CFR 112.9, and would be sized to contain a minimum of 110 percent of the storage capacity of the single largest tank within the barrier, in addition to the volume of a 24 hour, 25 year precipitation event. All loading lines would be placed inside the containment barrier and would have secondary containment vessels. All wastes associated with this application would be contained and disposed according to Federal and COGCC regulatory requirements and at state-approved facilities.

The pad would be designed as a no-discharge facility; the entire area of the pad surface would be lined with bentonite clay to prevent infiltration through the pad surface, and the pad would be graded to drain into an impermeable retention basin engineered to contain 100 percent of a 24 hour, 100 year

precipitation event. Stormwater would be collected in the basin and would not be discharged from the site. Ursa would monitor the basin on a regular basis and pump the stormwater as needed.

The no-discharge design and retention basin would also serve as an additional protective containment structure for any liquid contaminants or production material on the pad. In the unlikely event of an upset condition which resulted in a release of liquid on the pad surface, the impermeable bentonite pad surface would prevent infiltration of contaminants into the subsurface, and the grading would direct all contaminants into the retention basin, where they would be treated and removed in accordance with applicable regulations.

Final reclamation operations for this disturbed corridor would consist of restoring the topography to near pre-existing contours, replacing topsoil and reseeded, as required by COGCC Rules.

Appendix B – Proposed Mitigation Best Management Practices (BMPs)

Tompkins Pad Garfield County, CO

Introduction

Ursa Operating Company LLC (Ursa) recognizes that the Town of Parachute (Parachute) has a valid interest in ensuring that all practicable measures are taken to protect the waterworks and water supply of the Revelle Spring complex, which is located approximately ¼ mile from the site of Ursa’s proposed Tompkins well pad. The purpose of the proposed mitigation measures described in this document is to prevent or significantly reduce the risk of potential injury to Parachute’s waterworks or pollution of Parachute’s water supply. The assumptions under which the BMPs in this document have been proposed are supported by the voluntary hydraulic study prepared by Western Water & Land, Inc.¹ and submitted by Ursa to Parachute on August 28th.

There are three primary mechanisms by which material on the Tompkins Pad could leave the boundaries of the site and encroach on the water supply of the Revelle Spring complex:

1. **Subsurface Release Scenario:** A subsurface release of drilling fluids as a result of well construction and operation could contaminate the groundwater aquifer. This type of release is rare, and the potential for it to occur is further mitigated by Colorado Oil and Gas Conservation Commission (COGCC) Rules that set rigorous standards for well drilling, logging, mechanical integrity testing, bradenhead testing, cementing, and related regulations.
2. **Deep Percolation Scenario:** A surface spill of drilling, completion or production fluids that is contained on the pad surface could percolate through the soil and enter the groundwater aquifer which supplies the springs (Deep Percolation Scenario). The potential for this to occur will be mitigated by the BMPs proposed in this document.
3. **Surface Runoff Scenario:** A surface spill of drilling, completion, or production fluids that migrates beyond the well pad and associated disturbed area and travels downgradient through surface drainage features to reach the springs at their emanation point. The potential for this to occur will be mitigated by the BMPs proposed in this document.

Subsurface Release Scenario

The subsurface release scenario involves the release of well fluids from the wellbore, and contamination of the aquifer below ground surface. As noted above, this type of release is rare and the potential for it to occur is mitigated by extensive and stringent COGCC Rules, Policies, notices to operators, and conditions of approval. Conditions of approval attached to drilling permits are applied after rigorous COGCC staff review of site-specific conditions. In addition to COGCC drilling Rules, the following BMPs are proposed to further mitigate the subsurface release scenario.

- **Domestic Well Sampling (COGCC Rule 609)** – Water well sampling will be conducted prior to setting conductors to establish baseline pre-drilling groundwater quality. Additional water well

¹ Western Water & Land, Inc. (August 28, 2014). *Parachute Springs Source Water Study: Parachute, Colorado*. Unpublished manuscript. Prepared for Ursa Operating Company, Rifle, CO, 74 pp.

sampling will be performed after drilling is completed to confirm the absence of any adverse effects to groundwater. Ursa will perform follow-up sampling that dramatically exceeds COGCC mandated standards:

- Sampling will occur after every drilling event, rather than only following completion of the final drilling event.
- Sampling will occur approximately 20 days after drilling, again approximately 40 days after drilling, again between 6 and 12 months after drilling and finally at 60 months after drilling. COGCC requires only the final two sampling events.
- Upon request, or in the event of anomalous test results, Ursa will provide copies of all relevant water sampling results to Parachute, in addition to the reports to the landowners and COGCC that are required.
- **Chemical Use** – Ursa will utilize a chemical-free drilling mud when drilling through the water-bearing aquifer layer. The drilling mud will consist exclusively of water and bentonite clay, and will contain none of the trace chemical additives that commonly form a component of drilling mud. This will be done to minimize the potential for contamination of the aquifer to occur while advancing the wellbore through the aquifer. In addition, all chemicals used at all stages of well development will be tracked and reported in accordance with COGCC rules and submitted through FracFocus within 120 days of initiating well stimulation.

Deep Percolation Scenario

The likelihood of the Deep Percolation Scenario occurring is dependent upon three variables: (a) the length of time elapsed before a liquid release is discovered, contained, and removed, (b) the rate at which liquids infiltrate the soil on site, and (c) the depth to groundwater on site.

The depth to groundwater at the Tompkins Pad is approximately 145 feet based on observations of water levels in domestic wells and monitoring wells adjacent to site². The rate at which liquids infiltrate the soils underlying the Tompkins Pad is known to be slow, and supports a conservative estimate of 100 years for a release on the pad surface to percolate to a sufficient depth to contaminate the groundwater aquifer underlying the site. This is a significantly more conservative (shorter) estimate than that provided for other locations constructed in the immediate vicinity by other operators.³ However, Ursa's Spill Response Plan, which limits the resident time for potential infiltration, combined with a typical response time of less than 24 hours, is sufficient to mitigate the potential of the deep percolation scenario to the greatest practical extent.

- **Impermeable Bentonite Pad Liner** – The pad and stormwater retention pond will be lined with 4 inches of bentonite clay, located immediately underneath the gravel surface of the pad. The bentonite will dramatically reduce the percolation rate through the surface of the pad, minimizing the possibility of the deep percolation scenario occurring before Ursa removes the contaminant.
- **Spill Response and Management** - The length of time that a release of material would remain on the pad surface is minimized by Ursa's internal policies and procedures for site inspections and spill response. Ursa typically responds to spills and remediates the area of contamination within

² Sources include the Tompkins domestic well, domestic wells on the adjacent Savage property, and the monitoring wells installed as a component of the Terracon study cited below.

³ *Limited Site Investigation, Well Pad 21-9, NWNE, Section 9, T7S, R95W, 6th PM*. Terracon No. AD117005, March 2, 2012

24 hours. In addition, Ursa conducts voluntary inspections and corrective actions of all locations at least monthly using a self-implemented checklist of key actions (including environmental) that require compliance with COGCC, federal, and other state and county requirements. Furthermore, Ursa's production representatives conduct informal inspections on a near-daily basis each time the location is visited. Spill prevention and response are addressed in Ursa's Spill Prevention and Management Plan.

- Water Testing – Although not required by COGCC Rules, Ursa is voluntarily applying the Public Water Supply System (317B Rule) protective regulations to the Tompkins Pad. As specified in these Rules, Ursa will provide notification to Parachute prior to any surface disturbance/construction activities. Ursa will also complete baseline water sampling of the Revelle Springs at the combined mixing point of Parachute's waterworks prior to surface disturbance/construction activities. Finally, Ursa will complete follow-up water sampling at the same location that dramatically exceeds COGCC mandated standards for 317B areas:
 - Sampling will occur after every drilling event, rather than only following completion of the final drilling event.
 - Sampling will occur approximately 20 days after drilling, again approximately 40 days after drilling, and finally 3 months after drilling. COGCC requires only the final 3 month sampling event.
 - Upon request, or in the event of anomalous test results, Ursa will provide copies of all relevant water sampling results to Parachute, in addition to the reports to the COGCC that are required.
- Quarterly Water Testing – If necessary, Ursa will commit to sampling and testing the combined mixing point of Parachute's waterworks on an ongoing, quarterly basis. This measure will provide notification in the unlikely event of aquifer contamination following completion of drilling and completion. Upon request, or in the event of anomalous test results, Ursa will provide copies of all relevant water sampling results.
- Surface Compaction Testing – If necessary, Ursa will perform compaction tests during construction to achieve a compaction standard for the surface of the pad that will be specified by Parachute. Compaction of the pad surface will reduce the downward percolation rate of any potential release, and offers an additional method of mitigating against the possibility of aquifer contamination due to deep percolation.

Surface Runoff Scenario

The likelihood of the Surface Runoff Scenario is determined by the potential for a surface release to migrate off the well pad and travel downgradient to the Revelle Springs emanation point. The most likely mechanism by which this scenario could occur would be the transport of spill materials by a significant storm event. The likelihood of this scenario occurring will be minimized to the greatest practical extent by the BMPs proposed below.

- Stormwater Management - Ursa has engineered a site-specific stormwater management plan in accordance with both COGCC and Colorado Department of Public Health and Environment (CDPHE) stormwater regulations, as well as the requests of the Town Engineer. The engineered

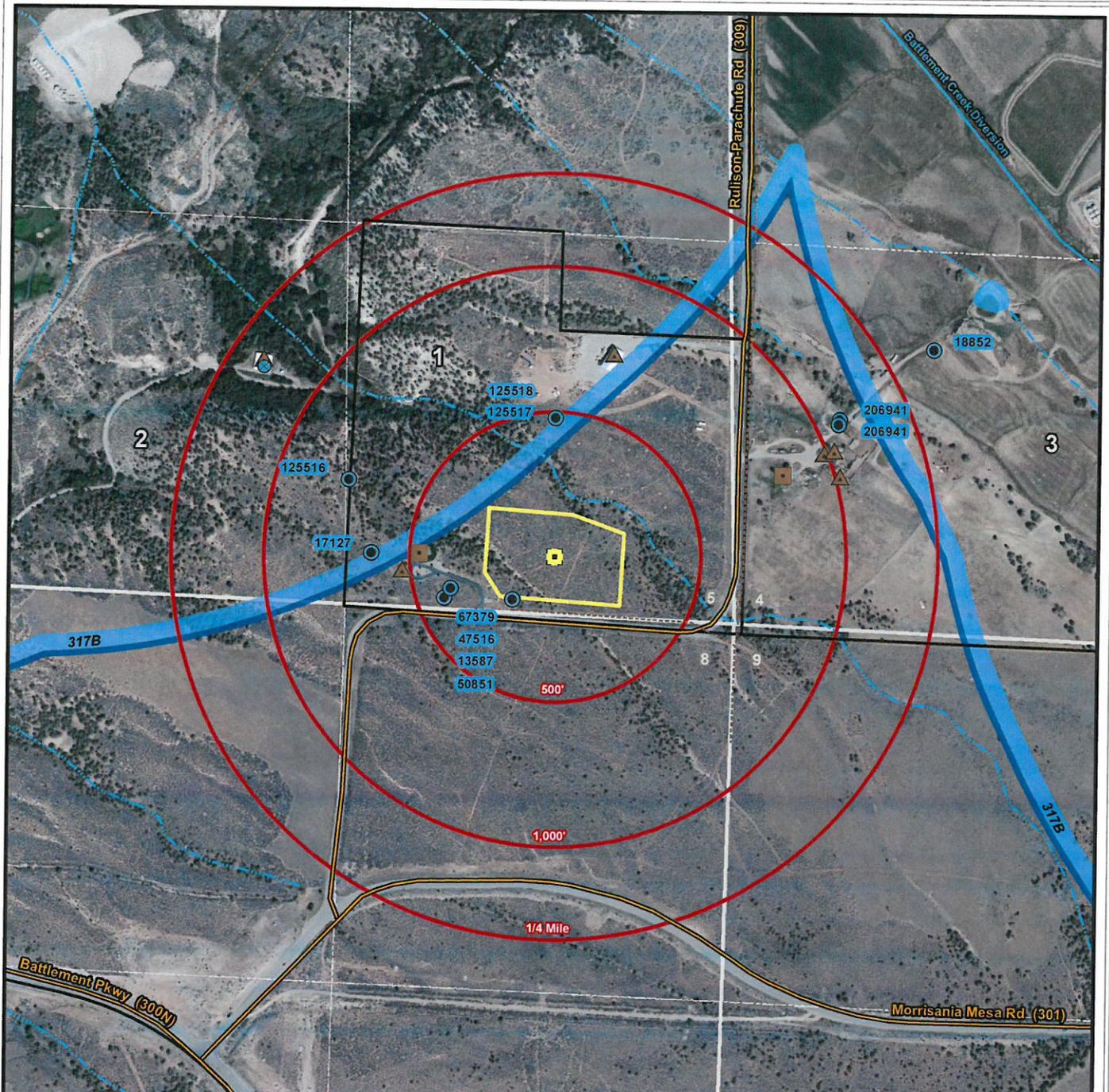
schematic is provided in Appendix D. The pad has been designed as a no-discharge facility; the entire area of the pad surface will be lined with bentonite clay to prevent infiltration through the pad surface, and a combination of perimeter berms and pad surface grading will direct all accumulated liquids (stormwater primarily) into an impermeable retention basin located on the northern toeslope of the pad, which has been engineered to contain 100 percent of a 24 hour, 100 year precipitation event,. Stormwater will be collected in the basin and would not be discharged from the site. Ursa would monitor the basin on a regular basis and pump the stormwater as needed.

The no-discharge design and retention basin will also serve as an additional protective containment structure for any liquid contaminants or production material on the pad. In the unlikely event of an upset condition which resulted in a release of liquid on the pad surface, the impermeable bentonite pad surface would prevent infiltration of contaminants into the subsurface, and the grading would direct all contaminants into the retention basin, where they would be treated and removed in accordance with applicable regulations.

General site inspections will be conducted to include 14 day, 30 day, and major storm events until 70% reclamation is achieved. Inspections and corrective actions will be conducted through 80% interim reclamation and annually thereafter. Corrective actions and maintenance will be tracked and implemented.

The retention basin will be inspected as a component of Ursa's regularly scheduled stormwater inspections. If the basin is found to contain significant volumes of water, or if any type of sheen or other evidence of contamination is observed on the water within the basin, the basin will be evacuated by vacuum truck and the water disposed of in compliance with all applicable regulations.

- Secondary Containment - All temporary tanks storing drilling, completions, and production fluids will be provided with secondary containment as required by federal regulation and COGCC Rules. Containment structures are sized to contain 110 percent of the volume of the largest tank in containment, with additional capacity to contain the maximum expected 24-hour rain event. All permanent production tank containment, including condensate and produced water tank containment, will be equipped with an impermeable liner.
- Waste Management - The location will be managed in accordance with COGCC Rules, which are incorporated into Ursa's Waste Management Plan, and addresses both E&P and non-E&P waste, including those under the jurisdiction of the CDPHE and Environmental Protection Agency (EPA). The plan, in combination with Ursa's Spill Prevention and Management Plan, minimizes the potential for contamination to adversely affect the location.



Land Parcels		
KEY	PARCEL #	LAND OWNER
1	240705400085	Tompkins
2	240708100152	Battlement Mesa Land Investments
3	240704300064	Savage

Hydrography

- Water Well
- Spring
- Intermittent Stream
- Perennial Stream
- 317B Buffer

Setbacks & Buffers

- Structure
- Building Unit
- Utility
- Other:

Ursa | OPERATING COMPANY

Appendix C: Site Map

Tompkins

39.45995 -108.01407
Section 5, Township 7 South, Range 95 West

- Approx. Center
- Proposed Development
- Local Roads
- County Roads

0 400 800 Feet

HCSI
Hill Country Systems, Inc.

Author: M. Spinelli
Revision: 0
Date: 8/1/14

**Appendix D –
Tompkins Pad Site Plan Grading and Drainage**

**Appendix E –
Tompkins Pad COGCC Form 2A**

FORM
2A

Rev
08/13

State of Colorado Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:
400607816

Date Received:
05/19/2014

Oil and Gas Location Assessment

New Location Refile Amend Existing Location Location#: _____

Submit signed original form. This Oil and Gas Location Assessment is to be submitted to the COGCC for approval prior to any ground disturbance activity associated with oil and gas operations. Approval of this Oil and Gas Location Assessment will allow for the construction of the below specified Location; however, it does not supersede any land use rules applied by the local land use authority. Please see the COGCC website at <http://cogcc.state.co.us/> for all accompanying information pertinent this Oil and Gas Location Assessment.

Location ID:

Expiration Date:

This location assessment is included as part of a permit application.

CONSULTATION

- This location is included in a Comprehensive Drilling Plan. CDP # _____
- This location is in a sensitive wildlife habitat area.
- This location is in a wildlife restricted surface occupancy area.
- This location includes a Rule 306.d.(1)A.ii. variance request.

Operator

Operator Number: 10447
 Name: URSA OPERATING COMPANY LLC
 Address: 1050 17TH STREET #2400
 City: DENVER State: CO Zip: 80265

Contact Information

Name: CARI MASCIOLI
 Phone: (970) 284-3224
 Fax: ()
 email: CMASCIOLI@URSARESOURCE S.COM

RECLAMATION FINANCIAL ASSURANCE

- Plugging and Abandonment Bond Surety ID: 20120125 Gas Facility Surety ID: _____
- Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: TOMPKINS Number: PAD
 County: GARFIELD
 QuarterQuarter: SESE Section: 5 Township: 7S Range: 95W Meridian: 6 Ground Elevation: 5532
 Define a single point as a location reference for the facility location. When the location is to be used as a well site then the point shall be a well location.
 Footage at surface: 197 feet FSL from North or South section line
617 feet FEL from East or West section line
 Latitude: 39.459954 Longitude: -108.014076
 PDOP Reading: 1.7 Date of Measurement: 04/22/2014
 Instrument Operator's Name: HOFFMAN

Address: 269 County Road 309

Fax: _____

Address: _____

Email: _____

City: Parachute State: CO Zip: 81635

Surface Owner: Fee State Federal Indian

Check all that apply. The Surface Owner: is the mineral owner

is committed to an oil and Gas Lease

has signed the Oil and Gas Lease

is the applicant

The Mineral Owner beneath this Oil and Gas Location is: Fee State Federal Indian

The Minerals beneath this Oil and Gas Location will be developed from or produced to this Oil and Gas Location: No

The right to construct this Oil and Gas Location is granted by: Surface Use Agreement

Surface damage assurance if no agreement is in place: _____ Surface Surety ID: _____

Date of Rule 306 surface owner consultation 04/29/2014

CURRENT AND FUTURE LAND USE

Current Land Use (Check all that apply):

Crop Land: Irrigated Dry land Improved Pasture Hay Meadow CRP

Non-Crop Land: Rangeland Timber Recreational Other (describe): _____

Subdivided: Industrial Commercial Residential

Future Land Use (Check all that apply):

Crop Land: Irrigated Dry land Improved Pasture Hay Meadow CRP

Non-Crop Land: Rangeland Timber Recreational Other (describe): _____

Subdivided: Industrial Commercial Residential

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 351 Feet
Building Unit: 351 Feet
High Occupancy Building Unit: 5246 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 219 Feet
Above Ground Utility: 210 Feet
Railroad: 4960 Feet
Property Line: 5280 Feet

INSTRUCTIONS:

- All measurements shall be provided from center of nearest Well or edge of nearest Production Facility to nearest of each cultural feature as described in Rule 303.b.(3)A.
- Enter 5280 for distance greater than 1 mile.
- Building - nearest building of any type. If nearest Building is a Building Unit, enter same distance for both.
- Building Unit, High Occupancy Building Unit, and Designated Outside Activity Area - as defined in 100-Series Rules.

DESIGNATED SETBACK LOCATION INFORMATION

Check all that apply. This location is within a: Buffer Zone
 Exception Zone
 Urban Mitigation Area

- Buffer Zone - as described in Rule 604.a.(2), within 1,000' of a Building Unit.
- Exception Zone - as described in Rule 604.a.(1), within 500' of a Building Unit.
- Urban Mitigation Area - as defined in 100-Series Rules.

Pre-application Notifications (required if location is within 1,000 feet of a building unit):

Date of Rule 305.a.(1) Urban Mitigation Area Notification to Local Government: _____
Date of Rule 305.a.(2) Buffer Zone Notification to Building Unit Owners: 04/29/2014

SOIL

List all soil map units that occur within the proposed location. attach the National Resource Conservation Service (NRCS) report showing the "Map Unit Description" report listing the soil typical vertical profile. This data is to used when segregating topsoil.

The required information can be obtained from the NRCS web site at <http://soildatamart.nrcs.usda.org/> or from the COGCC web site GIS Online map page found at <http://colorado.gov/cogcc>. Instructions are provided within the COGCC web site help section.

NRCS Map Unit Name: 58 - POTTS-ILDEFONSO COMPLEX (12 - 25% SLOPES)

NRCS Map Unit Name: _____

NRCS Map Unit Name: _____

PLANT COMMUNITY:

Complete this section only if any portion of the disturbed area of the location's current land use is on non-crop land.

Are noxious weeds present: Yes No

Plant species from: NRCS or, field observation Date of observation: 04/23/2014

List individual species: PLEASE SEE ATTACHMENT H - NRCS SOIL SURVEY

Check all plant communities that exist in the disturbed area.

- Disturbed Grassland (Cactus, Yucca, Cheatgrass, Rye)
 Native Grassland (Bluestem, Grama, Wheatgrass, Buffalograss, Fescue, Oatgrass, Brome)
 Shrub Land (Mahogany, Oak, Sage, Serviceberry, Chokeycherry)
 Plains Riparian (Cottonwood, Willow, Aspen, Maple, Poplar, Russian Olive, Tamarisk)
 Mountain Riparian (Cottonwood, Willow, Blue Spruce)
 Forest Land (Spruce, Fir, Ponderosa Pine, Lodgepole Pine, Juniper, Pinyon, Aspen)
 Wetlands Aquatic (Bullrush, Sedge, Cattail, Arrowhead)
 Alpine (above timberline)
 Other (describe): _____

WATER RESOURCES

Is this a sensitive area: No Yes

Distance to nearest

downgradient surface water feature: 212 Feet

water well: 211 Feet

Estimated depth to ground water at Oil and Gas Location 135 Feet

Basis for depth to groundwater and sensitive area determination:

Please refer to Attachment P, Q, S and Attachment E.

Is the location in a riparian area: No Yes

Was an Army Corps of Engineers Section 404 permit filed No Yes If yes attach permit.

Is the location within a Rule 317B Surface Water Supply Area buffer No zone:

If the location is within a Rule 317B Surface Water Supply Area buffer have all public water supply systems within 15 miles been notified: _____

GROUNDWATER BASELINE SAMPLING AND MONITORING AND WATER WELL SAMPLING

Water well sampling required per Rule 609

DESIGNATED SETBACK LOCATION EXCEPTIONS

Check all that apply:

- Rule 604.a.(1)A. Exception Zone (within 500' of Building Unit)
- Rule 604.b.(1)A. Exception Location (existing or approved Oil & Gas Location now within a Designated Setback as a result of Rule 604.a.)
- Rule 604.b.(1)B. Exception Location (existing or approved Oil & Gas Location is within a Designated Setback due to Building Unit construction after Location approval)
- Rule 604.b.(2) Exception Location (SUA or site-specific development plan executed on or before August 1, 2013)
- Rule 604.b.(3) Exception Location (Building Units constructed after August 1, 2013 within setback per an SUA or site-specific development plan)

RULE 502.b VARIANCE REQUEST

- Rule 502.b. Variance Request from COGCC Rule or Spacing Order Number _____

ALL exceptions and variances require attached Request Letter(s). Refer to applicable rule for additional required attachments (e.g. waivers, certifications, SUAs).

OPERATOR COMMENTS AND SUBMITTAL

Comments

The Form 2 APDs will be submitted at a later date. The center of the proposed pad was used as the reference point for footages unless otherwise noted on attachment A&D (Location Drawing). The estimated size of location after interim reclamation is based on temporary reclamation and dependent upon Ursa's plans to return to the location at a later date.

Pre-application Notice / Buffer Zone Notice was sent to building unit owners within 1000' of the location on 4/29/14, certification attached. The building unit owners within 1000' have waived all future notification requirements, signed waivers are attached for your reference.

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct and complete.
 Signed: _____ Date: 05/19/2014 Email: JLIND@URSARESOURCES.COM

Print Name: JENNIFER LIND Title: REGULATORY ANALYST

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: _____ Director of COGCC Date: _____

Conditions Of Approval

All representations, stipulations and conditions of approval stated in this Form 2A for this location shall constitute representations, stipulations and conditions of approval for any and all subsequent operations on the location unless this Form 2A is modified by Sundry Notice, Form 4 or an Amended Form 2A.

Best Management Practices

<u>No</u> <u>BMP/COA Type</u>	<u>Description</u>
1 Planning	<p>GENERAL – PLANNING</p> <ul style="list-style-type: none"> • This is a new oil and gas location and will include construction and proposed wells. • This is a new oil and gas location and will also include a proposed Salt Water Disposal (SWD well) • Prior to initiation of the COGCC Form 2A permitting process, Ursa held internal meetings and onsite to determine the feasibility of the location, and identified all compliance requirements, guidance and policies needed to permit the location and proposed oil and gas operations. All COGCC permitting requirements under the 200 through 1200 series rules were incorporated, as appropriate into this Form 2A and related attachments. • The best management practices (BMPs) incorporated herein also considered other Federal, state and county agency requirements and guidance, including those under the jurisdiction of the Environmental Protection Agency (EPA), U.S. Fish and Wildlife Service (USFWS), U.S. Army Corps of Engineers (ACOE), Federal Emergency Management Agency (FEMA), Colorado Department of Public Health and Environmental (CDPHE), Colorado Parks and Wildlife (CPW), and Garfield County (GARCO), among others. • Planning and permitting information relevant to the location based on Federal, state and county regulations, guidance and policies is documented as appropriate in Ursa's "Site Assessment Checklist/Map". A copy of this internal BMP (while not required) was provided to the COGCC at the Setback Training on August 30, 2013 held in Grand Junction. • Upon approval of the Form 2A, Ursa holds Pre-Construction, Pre-Spud, Pre-Completions and Pre-Production meetings with contractors performing work at the location, as applicable to the proposed activity. As a BMP, Ursa has developed checklists for these meetings to review regulations, COAs, NTOs and related requirements. • Traffic and Public Safety – Ursa developed a site-specific Emergency Response Plan (SSERP) and Haul Route Map which are communicated to local emergency response agencies and stakeholders, as well as contractors performing work at the location.

2	Community Outreach and Notification	<p>COMMUNITY / STAKEHOLDER OUTREACH AND NOTIFICATIONS</p> <ul style="list-style-type: none">• An SUA has been signed with the landowner allowing this location to be constructed, drilled and operated in accordance with the Form 2A submitted.• The landowners have waived all COGCC notifications to include Pre-application notifications, statutory notifications, drilling and completions notifications related to Federal surface, as they are intimately involved with all phases of permitting the location and associated wells.• Ursa routinely communicates proposed plans and operations schedules to stakeholders through Community Counts, the GARCO Energy Advisory Board, Battlement Mesa Concerned Citizens and others. In addition, periodic stakeholder meetings are held with landowners and affected parties.• Communication with Kirby Wynn and municipal LGDs are also held routinely in addition to communication required by COGCC regulations, as appropriate.
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3 General Housekeeping

ENVIRONMENTAL STEWARDSHIP AND COMPLIANCE / HOUSEKEEPING

- AGENCY INSPECTIONS AND CORRECTIVE ACTIONS – Ursa will implement corrective actions necessary in response to all Federal and state agency inspections in a timely manner. Inspections resulting in the potential for immediate or significant environmental impacts will be addressed immediately, subject to safety and weather considerations.
- URSA VOLUNTARY INSPECTIONS – Ursa conducts voluntary inspections and corrective actions of all locations at least monthly using a self-implemented checklist of key actions (including environmental) that require compliance with COGCC, Federal, and other state and county requirements.
- AESTHETICS AND NOISE – Lighting, noise, odors, dust and related nuisances are managed in accordance with COGCC 600 and 802, 803, 804 and 805 Series Rules, and in accordance with Ursa policies, procedures and checklists.
- AIR PERMITTING AND COMPLIANCE – Ursa will comply with CDPHE regulations regarding air permitting, compliance monitoring, inspections and reporting. All air sources will be assigned AIRS ID numbers and tracked for compliance and reporting purposes. In addition, Ursa is required to track, monitor and report Greenhouse Gas (GHG) emissions to EPA annually.
- CHEMICAL & MATERIAL HANDLING – All materials and chemicals will be managed to minimize environmental contamination in accordance with MSDS sheets and EPA, COGCC and CDPHE regulations. Materials and chemicals that are not a waste may be reused or recycled.
- MITIGATION REQUIREMENTS – Ursa has incorporated the mitigation requirements identified in COGCC Rule 604, as applicable on a site-specific basis into its Operations Checklists, Voluntary and Mandatory Site Inspections, and Environmental Programs plans, status monitoring, and policies and procedures.
- NOXIOUS WEEDS – Weeds will be managed in accordance COGCC Rule 1003.f. and 1004.e. as incorporated into Ursa's Noxious Weed plan; to include up to three treatments per year depending upon the species being managed and mapping as needed, throughout the life cycle of the location (construction – final reclamation).
- SAFETY – Safety requirements and buffers as required by the COGCC 602, 603, and 606A and 606B Series Rules, among others, and the Office of Safety and Health Administration (OSHA) will be observed at all time. Daily safety briefings and Job Safety Assessments (JSA's) are routinely conducted in all phases of operations. In addition, Ursa employees a full-time safety manager to oversee all field contractors.
- SPILLS / INCIDENTS – Spill prevention and response are addressed in Ursa's Spill Prevention and Management Plan. This includes training of employees and contractors personnel on at least an annual basis. Spill response includes notifications, reporting, response actions, remediation and corrective actions. The spill criteria in Ursa's plan requires that waste be properly classified as E&P or non-E&P wastes. For E&P waste, all spills greater than 1 barrel the COGCC will be reported to the COGCC using a Form 19. Should remediation be required, a Form 27 will be submitted as well. Spills related to non-E&P waste will be managed in accordance with CDPHE and EPA regulations depending on the volume spilled. As a BMP, Ursa tracks and cleans up all spills, including those that are not reportable.
- SPCC / CONTAINMENT – All production tanks and tanks used for completions activities will be installed, labeled, contained, operated, and decommissioned in accordance with Ursa's SPCC/Containment Plan, which is required by EPA regulations (40 CFR 112). The plan, in combination with Ursa's Spill Prevention and Management plan, addresses COGCC 600 and 900 Series Rules, among others, regarding the management of tanks.
- WASTE - The location will be managed in accordance with COGCC 907 and 907A Rules, which are incorporated into Ursa's Waste Management Plan, and addresses both E&P and non-E&P waste, including those under the jurisdiction of the CDPHE and EPA. The plan, in combination with Ursa's Spill Prevention and Management Plan, minimizes the potential for any exploration and production wastes, chemicals, fluids, etc. from leaving the location, using BMPs including berms, barriers, and use of spill control materials.
- WILDLIFE - A Wildlife Mitigation Plan (March 24, 2010) is in place that was agreed to by Ursa (previously Antero). The plan allows for 90+ well pads. Currently, Ursa has 62 well pads. Ursa is current on all obligations under the plan.

4	Drilling/Completion Operations	<p>DRILLING</p> <ul style="list-style-type: none"> • Drilling multiple wells from this location using directional / horizontal drilling will be implemented to avoid the need for additional well pads; reducing potential environmental impacts to include habitat loss and fragmentation, noise, traffic concerns, and related impacts to air, land and water. • PUBLIC WATER SUPPLY SAMPLING (COGCC Rule 317B) – Pre-drilling and post drilling sampling and reporting of information to the landowner and COGCC will be conducted prior to and following drilling. • MIRU – Unless waived, Notice to all Building Unit owners will be sent at least 30 days, but no more than 90 days within the Buffer Zone prior to the Move-In, Rig-Up of the drilling rig when more than 1 year has elapsed since previous notice or since drilling activity last occurred, or if no notice had previously been required in accordance with the four examples provided in the COGCC MIRU policy. • No cuttings pits are proposed.
5	Drilling/Completion Operations	<p>COMPLETIONS</p> <ul style="list-style-type: none"> • The BMPs below entitled “Environmental Stewardship and Compliance” provide additional information that is applicable to one or more phases of operations. • AIR & ODORS - Well completions will utilize flowback completion technologies and/or flares to reduce odors from plug drillout, and venting of salable and non-salable gas • CHEMICAL USE – All chemicals used will be tracked and reported in accordance with COGCC rules and submitted through FracFocus within 120 days of initiating well stimulation. • WASTE MANAGEMENT OF WATER – Flowback water used for well completions will be recycled and treated to the maximum extent practical at the location. Water that can't be recycled will be injected through the use of wells approved by COGCC and Garfield County, or transported via truck or pipeline to the COGCC and Garfield County approved Wasatch E&P Facility. • WASTE - No stimulation or flowback pits will be constructed.
6	Drilling/Completion Operations	<p>PRODUCTION</p> <ul style="list-style-type: none"> • All production equipment to include separators, produced water and condensate tanks, pipelines and flowlines will be constructed and managed in accordance with COGCC 605 and 1100 Series Rules. • The BMPs below entitled “Environmental Stewardship and Compliance” provided more detailed information regarding environmental protection applicable general operations. • AIR & ODORS - Combustor controls will be used to mitigate odors from production tanks. Ursa will perform inspections on at least a monthly basis to ensure potential emissions sources are properly managed. In addition, Ursa's pumper crew inspects each location on a daily basis. • REMOTE MONITORING - Remote monitoring will be used to reduce truck traffic, fugitive dust to the extent practical. • VISUAL IMPACTS - Above-ground facilities (e.g. production tanks) will be managed to minimize visual effects (e.g. painted to blend with environment) • WILDLIFE – All separators/dehydrators and heater –treater equipment are outfitted with bird cones. • WATER RECYCLING – Produced water used for well completions will be recycled and treated to the maximum extent practical. Water that can't be recycled will be injected through the use of wells approved by COGCC and Garfield County, or transported via truck or pipeline to the COGCC and Garfield County approved Wasatch E&P Facility. • The Salt Water Disposal (SWD) well will be permitted, operated and tested in accordance with COGCC Rule 325 and 326.

Total: 6 comment(s)

Attachment Check List

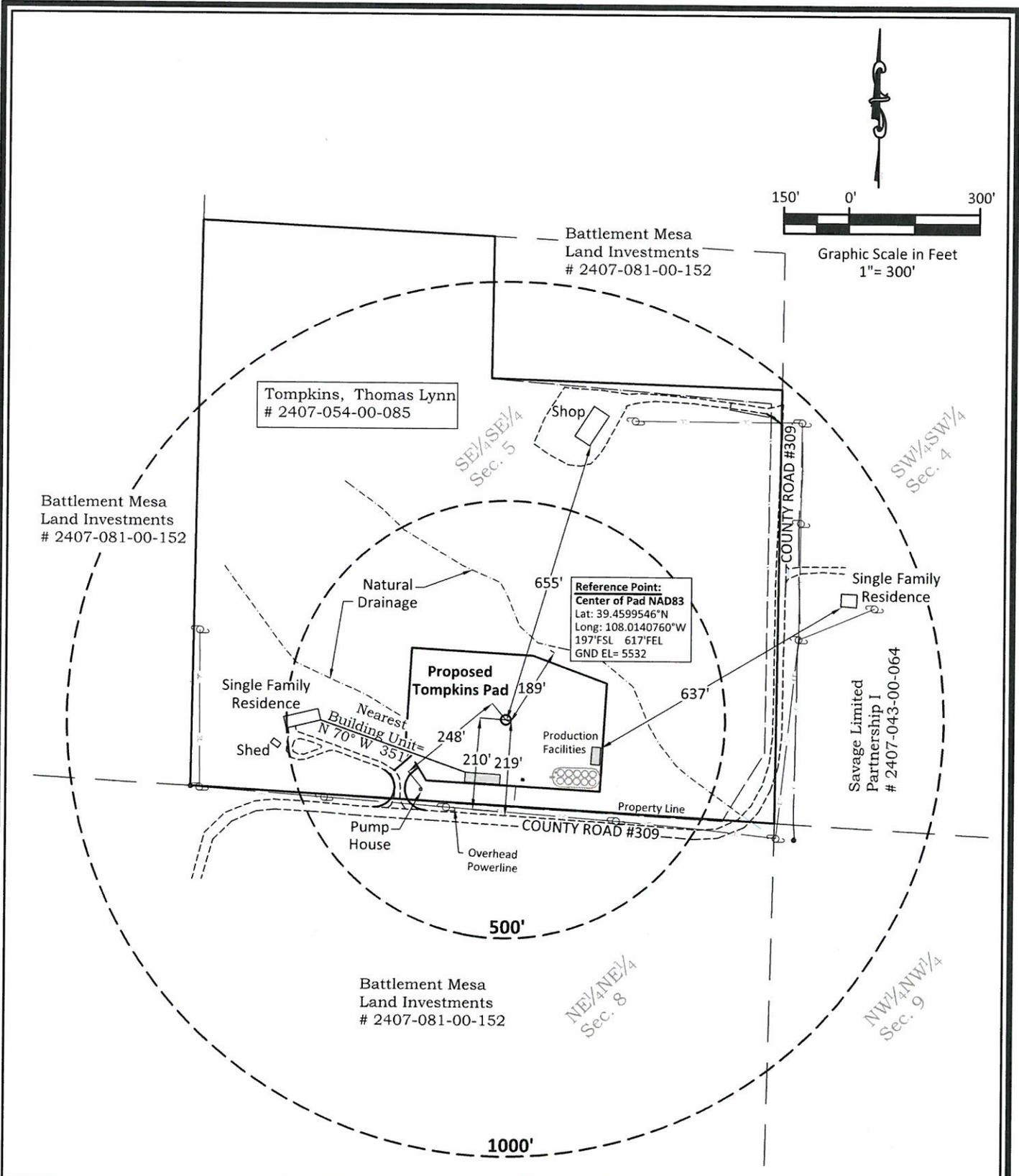
<u>Att Doc Num</u>	<u>Name</u>
400607816	FORM 2A SUBMITTED
400610868	LOCATION DRAWING
400610870	LOCATION PICTURES
400610871	EQUIPMENT LIST
400610872	HYDROLOGY MAP
400610873	NRCS MAP UNIT DESC
400610875	ACCESS ROAD MAP
400610886	CONST. LAYOUT DRAWINGS
400610888	WASTE MANAGEMENT PLAN
400610891	MULTI-WELL PLAN
400610896	HYDROLOGY MAP
400610905	WAIVERS
400610906	RULE 306.E. CERTIFICATION
400610909	SURFACE AGRMT/SURETY

Total Attach: 14 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Return to draft. 2A submitted prior to 30 days notice of the buffer zone (4/29/14). Asked operator to resubmit after 30 days.	5/20/2014 8:30:55 AM
Permit	Return to draft. 1. Distance to building is greater than distance to building unit. 2. Distance to building unit less than 500 ft and exception zone is checked, but not buffer zone. 3. Missing buffer zone notification date.	5/19/2014 4:52:57 PM

Total: 2 comment(s)



Visible Improvement Summary	
Improvement Type	Present Within 1Mi Y/N
Building	655'
Building Unit	Nearest= 351' from Prod. Facility
HOBUs	5246'
DOAA	N/A
Public Roads/Trails	219'
Abv. Gnd. Utility	210'
Railroads	4960'
Property Line	No
Surface Us	Range Land

Notes or Comments:
 PDOP at Time of Survey= 1.7
 Inst. Operator: P. Hoffmann



River Valley Survey, Inc.
 110 East 3rd. Street, Suite 213
 Rifle, Colorado 81650
 Ph: 970-379-7846

Project: - RVS 06001-47
 Field Date: 4-22-14 Scale: 1"= 300'
 Date: 5-02-14 Sheet: 1 of 1
 Rev: 5-15-14 By: sea

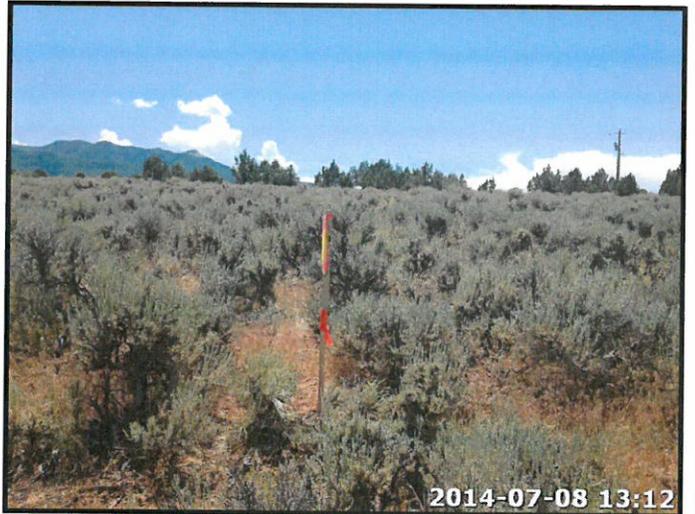


Form 2A - Attachment A and D
Visible Improvements / Nearest Bldg.. Unit
Tompkins Pad
Section 5, Township 7 South, Range 95 West

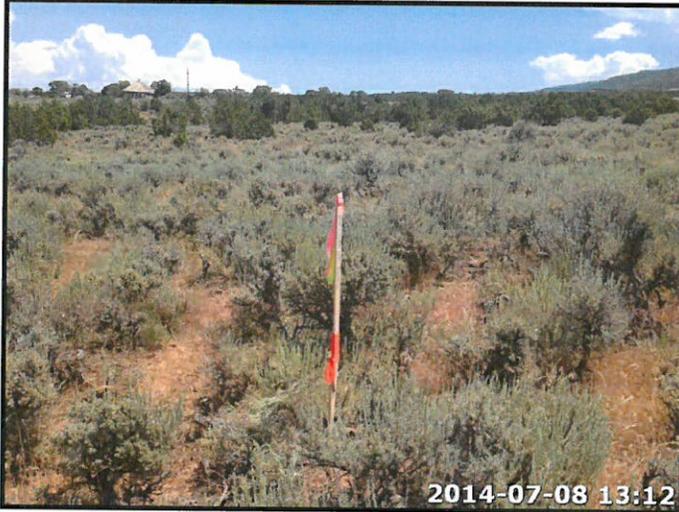
**Tompkins
Looking North**



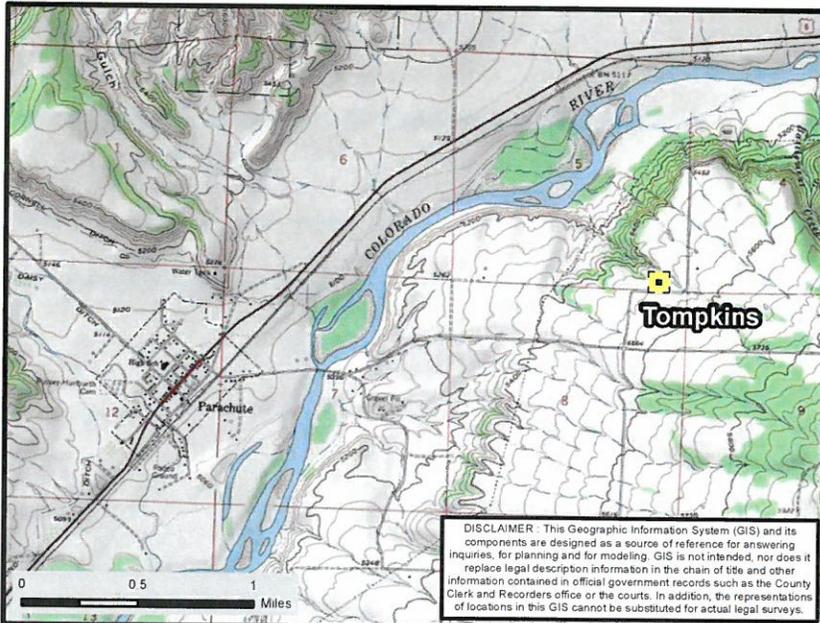
**Tompkins
Looking South**



**Tompkins
Looking East**



**Tompkins
Looking West**



Form 2A - Attachment B

Four Color Photographs

Tompkins

39.459936 -108.014062

Section 5, Township 7 South, Range 95 West

Note: Color photographs show the proposed Tompkins pad in the four cardinal directions as noted.



Author: M. Spinelli

Revision: 1

Date: 7/8/2014



Tompkins Pad Attachment C List of Equipment/Facilities

Some equipment and facilities included herein may already exist if an expanded pad or new wells are added to the location under the Form 2A

CONSTRUCTION

- Bulldozers, backhoes and dirt hauling trucks (if needed)

DRILLING

- Spudding Rig (temporary) for drilling surface hole to 1000' (optional - if needed)
- 1 Drilling Rig (temporary) with auxiliary equipment / materials (Mud, water tank, diesel tanks)
- 3 temporary offices / safety building and auxiliary equipment to directly support accommodation
- Generator-set, Sewage Tank, Potable water tank (temporary)
- Sub-Surface waterlines 2 x 12"

COMPLETIONS

- Up to 50 – 500bbl temporary tanks for well stimulation (see Construction Layout)
- Temporary flowback equipment for green completions
- Temporary high efficiency flare stack equipment

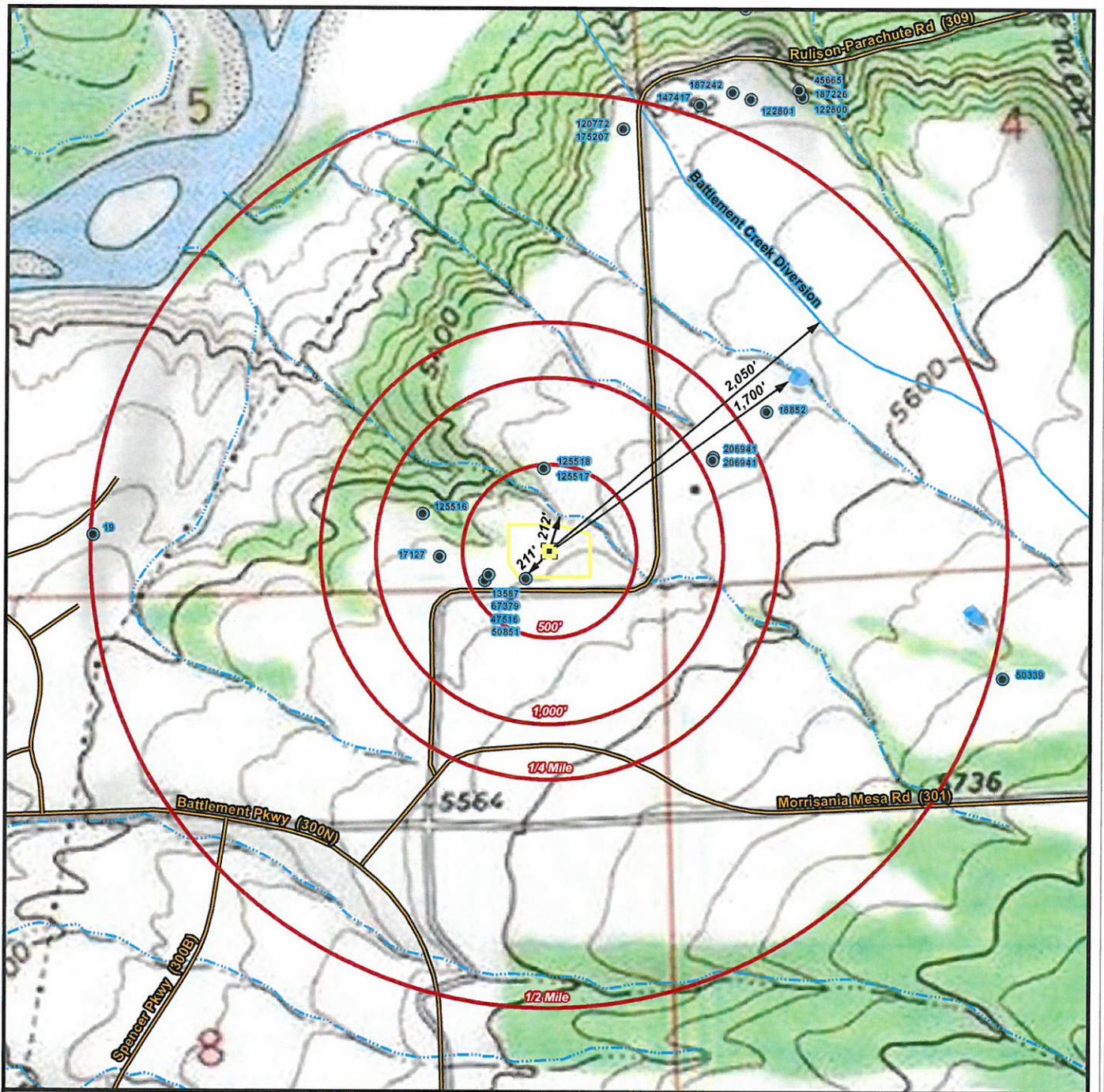
PRODUCTION

- 17 Wellheads with production manifolds and lubricator
- Common Guard/Fence around wellheads
- 17 buried flow-lines from well head to separators and to water and oil tanks
- 4 Quad Separator Units (16 total)
- 1 Condensate low profile color coded Tanks (with oil heaters)
- 9 Produced Water low profile color coded Tanks
- Primary and secondary containment for tanks (steel rings with liners)
- Communications and control instrumentation to include solar panels and telemetry
- 1 buried Gas Pipeline to connect with gas gathering network
- 1 VOC Combustor and knockout vessel for liquid gas
- Pig Launcher /Receiver
- Chemical/Soap Injection and plunger running Facilities for wells (as needed)

RECOMPLETIONS / WORKOVERS*

- Workover – Rig and artificial lift equipment (temporary – as required)
- Recompletions – Tanks and flowback equipment (temporary – as required and approved by COGCC)
- Recompletions – Temporary tank staging (temporary - prior to and following recompletes)

* Recompletions and workovers are dependent upon well production; therefore equipment and required temporary facilities cannot be projected at this time. Recompletions are subject to COGCC rules and approval, typically through submittal of a Sundry Notice.



HYDROGRAPHY:

FEATURE	PRESENT WITHIN 1,000 ft
Water Well	Yes - 211 ft 
Spring	No 
Ditch	No 
Intermittent Stream	* Yes - 212 ft 
Perennial Stream	No 
Water Body	No 
Watershed	Yes
Groundwater Depth	Approx. 135 ft

Notes / Comments:

* Determined to be ephemeral in the immediate vicinity of the proposed pad.



Ursa | OPERATING COMPANY

Form 2A - Attachment E

Topographic Map Showing Surface Waters

Tompkins

39.45995 -108.01407
Section 5, Township 7 South, Range 95 West



Well Pad
Proposed Development

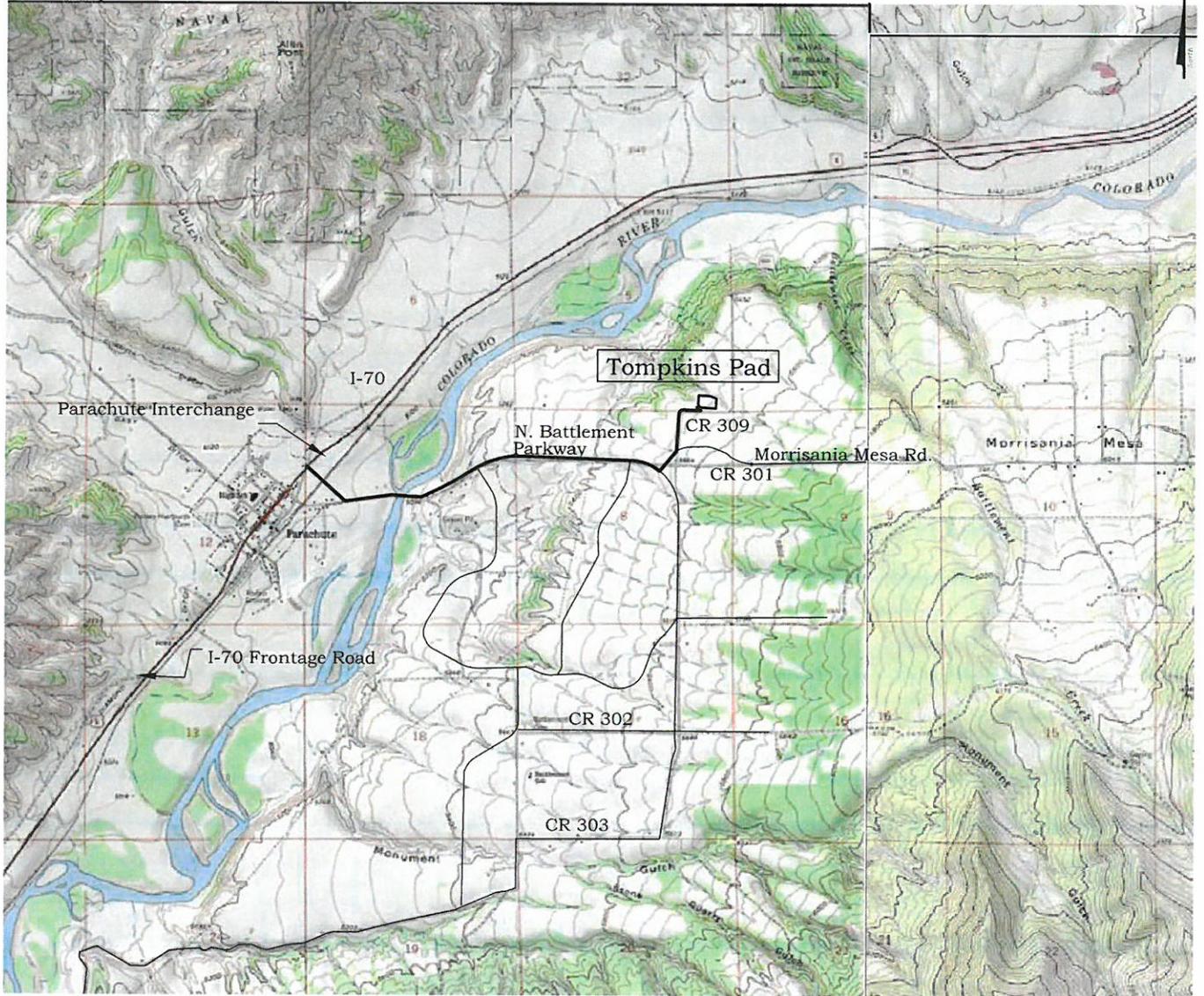
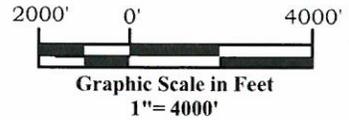
County Roads
Local Roads



Author: M. Spinelli

Revision: 1

Date: 5/15/2014



ACCESS:

FROM THE TOWN OF PARACHUTE I-70 OVERPASS HEAD SOUTHEASTERLY OVER I-70 ALONG COUNTY ROAD 215 0.6 MILES TO NORTH BATTLEMENT PARKWAY. CONTINUE EAST ALONG N. BATTLEMENT PARKWAY 1.1 MILES TO MORRISANIA MESA ROAD. TURN LEFT ONTO MORRISANIA MESA ROAD FOR 0.1 MILES TO COUNTY ROAD 309. TURN LEFT ONTO COUNTY ROAD 309 AND PROCEED 0.3 MILES TO THE TOMPKINS PAD ACCESS ROAD AT THE TOMPKINS PAD ON THE LEFT.



Ursa OPERATING COMPANY



River Valley Survey, Inc.
110 East 3rd. Street, Suite 213
Rifle, Colorado 81650
Ph: 970-379-7846

Project: RVS 06001-47

Field Date: 4-23-14

Scale: 1"=4000'

Date: 5-06-14

Sheet: 1 of 1

Form 2A - Attachment F
Tompkins Pad
Access Route Map
Section 5, Township 7 South, Range 95 West



NRCS SOILS KEY:

MAP SYMBOL	SERIES NAME
33	Ildefonso stony loam (6-25% slopes)
34	Ildefonso stony loam (25-45% slopes)
56	Potts loam (6-12% slopes)
58	Potts-Ildefonso complex (12-25% slopes)
59	Potts-Ildefonso complex (25-45% slopes)
65	Torrifluvents (nearly level)
72	Wann sandy loam (1-3% slopes)
73	Wann sandy loam (3-6% slopes)

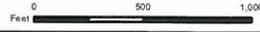
Notes / Comments:



Ursa | OPERATING COMPANY

Form 2A - Attachment H
NRCS Soils Map
Tompkins
39.45995 -108.01407
Section 5, Township 7 South, Range 95 West

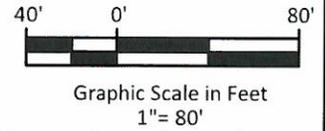
 Well Pad	 County Roads
 Proposed Development	 Local Roads



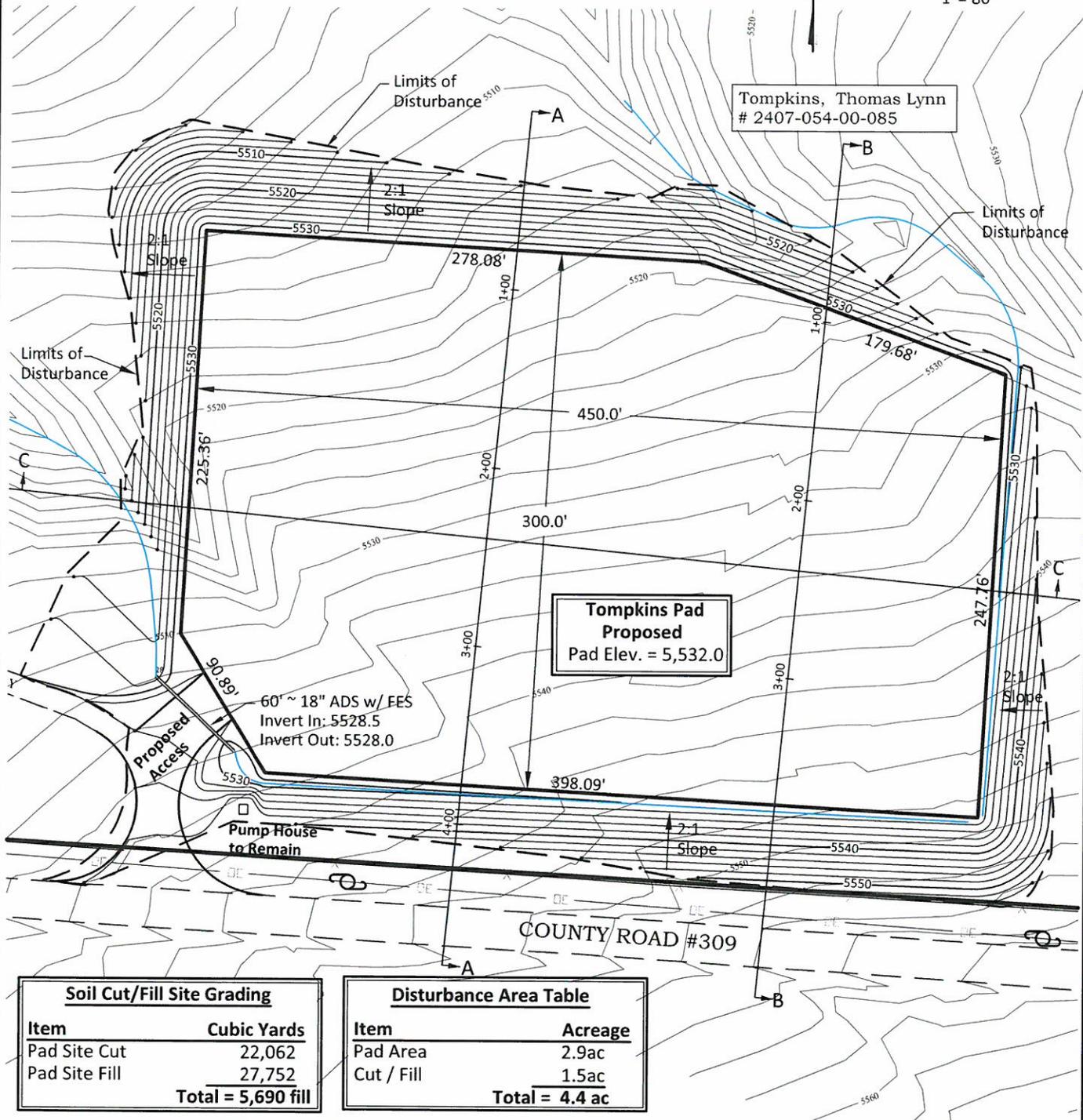
 HCSI <small>ENVIRONMENTAL CONSULTANTS</small> H&I COMPLIANCE SOLUTIONS, INC.		Author: M. Spinelli
		Revision: 0
		Date: 5/6/2014

Attachment H – NRCS Soil Survey, Rifle Area

Map Symbol 58 – Potts-Ildefonso complex (12-25% slopes)	
Strongly sloping to hilly soils are on mesas, alluvial fans and sides of valleys.	
Elevation	5,000 to 6,500 feet
Average Annual Precipitation	Approximately 14 inches
Average Annual Air Temp	Approximately 46 degrees F
Frost Free Days	Approximately 120 days
Permeability	Moderate to Low
Available Water Capacity	Low to Moderate
Effective Rooting Depth	60 inches
Surface Runoff	Medium
Erosion Hazard	Moderate
Native Vegetation: Mainly wheatgrasses and sagebrush with an overstory of pinyon and Utah juniper.	
The steep slopes limit community development. This soil complex is in capability subclass VIe, nonirrigated.	



Tompkins, Thomas Lynn
2407-054-00-085



Soil Cut/Fill Site Grading	
Item	Cubic Yards
Pad Site Cut	22,062
Pad Site Fill	27,752
Total	= 5,690 fill

Disturbance Area Table	
Item	Acreage
Pad Area	2.9ac
Cut / Fill	1.5ac
Total	= 4.4 ac

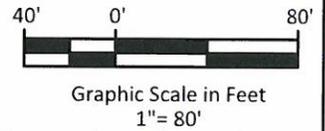
Notes or Comments:

 **River Valley Survey, Inc.**
110 East 3rd. Street, Suite 213
Rifle, Colorado 81650
Ph: 970-379-7846

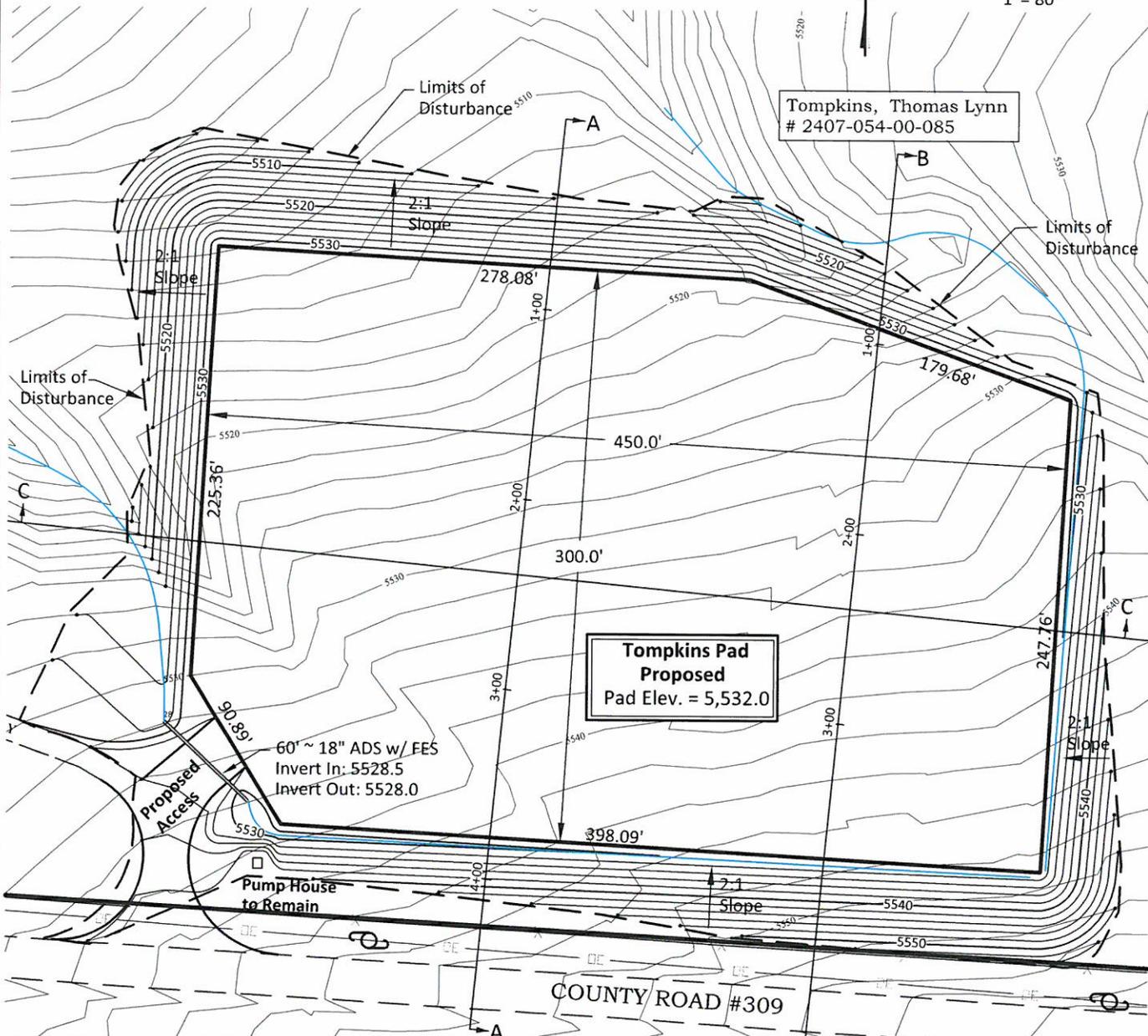
 **Ursa** OPERATING COMPANY

Project: - RVS 06001-47
Field Date: 4-22-14 Scale: 1" = 80'
Date: 5-05-14 Sheet: 1 of 2
Rev: By:

Form 2A - Attachment I
Tompkins Pad
Construction Layout Drawing
Section 5, Township 7 South, Range 95 West



Tompkins, Thomas Lynn
2407-054-00-085



Soil Cut/Fill Site Grading	
Item	Cubic Yards
Pad Site Cut	22,062
Pad Site Fill	27,752
Total	= 5,690 fill

Disturbance Area Table	
Item	Acreage
Pad Area	2.9ac
Cut / Fill	1.5ac
Total	= 4.4 ac

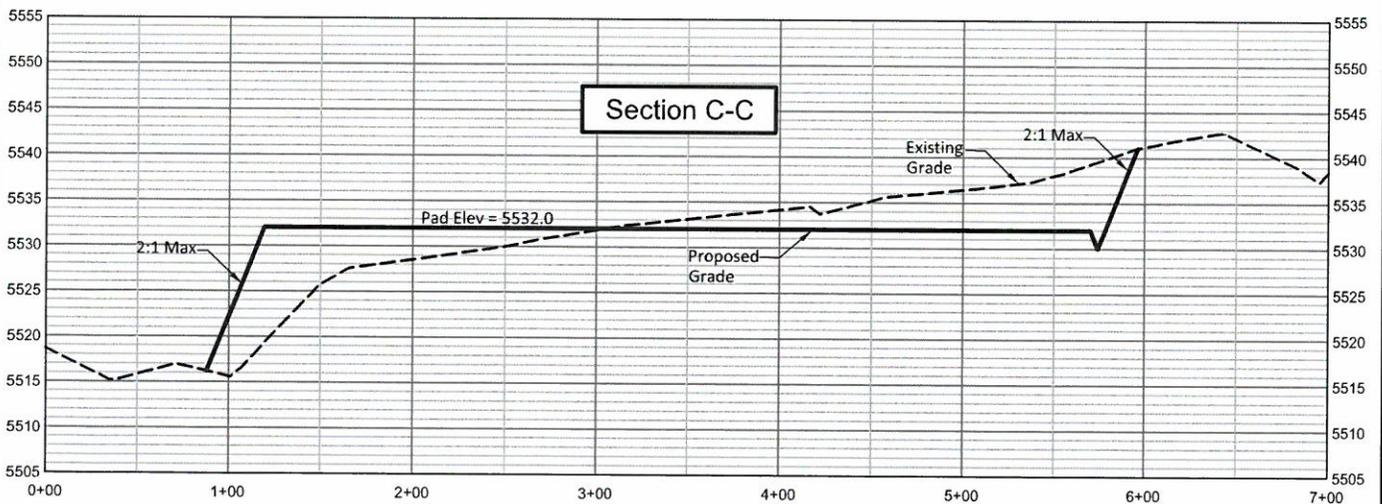
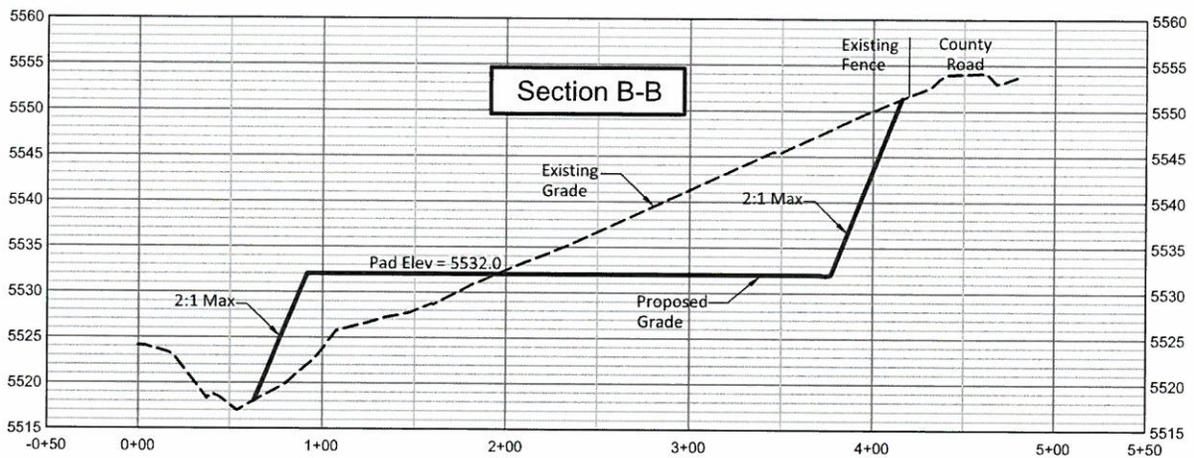
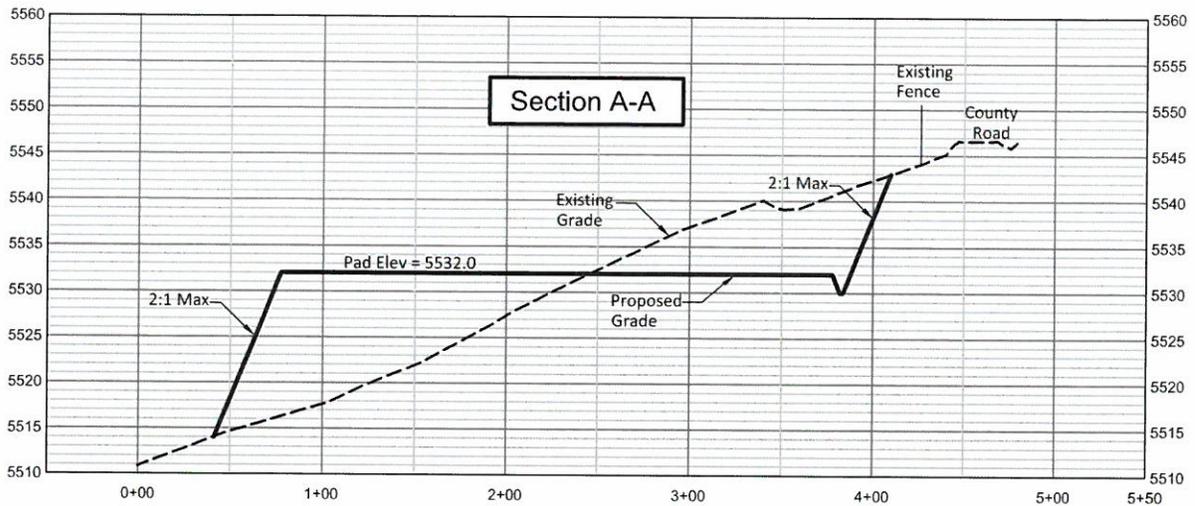
Notes or Comments:

 River Valley Survey, Inc.
110 East 3rd. Street, Suite 213
Rifle, Colorado 81650
Ph: 970-379-7846

 **Ursa** OPERATING COMPANY

Project: - RVS 06001-47
Field Date: 4-22-14 Scale: 1" = 80'
Date: 5-05-14 Sheet: 1 of 2
Rev: By:

Form 2A - Attachment I
Tompkins Pad
Construction Layout Drawing
Section 5, Township 7 South, Range 95 West



Notes or Comments:



River Valley Survey, Inc.
110 East 3rd. Street, Suite 213
Rifle, Colorado 81650
Ph: 970-379-7846



Ursa OPERATING COMPANY

Project: - RVS 06001-47

Field Date: 4-22-14

Scale: 1"= 100'

Date: 5-05-14

Sheet: 2 of 2

Rev:

By:

Form 2A - Attachment I(1)

Tompkins Pad

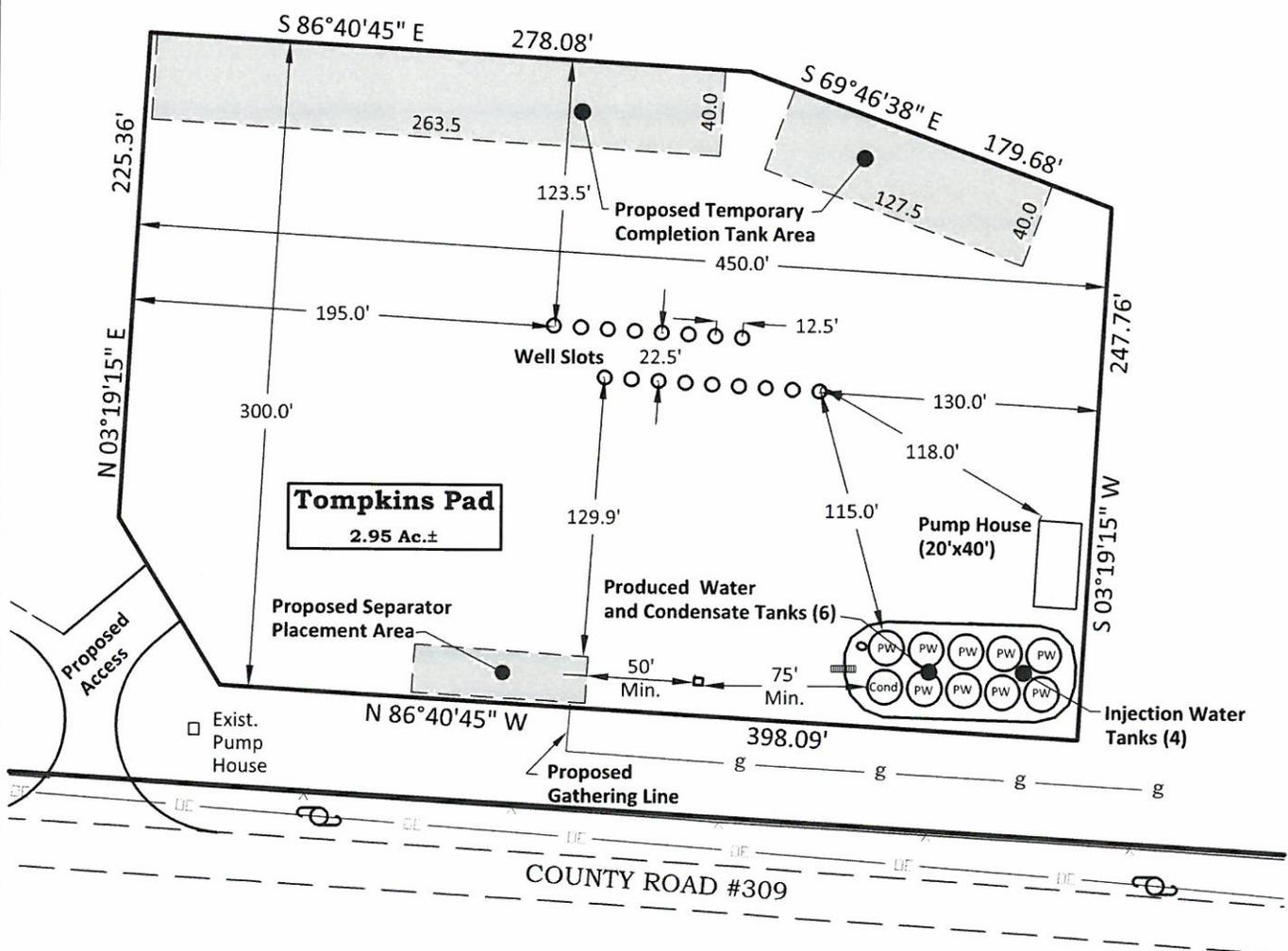
Location Cross-Sections

Section 5, Township 7 South, Range 95 West



Graphic Scale in Feet
1" = 80'

Tompkins, Thomas Lynn
2407-054-00-085



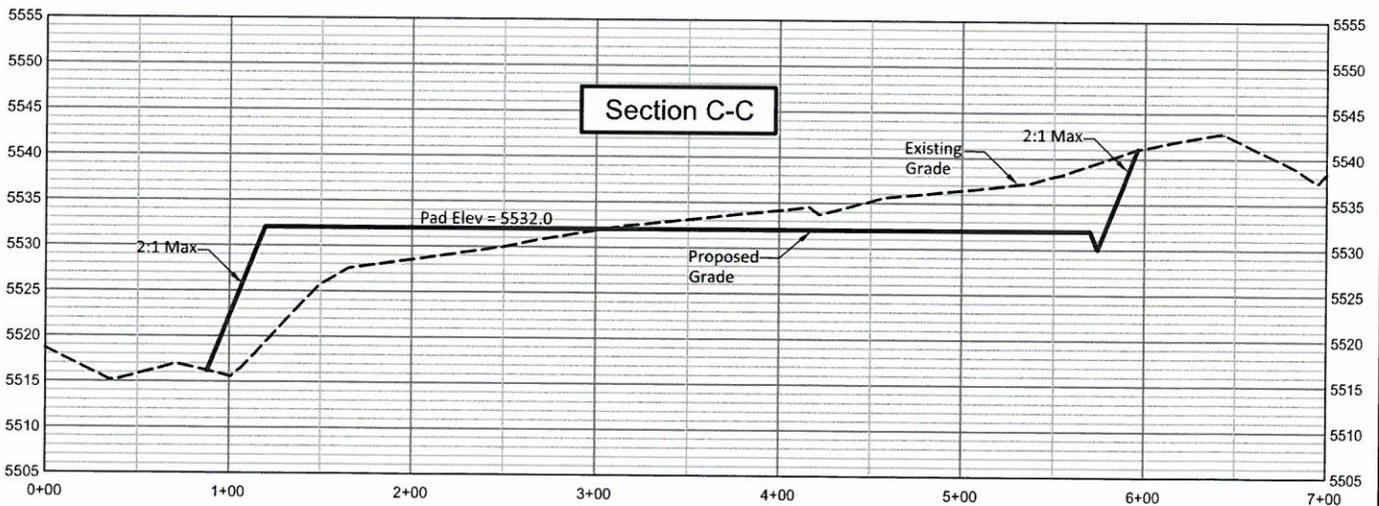
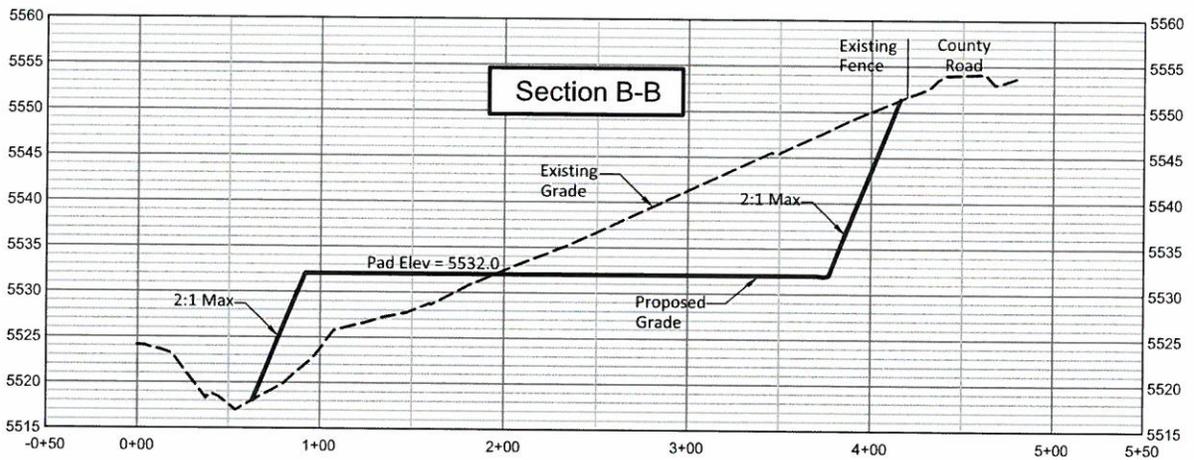
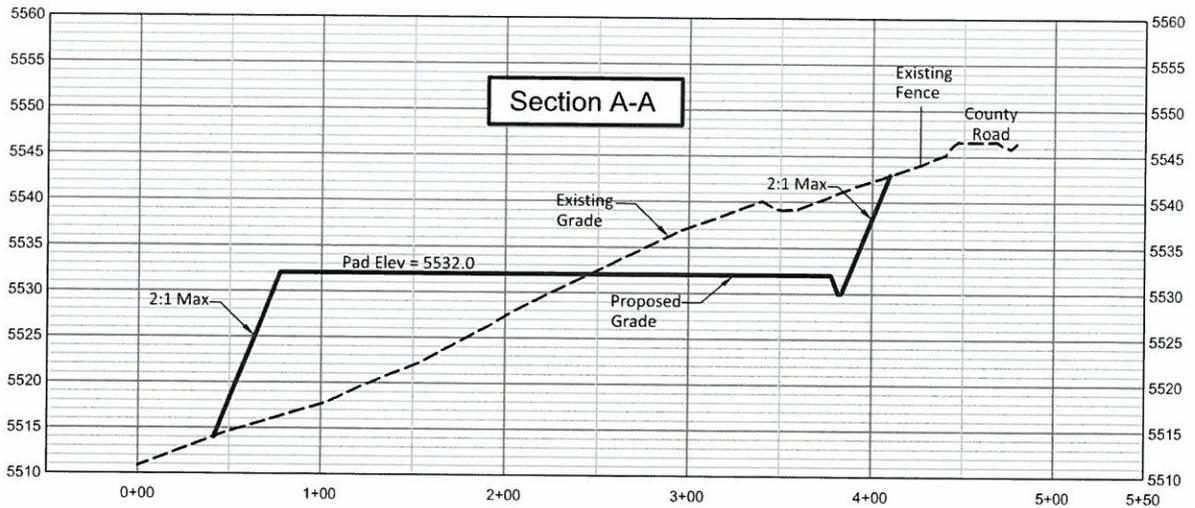
Notes or Comments:
- The Pad and Pad Infrastructure Shown Herein is Proposed.

 River Valley Survey, Inc.
110 East 3rd. Street, Suite 213
Rifle, Colorado 81650
Ph: 970-379-7846



Project: - RVS 06001-47	
Field Date: 4-22-14	Scale: 1" = 80'
Date: 5-05-14	Sheet: 1 of 1
Rev: 5-07-14	By: sea

Form 2A - Attachment J
Tompkins Pad
Facility Layout Drawing
Section 5, Township 7 South, Range 95 West



Notes or Comments:



River Valley Survey, Inc.
 110 East 3rd. Street, Suite 213
 Rifle, Colorado 81650
 Ph: 970-379-7846



Ursa OPERATING COMPANY

Project: - RVS 06001-47

Field Date: 4-22-14

Scale: 1"= 100'

Date: 5-05-14

Sheet: 2 of 2

Rev:

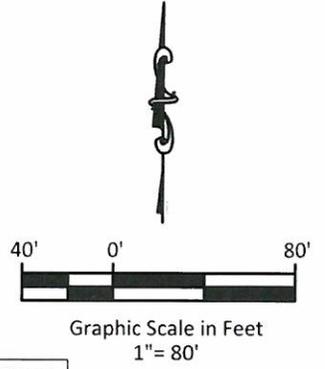
By:

Form 2A - Attachment I(1)

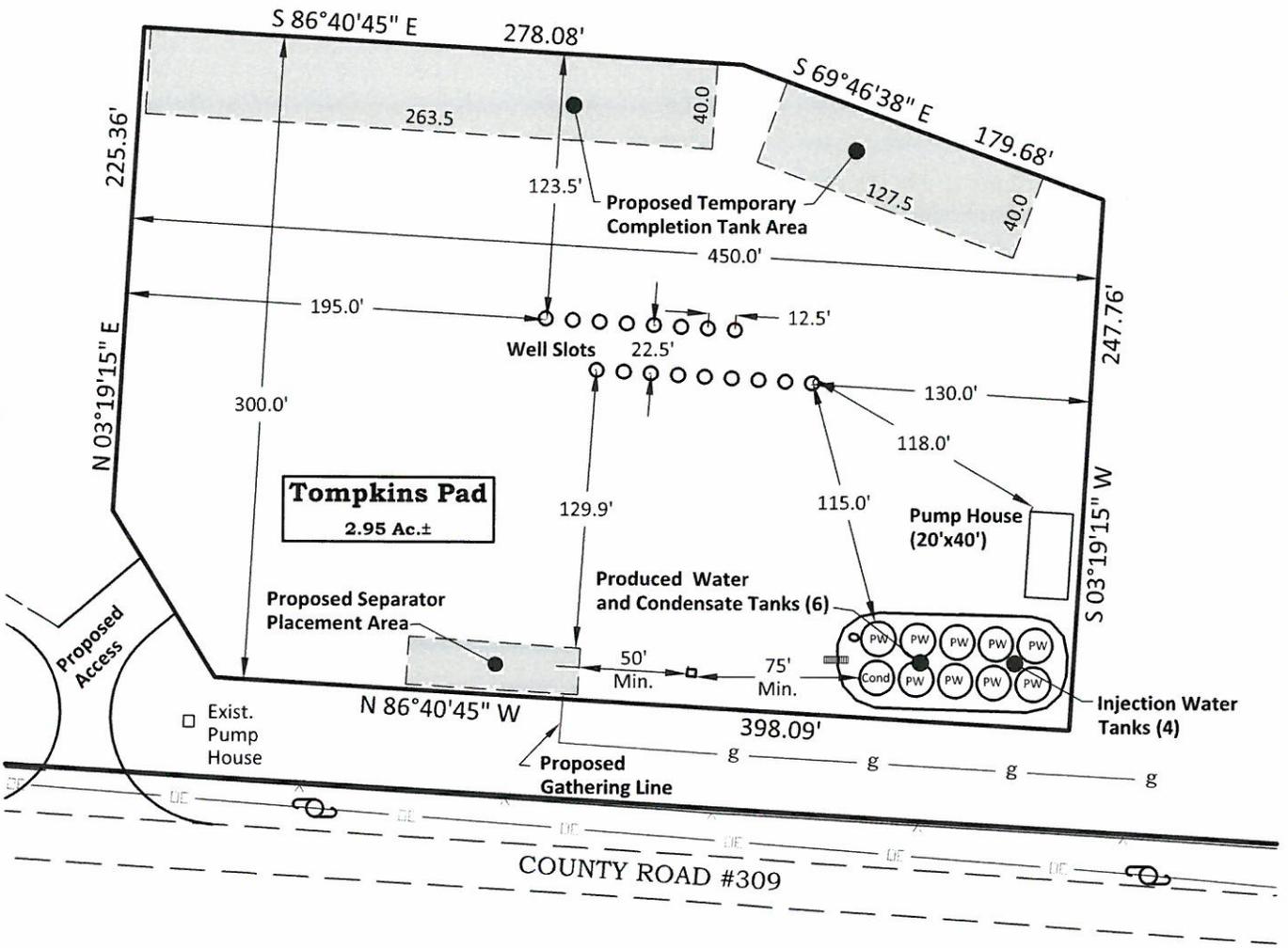
Tompkins Pad

Location Cross-Sections

Section 5, Township 7 South, Range 95 West



Tompkins, Thomas Lynn
2407-054-00-085



Notes or Comments:
- The Pad and Pad Infrastructure Shown Herein is Proposed.

RVS River Valley Survey, Inc.
110 East 3rd. Street, Suite 213
Rifle, Colorado 81650
Ph: 970-379-7846



Project: - RVS 06001-47	
Field Date: 4-22-14	Scale: 1" = 80'
Date: 5-05-14	Sheet: 1 of 1
Rev: 5-07-14	By: sea

Form 2A - Attachment J
Tompkins Pad
Facility Layout Drawing
Section 5, Township 7 South, Range 95 West



Tompkins Pad Attachment J (1) Waste Management Plan

This plan is being submitted as an attachment in accordance with COGCC Rule 303.b (3).

General Information

Ursa Operating Company LLC has developed and implemented a comprehensive waste management plan to address Exploration and Production (E&P) and other wastes related to its operations in the Piceance Basin, Colorado. This plan provides an overview of key points relative to Form 2A approval, based on Ursa's comprehensive plan.

E&P wastes are not regulated (i.e. exempt) as hazardous wastes by the Environmental Protection Agency (EPA) (40 CFR 261) or by the Colorado Oil and Gas Conservation Commission (COGCC). COGCC manages E&P wastes in the State of Colorado. Both agencies publish a list of E&P exempt wastes on their websites. To qualify as an E&P waste, the waste must be generated during the drilling, completions, or production operations. These wastes must be managed (treated, stored, transported and disposed of) in accordance with COGCC, County and municipal regulations, and land use codes and ordinances.

Non-E&P Wastes are those that are not generated as part of Oil and Gas downhole operations, and are generally classified as non-hazardous or hazardous. These wastes must be managed in accordance with Colorado Department of Public Health and Environment (CDPHE) regulations, and County and Local landfill or waste disposal facility requirements.

NOTE: Chemicals used for stimulation and completions are not considered wastes until they are introduced (i.e. used) into the completions phase of operations. However, they must be managed in accordance with EPA, COGCC and CDPHE regulations, including posting of Material Safety Data sheets (MSDS). The MSDS provides chemical information, and safety and environmental actions to be taken in the event of an exposure or spill.

Construction Wastes

No E&P wastes are generated during construction activities. Wastes primarily generated are typical of most household or commercial trash that can be disposed of at local landfills. Equipment maintenance and servicing wastes (oil, hydraulic fluids, etc.) are not allowed to be managed on Ursa's locations, and must be recycled or disposed of in accordance with CDPHE regulations.



Drilling Wastes

Conductor pipe is typically installed prior to drilling to support sidewalls to allow drilling. This material removed is essentially soil and is not a waste. Drill Cuttings (aka muds) are the primary E&P waste generated during drilling (aka spudding), which consists of drilling a surface hole, and production hole. Drilling is typically done using air and water (surface hole) and green (synthetic non-oil based) mud for the production hole. MSDS sheets are required to be maintained for any additives used in the drilling process.

Cuttings Sampling and Stabilization

Both surface and production hole drill cuttings will be generated at each well pad. Raw cuttings (not stabilized) will be sampled and profiled at the location of generation in accordance with Ursa's Waste Management Plan. Once the raw cuttings are sampled they will be stabilized (absorption / removing liquids) in a temporary area on the well pad. The cuttings will be stabilized using either native soils (preferable) or a commercially available inert adsorbent (sawdust, EZ Stabil, etc.). In some cases, relocation of cuttings to another location during drilling would be required due to the small pad size previously permitting by Antero Resources (previous operator). If the volume of cuttings on the well pad during drilling exceeds the capacity of the on-site temporary area, limits operational capabilities to complete drilling, or creates safety concerns, a Sundry (Form 4) will be submitted for approval to relocate the cuttings to another location pending the results of sampling analytical results.

Cuttings Management and Disposal

If sampling results for cuttings meet 910-1 standards they will be treated as soil and beneficially reused on location or at another location as approved under a Sundry (Form 4). If cuttings don't meet standards, then Ursa will implement one of two options: continued mixing to meet 910-1 standards for beneficial reuse, or transport to an authorized waste facility in accordance with Federal and State (COGCC / CDPHE) regulations, including manifesting. Final decisions will be based on site-specific operations logistics.

Drilling Fluid Management

Drilling fluid that is no longer required at a pad will be re-used at the next pad that the drilling rig moves to, in most cases. More than one drilling rig may be in use, and in those cases, excess drilling fluid may be shared amongst other drilling rigs that require additional drilling fluid. If the fluid properties are no longer acceptable, the solids will be removed from the fluid. Those solids will be treated as drill cuttings, per the previous paragraph. The remaining clean fluid will be recycled and used in the drilling operation at the next pad.



Completions

During completions, a mixture of approximately 99.5 % water (fresh or recycled) and propants will be injected into the production zone to maintain the flow of gas and oil from the wellbore. This water returned to the surface is referred to as flowback, which is the primary E&P waste. This waste is then treated/recycled/reused for additional stimulation at other locations. Most flowback is treated at a COGCC approved facility under their Section 900 Rules. MSDS sheets are required to be maintained for any additives used in the stimulation process. In addition, all additives used are required to be reported to the COGCC within 120 days of completion activities. All tanks are labeled in accordance with Federal and COGCC regulations.

Production

Once a well is drilled and completed, separators at each location separate out the produced water and condensate from the natural gas, prior to the gas being transported by underground pipelines to a processing facility. Both produced water and condensate tanks are installed at each well pad to collect water produced from the production formation, as well as condensate. Produced water and Condensate are classified as the primary E&P wastes by the COGCC and EPA. Produced water that can be recycled is treated at Ursa's permitted Wasatch Facility in accordance with COGCC 900 rules. This water can then be recycled/reused to minimize the need for additional fresh water used for completion activities. Produced water that cannot be recycled is disposed of in Underground Injection Control (UIC) wells that are permitted by the COGCC.

Condensate is a saleable product and is typically collected by trucks for transport to a processing facility. Production tanks are managed in accordance with COGCC and EPA regulations regarding primary and secondary containment to minimize the potential for a spill or release to the environment. All tanks are labeled in accordance with Federal and COGCC regulations, and are inspected daily, monthly and quarterly; also in accordance with Ursa Best Management Practices, and EPA, COGCC and local fire district regulations.



Tompkins Pad Attachment J (2) Evidence of Pre-App NOI

In accordance with COGCC Rule 305.a.(2), Ursa certifies that surface and building unit owners within the 1000 foot Buffer and Exception zones were forwarded Pre-Application Notifications.

In accordance with COGCC rule 303.b (3) J. iii, Ursa certifies that building unit owners identified by an “*” were forwarded pre-application notifications (via hand delivered) on 4/29/2014.

- Thomas L. Tompkins*
- John W. Savage*

Results of Pre-Application Meetings and Communications with Building Unit Owners

- The following owners have waived all subsequent notifications.

Thomas L. Tompkins
269 County Road 309
Parachute, CO 81635

Savage Limited Partnership
00950 County Road 309
Parachute, CO 81635

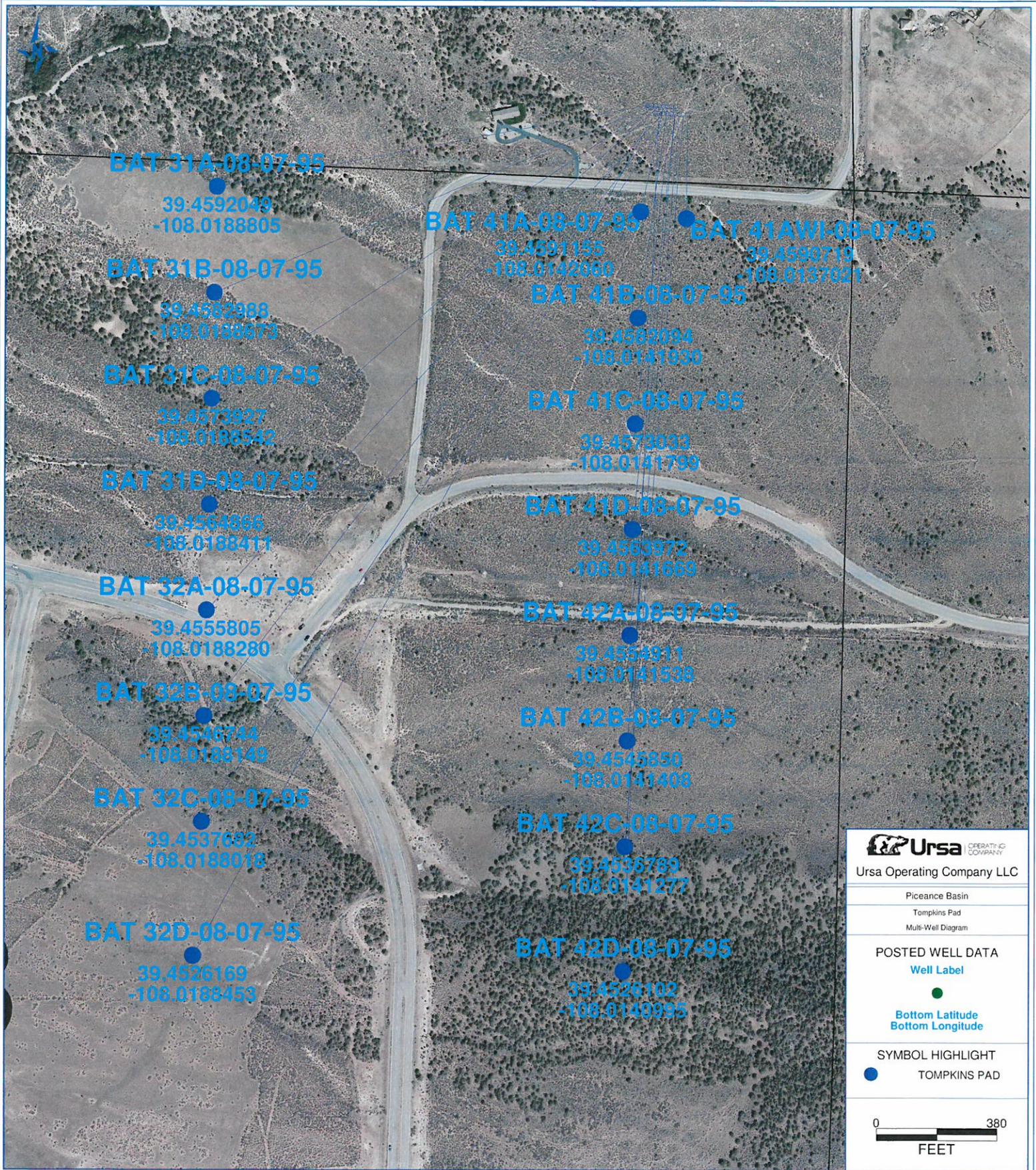
Completeness Determination Compliance

OGLA Notice – With the exception of waivers received, in accordance with COGCC Rule 305.c.(1), an OGLA Notice will be forwarded (via regulatory options) to surface and building unit owners within 500 feet of the proposed Oil and Gas Location with the required information.

Buffer Zone Notice – With the exception of waivers received, in accordance with COGCC Rule 305.c.(2), a Buffer Zone Notice (by postcard) will be forwarded to building unit owners from 500 – 1000 feet with the required information.

For both notices, unless waived, Ursa will notify the surface and building unit owners of the option to meet pursuant to COGCC Rule 306.a (Surface Owners) and 306.e. (Building Unit Owners).

Further communication or questions should be directed to Jeff Powers, Ursa Landman at (970) 329-4376 (Office)



Ursa OPERATING COMPANY
Ursa Operating Company LLC

Piceance Basin
Tompkins Pad
Multi-Well Diagram

POSTED WELL DATA
Well Label

Bottom Latitude
Bottom Longitude

SYMBOL HIGHLIGHT
● TOMPKINS PAD

0 380
FEET



Tompkins Pad Attachment M Best Management Practices (BMPs)

GENERAL – PLANNING

- This is a new oil and gas location and will include construction and proposed wells.
- This is a new oil and gas location and will also include a proposed Salt Water Disposal (SWD well).
- Prior to initiation of the COGCC Form 2A permitting process, Ursa held internal meetings and onsite to determine the feasibility of the location, and identified all compliance requirements, guidance and policies needed to permit the location and proposed oil and gas operations. All COGCC permitting requirements under the 200 through 1200 series rules were incorporated, as appropriate into this Form 2A and related attachments.
- The best management practices (BMPs) incorporated herein also considered other Federal, state and county agency requirements and guidance, including those under the jurisdiction of the Environmental Protection Agency (EPA), U.S. Fish and Wildlife Service (USFWS), U.S. Army Corps of Engineers (ACOE), Federal Emergency Management Agency (FEMA), Colorado Department of Public Health and Environmental (CDPHE), Colorado Parks and Wildlife (CPW), and Garfield County (GARCO), among others.
- Planning and permitting information relevant to the location based on Federal, state and county regulations, guidance and policies is documented as appropriate in Ursa’s “Site Assessment Checklist/Map”. A copy of this internal BMP (while not required) was provided to the COGCC at the Setback Training on August 30, 2013 held in Grand Junction.
- Upon approval of the Form 2A, Ursa holds Pre-Construction, Pre-Spud, Pre-Completions and Pre-Production meetings with contractors performing work at the location, as applicable to the proposed activity. As a BMP, Ursa has developed checklists for these meetings to review regulations, COAs, NTOs and related requirements.
- Traffic and Public Safety – Ursa developed a site-specific Emergency Response Plan (SSERP) and Haul Route Map which are communicated to local emergency response agencies and stakeholders, as well as contractors performing work at the location.

COMMUNITY / STAKEHOLDER OUTREACH AND NOTIFICATIONS

- An SUA has been signed with the landowner allowing this location to be constructed, drilled and operated in accordance with the Form 2A submitted.
- The landowners have waived all COGCC notifications to include Pre-application notifications, statutory notifications, drilling and completions notifications related to Federal surface, as they are intimately involved with all phases of permitting the location and associated wells.
- Ursa routinely communicates proposed plans and operations schedules to stakeholders through Community Counts, the GARCO Energy Advisory Board, Battlement Mesa Concerned Citizens and others. In addition, periodic stakeholder meetings are held with landowners and affected parties.
- Communication with Kirby Wynn and municipal LGDs are also held routinely in addition to communication required by COGCC regulations, as appropriate.



CONSTRUCTION AND SITE STABILIZATION

- The BMPs below entitled “Environmental Stewardship and Compliance” provide additional information that is applicable to one or more phases of operations.
- CONSTRUCTION (General) – The location will be constructed and maintained in accordance with COGCC 1002 Rules regarding soil and stormwater management, and surface disturbance minimization as incorporated into Ursa’s plans, policies and procedures.
- DUST CONTROL - The pad and access road will be graveled to reduce fugitive dust and maintained as required by COGCC rules. In addition, water and other dust suppressants are used as required, dependent upon the level of activity, moisture conditions, etc. throughout all phases of operations
- RECLAMATION (Interim) - The site/soils will be stabilized as soon as practical during and immediately following construction. Once wells at the location are drilled, Ursa will complete interim reclamation in accordance with the COGCC 1003 rules using seed mixes and materials compatible with soil types, moisture, and local climate conditions as specified by the appropriate agency and/or in landowner surface use agreements, or locally acceptable industry practices.
- STORMWATER - The location will be constructed / maintained in accordance with the CDPHE and COGCC 1002.f. (1) and (2) stormwater regulations as implemented by Ursa’s Stormwater Management Plan, so as to control sediment run-off. Stormwater BMPs will also serve as secondary or tertiary containment in the event of a spill. Site specific plans (i.e. diagrams) will be developed and inspected against at the frequency required by CDPHE regulations, to include 14 day, 30 day, and major storm event inspections until 70% reclamation is achieved. Corrective actions and maintenance will be tracked and implemented. The post-construction stormwater program will be managed in accordance with COGCC Rule 1002.f. (3). Inspections and corrective actions will be conducted through 80% interim reclamation and annually thereafter. These inspections are also tracked and corrective actions implemented. Native soils will be used whenever available to construct stormwater BMPs, supplemented by non-native materials based on site-specific conditions.
- WATER WELL SAMPLING (COGCC Rule 609) – Water well sampling will be conducted prior to setting conductors; followed by post-sampling requirements and reporting the landowner and COGCC. No water wells exist within ½ mile of the locations under this Form 2A.
- PUBLIC WATER SUPPLY SAMPLING (COGCC Rule 317B) – Notification to Public Water Supplies within 317B designated areas will be completed prior to surface disturbance/construction activities.
- For safety purposes, the location and site layout has been designed to accommodate all operations within the limits of disturbance while meeting Federal and state safety regulations, including required buffers and distances between operating components and combustion sources.

DRILLING

- Drilling multiple wells from this location using directional / horizontal drilling will be implemented to avoid the need for additional well pads; reducing potential environmental impacts to include habitat loss and fragmentation, noise, traffic concerns, and related impacts to air, land and water.
- PUBLIC WATER SUPPLY SAMPLING (COGCC Rule 317B) – Pre-drilling and post drilling sampling and reporting of information to the landowner and COGCC will be conducted prior to and following drilling.
- MIRU – Unless waived, Notice to all Building Unit owners will be sent at least 30 days, but no more than 90 days within the Buffer Zone prior to the Move-In, Rig-Up of the drilling rig when more than 1



year has elapsed since previous notice or since drilling activity last occurred, or if no notice had previously been required in accordance with the four examples provided in the COGCC MIRU policy.

- No cuttings pits are proposed.

COMPLETIONS

- The BMPs below entitled “Environmental Stewardship and Compliance” provide additional information that is applicable to one or more phases of operations.
- AIR & ODORS - Well completions will utilize flowback completion technologies and/or flares to reduce odors from plug drillout, and venting of salable and non-salable gas
- CHEMICAL USE – All chemicals used will be tracked and reported in accordance with COGCC rules and submitted through FracFocus within 120 days of initiating well stimulation.
- WASTE MANAGEMENT OF WATER – Flowback water used for well completions will be recycled and treated to the maximum extent practical at the location. Water that can’t be recycled will be injected through the use of wells approved by COGCC and Garfield County, or transported via truck or pipeline to the COGCC and Garfield County approved Wasatch E&P Facility.
- WASTE - No stimulation or flowback pits will be constructed.

PRODUCTION

- All production equipment to include separators, produced water and condensate tanks, pipelines and flowlines will be constructed and managed in accordance with COGCC 605 and 1100 Series Rules.
- The BMPs below entitled “Environmental Stewardship and Compliance” provided more detailed information regarding environmental protection applicable general operations.
- AIR & ODORS - Combustor controls will be used to mitigate odors from production tanks. Ursa will perform inspections on at least a monthly basis to ensure potential emissions sources are properly managed. In addition, Ursa’s pumper crew inspects each location on a daily basis.
- REMOTE MONITORING - Remote monitoring will be used to reduce truck traffic, fugitive dust to the extent practical.
- VISUAL IMPACTS - Above-ground facilities (e.g. production tanks) will be managed to minimize visual effects (e.g. painted to blend with environment)
- WILDLIFE – All separators/dehydrators and heater –treater equipment are outfitted with bird cones.
- WATER RECYCLING – Produced water used for well completions will be recycled and treated to the maximum extent practical. Water that can’t be recycled will be injected through the use of wells approved by COGCC and Garfield County, or transported via truck or pipeline to the COGCC and Garfield County approved Wasatch E&P Facility.
- The Salt Water Disposal (SWD) well will be permitted, operated and tested in accordance with COGCC Rule 325 and 326.

ENVIRONMENTAL STEWARDSHIP AND COMPLIANCE / HOUSEKEEPING

- AGENCY INSPECTIONS AND CORRECTIVE ACTIONS – Ursa will implement corrective actions necessary in response to all Federal and state agency inspections in a timely manner. Inspections resulting in the potential for immediate or significant environmental impacts will be addressed immediately, subject to safety and weather considerations.

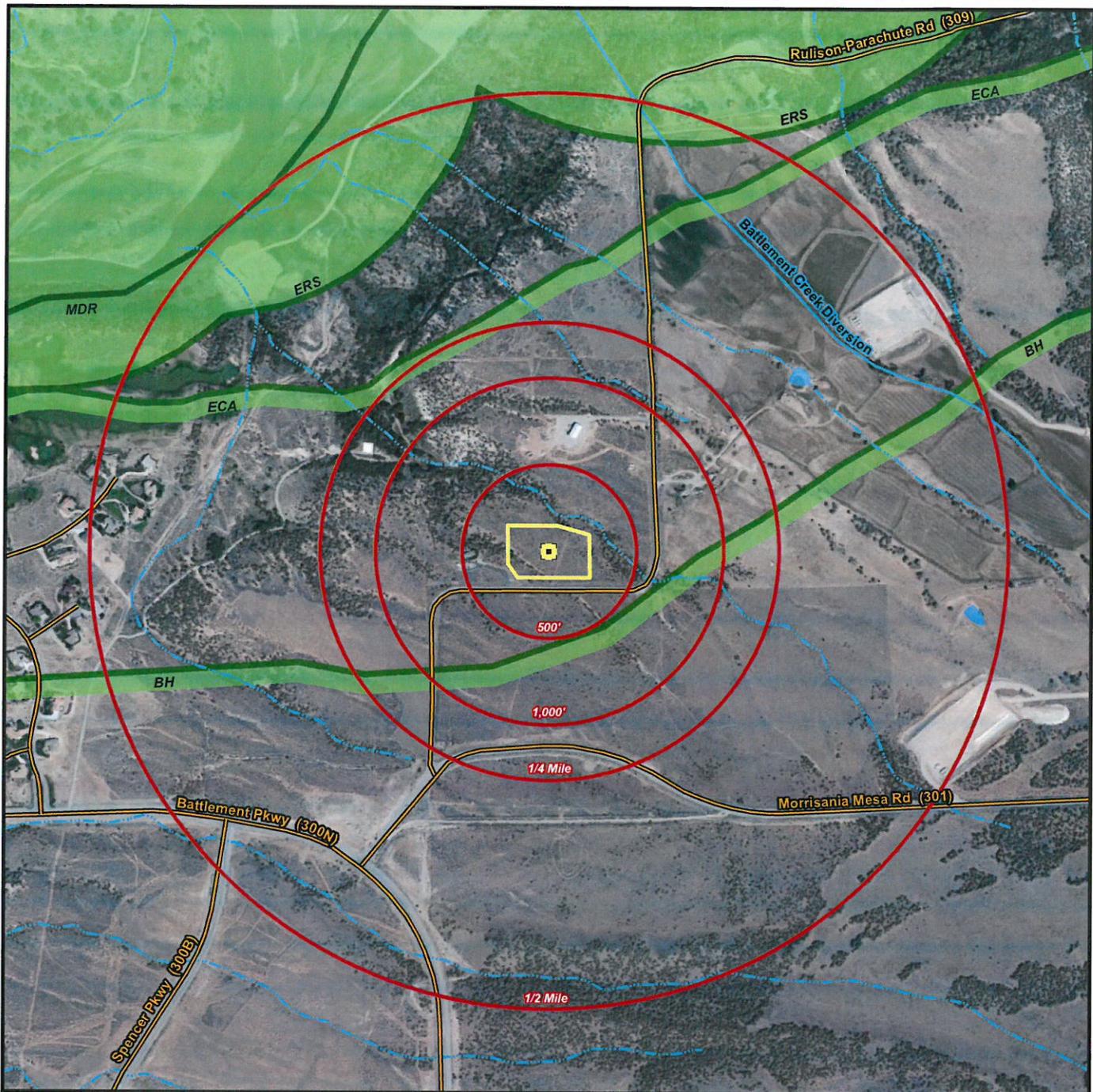


- **URSA VOLUNTARY INSPECTIONS** – Ursa conducts voluntary inspections and corrective actions of all locations at least monthly using a self-implemented checklist of key actions (including environmental) that require compliance with COGCC, Federal, and other state and county requirements.
- **AESTHETICS AND NOISE** – Lighting, noise, odors, dust and related nuisances are managed in accordance with COGCC 600 and 802, 803, 804 and 805 Series Rules, and in accordance with Ursa policies, procedures and checklists.
- **AIR PERMITTING AND COMPLIANCE** – Ursa will comply with CDPHE regulations regarding air permitting, compliance monitoring, inspections and reporting. All air sources will be assigned AIRS ID numbers and tracked for compliance and reporting purposes. In addition, Ursa is required to track, monitor and report Greenhouse Gas (GHG) emissions to EPA annually.
- **CHEMICAL & MATERIAL HANDLING** – All materials and chemicals will be managed to minimize environmental contamination in accordance with MSDS sheets and EPA, COGCC and CDPHE regulations. Materials and chemicals that are not a waste may be reused or recycled.
- **MITIGATION REQUIREMENTS** – Ursa has incorporated the mitigation requirements identified in COGCC Rule 604, as applicable on a site-specific basis into its Operations Checklists, Voluntary and Mandatory Site Inspections, and Environmental Programs plans, status monitoring, and policies and procedures.
- **NOXIOUS WEEDS** – Weeds will be managed in accordance COGCC Rule 1003.f. and 1004.e. as incorporated into Ursa’s Noxious Weed plan; to include up to three treatments per year depending upon the species being managed and mapping as needed, throughout the life cycle of the location (construction – final reclamation).
- **SAFETY** – Safety requirements and buffers as required by the COGCC 602, 603, and 606A and 606B Series Rules, among others, and the Office of Safety and Health Administration (OSHA) will be observed at all time. Daily safety briefings and Job Safety Assessments (JSA’s) are routinely conducted in all phases of operations. In addition, Ursa employees a full-time safety manager to oversee all field contractors.
- **SPILLS / INCIDENTS** – Spill prevention and response are addressed in Ursa’s Spill Prevention and Management Plan. This includes training of employees and contractors personnel on at least an annual basis. Spill response includes notifications, reporting, response actions, remediation and corrective actions. The spill criteria in Ursa’s plan requires that waste be properly classified as E&P or non-E&P wastes. For E&P waste, all spills greater than 1 barrel the COGCC will be reported to the COGCC using a Form 19. Should remediation be required, a Form 27 will be submitted as well. Spills related to non-E&P waste will be managed in accordance with CDPHE and EPA regulations depending on the volume spilled. As a BMP, Ursa tracks and cleans up all spills, including those that are not reportable.
- **SPCC / CONTAINMENT** – All production tanks and tanks used for completions activities will be installed, labeled, contained, operated, and decommissioned in accordance with Ursa’s SPCC/Containment Plan, which is required by EPA regulations (40 CFR 112). The plan, in combination with Ursa’s Spill Prevention and Management plan, addresses COGCC 600 and 900 Series Rules, among others, regarding the management of tanks.
- **WASTE** - The location will be managed in accordance with COGCC 907 and 907A Rules, which are incorporated into Ursa’s Waste Management Plan, and addresses both E&P and non-E&P waste, including those under the jurisdiction of the CDPHE and EPA. The plan, in combination with Ursa’s Spill Prevention and Management Plan, minimizes the potential for any exploration and production



wastes, chemicals, fluids, etc. from leaving the location, using BMPs including berms, barriers, and use of spill control materials.

- WILDLIFE - A Wildlife Mitigation Plan (March 24, 2010) is in place that was agreed to by Ursa (previously Antero). The plan allows for 90+ well pads. Currently, Ursa has 62 well pads. Ursa is current on all obligations under the plan.



Wildlife	
CODE	WILDLIFE HABITAT
BH	Bear Habitat
ECA	Elk Concentration Area
ERS	Eagle Winter Roosting Site
MDR	Mule Deer Winter Range

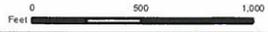
Hydrography	
	Ditch
	Intermittent
	Perennial Stream
	Waterbody
	317B Buffer

Notes / Comments:

*Attachment S - No impacts to Waters of the United States; Section 404 permit not required.


Ursa OPERATING COMPANY
Form 2A - Attachments P, Q, & S
 Surface Restrictions
Tompkins
 39.45995 -108.01407
 Section 5, Township 7 South, Range 95 West

Well Pad	County Roads
Proposed Development	Local Roads



 HCSI <small>ENVIRONMENTAL CONSULTANTS</small> HERI COMPLIANCE SOLUTIONS, INC.		Author: M. Spinelli
		Revision: 0
		Date: 5/6/2014

**Appendix F –
FEMA Flood Insurance Rate Map**

**Appendix G –
Tompkins SUA, Redacted, presented in lieu of
Letter of Representation**

SURFACE USE AND EASEMENT AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into this 24th day of FEBRUARY, 2011 ("Effective Date") by and between Thomas Lynn Tompkins, whose address is 269 County Road 309, Parachute, CO 81635 hereinafter called "Owner", and Antero Resources Piceance Corporation, whose address is 1625 17th Street, Denver, Colorado 80202, hereinafter called "Operator".

WHEREAS, the Owner is the owner of the surface of the lands described on Exhibit A and further depicted on Exhibit B attached hereto and made a part hereof for all purposes ("Lands");

WHEREAS, Operator desires to utilize the Lands for the operations hereafter described, and Owner desires to allow such utilization;

WHEREAS, Owner and Operator desire to enter into this Agreement to stipulate the terms and conditions under which Owner will permit use of the Lands by Operator.

NOW, THEREFORE, in consideration of ten dollars (\$10.00) and other good and valuable consideration in hand paid, receipt of which is hereby acknowledged, Owner and Operator agree as follows:

REDACTED

In witness whereof, Owner and Operator have executed this Agreement effective the day mentioned above regardless of the date of execution.

OWNER:

Thomas Lynn Tompkins
Thomas Lynn Tompkins

OPERATOR:

Antero Resources Piceance Corporation
By: Brian A. Kuhn
Brian A. Kuhn, Vice President

ACKNOWLEDGMENTS

STATE OF COLORADO)
COUNTY OF GARFIELD) ss

The foregoing instrument was subscribed and sworn to before me on FEB 24, 2011, by Thomas Lynn Tompkins.

My commission expires: NOV 13, 2012
Witness my hand and seal.

DAVID M STRICKLIN
NOTARY PUBLIC
STATE OF COLORADO
MY COMMISSION EXPIRES 11/13/2012

David M Stricklin
Notary Public

STATE OF COLORADO)
COUNTY OF DENVER)

The foregoing instrument was subscribed and sworn to before me on March 10, 2011, by Brian A. Kuhn, Vice President of Antero Resources Piceance Corporation.

My commission expires: 12/20/2014
Witness my hand and seal.

SARAH HOLZER
Notary Public
State of Colorado

Sarah Holzer
Notary Public

EXHIBIT A

Attached to and made a part of that certain SURFACE USE AND EASEMENT AGREEMENT dated February 24, 2011, by and between, Thomas Lynn Tompkins ("Owner") and ANTERO RESOURCES PICEANCE CORPORATION ("Operator"), the "Lands" covered by and referred to in the foregoing agreement including the following described land located in Garfield County, Colorado, more particularly described as follows:

Township 7 South, Range 95 West of the 6th P.M.

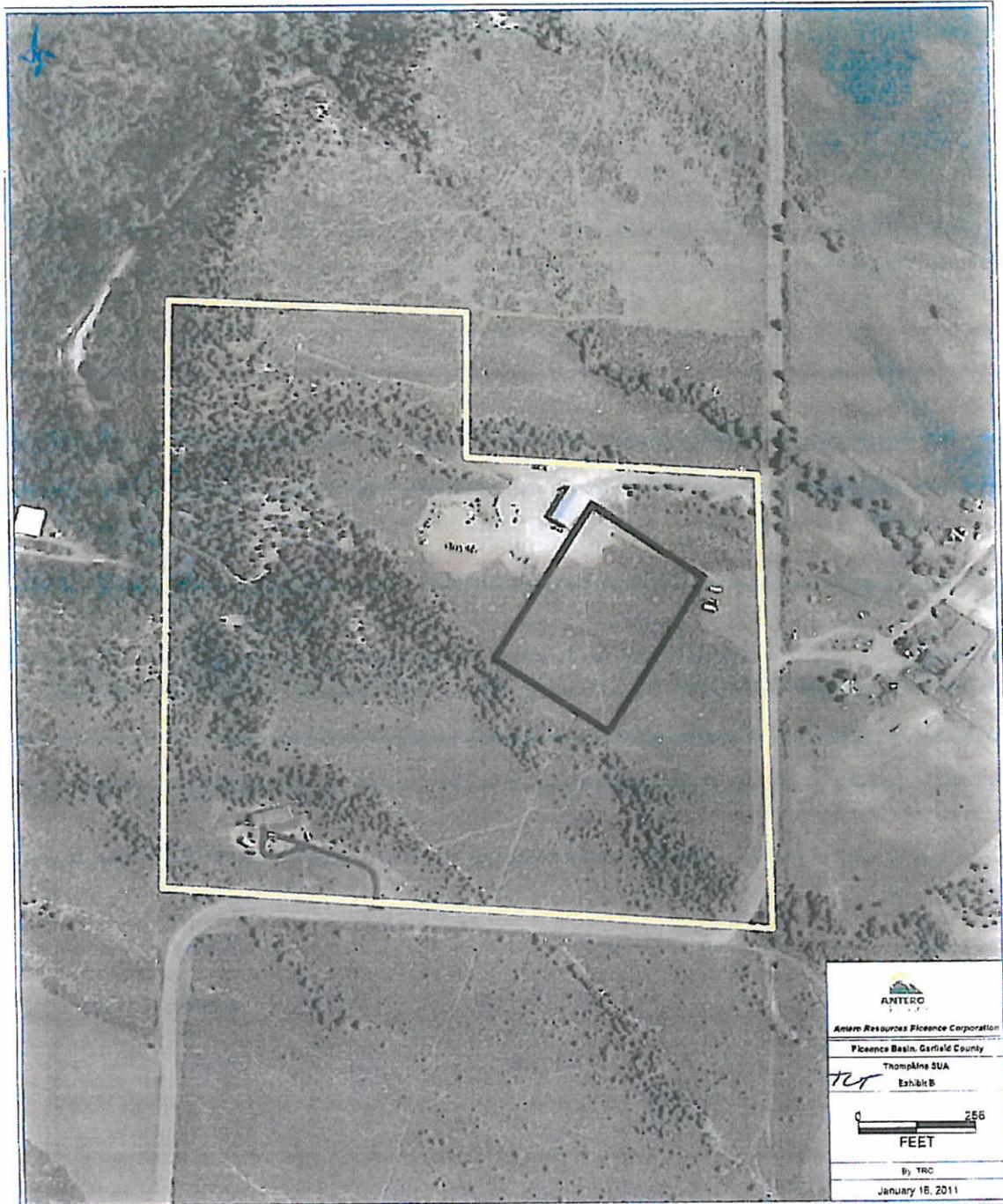
Section 5:

S1/2NESESE, S1/2SESE

AKA Parcel #240705400065 of the Garfield County Assessor's Records, Garfield County, Colorado

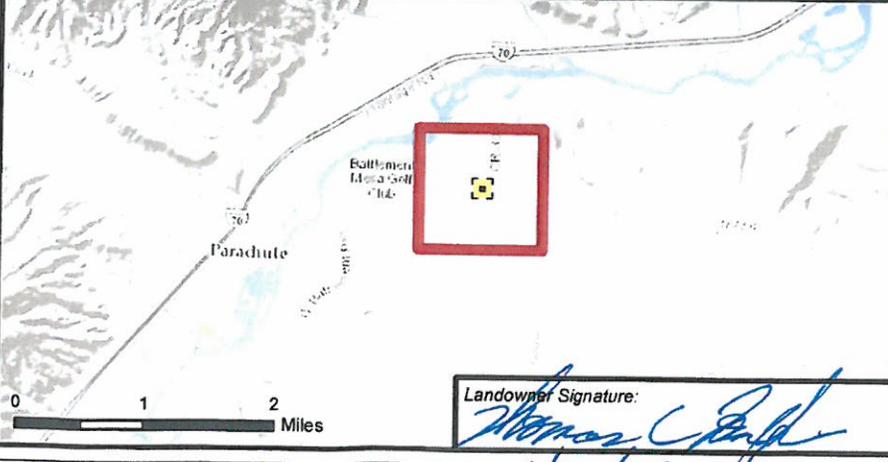
EXHIBIT B

Attached to and made a part of that certain SURFACE USE AND EASEMENT AGREEMENT dated February 24 2011, by and between, Thomas Lynn Tompkins ("Owner") and ANTERO RESOURCES PICEANCE CORPORATION ("Operator").



PETRA 1-19-2011 10:51:29 AM

**Appendix H –
Revised Exhibit B to the Tompkins SUA**



Ursa OPERATING COMPANY

Revised Exhibit B (SUA)
Tompkins

39.45685 -108.01366
Section 5, Township 7 South, Range 95 West

- Approx. Center
- Proposed Development
- Local Roads
- County Roads



Landowner Signature:
Thomas C. [Signature]
4/29/14

HCSI
Hill Country Surveyors, Inc.

Author: M. Spinelli
Revision: 0
Date: 4/29/2014



Western Water & Land, Inc.

August 7, 2014

Mr. Stuart S. McArthur
Town Manager
Town of Parachute
222 Grand Valley Way
Parachute, CO 81635

RE: Parachute Springs Source Water Study Summary of Findings

Dear Mr. McArthur:

Western Water & Land, Inc. (WWL) has prepared this summary of findings as a condensed review of the soon to be submitted Parachute Springs Source Water Study report. The report will be finalized after receiving and assimilating laboratory analytical water chemistry data and survey information for well and spring sampling locations. These data are not expected to alter our current findings which will be incorporated into the final report. The final report is expected to be submitted on August 15, 2014. This summary will allow the Town to assess technical information submitted by Ursa Operating LLC regarding planned mitigations for Ursa's planned construction of a natural gas well pad (Thompkins well pad) south of the Parachute Spring emanation area.

Background

The Town of Parachute (Town) has required that Ursa submit a watershed permit prior to approval of the construction of the Thompkins well pad. Ursa submitted the permit to the Town on August 4, 2014. WWL was retained to conduct a spring source water study in support of the watershed permit as requested by the Town. The scope of the study was provided to the Town on July 2, 2014 (dated June 30, 2014).

The Thompkins well pad is located in SE $\frac{1}{4}$, SW $\frac{1}{4}$, Section 5 Township 7 S Range 95 W, 6 PM. The Town owns and diverts groundwater for municipal water supply from several springs collectively decreed as Grand Valley Water Supply Pipeline (Decree Case No. CA4954, Structure ID. No. 610). Individual spring names include ABC Springs, O'Toole Springs, and Revel Spring. These springs are collectively referred to herein as the Town's springs. The emanation and collection points for the Town's springs are located approximately 950 feet north of the center of the planned Tompkins well pad. The springs have a 2.0 cubic feet per second (cfs) absolute water right and currently consist of approximately 12 known spring collection points.

The Town has expressed concerns about potential impacts to the springs' water from natural gas exploration and development and would like to better understand the source water to the springs prior to Ursa constructing the well pad and gas wells.

Applications in Earth Science

743 Horizon Court Suite 330, Grand Junction, CO 81506
Phone: (970) 242-0170 Fax: (970) 242-0270

The objectives of the spring source study are to 1) provide the Town with 1) a technical understanding of the Town's spring system, 2) a foundation of baseline water quality information for the springs, and 3) the tools to facilitate informed decision making on issues regarding water resource protection.

This letter report summarizes the key findings of the study and concludes with a technical opinion on the adequacy of mitigations proposed by Ursa in the watershed permit submittal.

Summary of Findings

Key points of interest resulting from the spring study include the physical characteristics of the spring source area and how these physical characteristics relate to potential impacts of oil and gas development. Potential impacts to groundwater and surface water resources from oil and gas operations can result from both subsurface and surface construction and operations. Poor well construction practices can result in contamination of shallow freshwater aquifers and surface water bodies. In addition, the potential exists for surface spills of produced fluids to contaminate groundwater through deep percolation and surface water by surface runoff.

The findings presented here are partially conceptual in nature as deduced from the limited information available reviewed and collected within the study area. The following key findings are offered as relevant to the Town's assessment of Ursa's watershed permit:

1. The Town's springs occur in a shallow aquifer that extends from the emanation points approximately 2 miles upgradient to bedrock exposures near Battlement Creek.
2. The primary aquifer supplying water to the springs is composed of pediment gravels overlying the Wasatch Formation; the aquifer may also include portions overlying debris flow, mud flow and landslide deposits composed of gravel to boulder-size material in matrix of silt, very fine-grained sand and minor clay. Well completion records for permitted wells in the area suggest that portions of the upper Wasatch Formation (sandstone and shale) may also be water-bearing in some locations.
3. The pediment gravel portion of the aquifer in the vicinity of the Town's springs is mostly comprised of crystalline gravel to cobble-size well rounded alluvial material derived from distant sources; some local gravel is present as basalt, sandstone and shale. The pediment gravel is suspected as being relatively widespread on the mesas south of the Colorado River. The gravel is estimated to be less than 10 feet thick.
4. The confined versus unconfined nature of the aquifer is uncertain. Although it is suspected that the aquifer is unconfined across much of the terrace, drilling logs prepared by water well drillers for wells in the area indicate that the aquifer may be confined in some locations. Where confined, low permeability strata likely overlies the aquifer.
5. The shallow aquifer is likely recharged by surface flows in Battlement Creek and associated diversion ditch laterals as well as by lateral subsurface flow from bedrock. Recharge may also occur from percolation of precipitation at higher elevations where the debris flow material thinly veneers bedrock.
6. Groundwater flows from southeast to the northwest; in response to a steep hydraulic gradient of approximately 0.08 feet/feet.

7. Based on literature values of estimated hydraulic conductivity and effective porosity for gravel material, the estimated groundwater velocity between the Thompkins well pad and the Town's springs is approximately 75 feet/day.
8. Under a scenario where a continuous gravel aquifer is present, a conservative tracer or contaminant sourced at the Thompkins well pad could travel the 950-foot distance from the well pad to the springs in less than 20 days.
9. Based on measurements at the Thompkins property water well, the thickness of the unsaturated zone (the geologic material above the groundwater surface) at the Tompkins well pad is estimated to be at 145 feet. If the aquifer is confined at this location, the depth to groundwater could be even greater.
10. Percolation rates at the ground surface and into subsurface soil were measured within the proposed Thompkins well pad footprint. Surface tests were conducted with a single ring infiltrometer. The subsurface tests were conducted in a 12-inch diameter hole, 12 to 18 inches deep at the bottom of a 3 foot depth test pit. The subsurface tests were conducted in a manner consistent with Garfield County requirements for percolation testing. Percolation tests using single ring infiltrometers and tests pits measure the combined effect of both vertical and sub-vertical infiltration. These results provide an indication of the rate at which surface water or spills will infiltrate into the subsurface. This type of flow involves both vertical and sub-vertical components of flow. These rates do not solely reflect the vertical flow component of infiltration and are not representative of rates that would be used for calculation of vertical travel times.
11. Surface percolation rates at the Thompkins well pad footprint range from 1.4 to 6.7 inches/hour; it should be noted that these rates are representative of native soil conditions and actual rates at the constructed well pad could be less depending on the degree of compaction attained during construction. For subsurface soils within the 3 to 4 foot depth interval, infiltration rates range from 9.4 to 32.8 inches/hour. The measured subsurface rates are higher than the surface rates because water percolates into the sides as well as the base of the test hole.
12. Permeability tests were conducted by WPX Energy (Terracon, 2012) at Well Pad PA 21-9, located one-half mile to the southeast, in accordance with ASTM Standard D2434). The tests were conducted on granular unconsolidated material collected on site and then recompacted in the laboratory. The test is performed on the soil materials less than ¾-inch in diameter. The material tested was described as "basaltic cobble and boulder size materials within a silty, sandy clay matrix." Compaction densities are not documented in the report. The resulting calculated permeabilities were 2.0×10^{-8} centimeters/second (cm/s) and 1.0×10^{-7} cm/s. These permeability values, while attainable in laboratory setting, are likely not representative of the natural, undisturbed onsite materials. The test results do not account for the presence of preferential flow paths which are likely prevalent in the heterogeneous unconsolidated deposits underlying the site. As a result, the tests likely underestimate the average permeability of the material. Using these permeability values and an estimated travel distance corresponding to the depth to groundwater at the WPX pad (120 feet), the report estimated travel times of at least 1,000 years; however, as noted above, these estimates are not likely representative of actual travel times through the unconsolidated materials.

In summary, degradation of the Town's springs can result from the surface and subsurface migration of contamination from the contaminant source to the emanation points. Contamination resulting from either mechanism requires the release of contamination at the source. Therefore, measures implemented

at the potential contaminant source area, in this case the drill pad, to prevent or reduce the potential for surface and subsurface releases from the pad provide the best protective measures for the springs. Protection against surface releases is routinely managed at drill pads through the use of stormwater controls and compliance with state and federal regulations. Protection against subsurface releases requires an understanding of site-specific hydrogeologic conditions. The study being completed by WWL is providing the details required to assess hydrogeologic conditions in the vicinity of the springs and potential for impacts to the springs as a result of operations at the proposed drill pad.

The aquifer supplying water to the Town's springs is primarily composed of pediment gravels through which groundwater flows at a relatively fast rate, approximately 75 feet per day. Therefore, any contaminants entering the aquifer upgradient of the springs could quickly cause water quality degradation at the springs. Remediation of potential impacts to the springs may be a challenge once contamination enters the aquifer. Therefore, measures need to be implemented to reduce the potential for contamination migration to the aquifer. The thickness of unconsolidated materials between the ground surface at the proposed pad and the aquifer (145 feet) provides some protection against contaminant migration to the aquifer; however, the actual travel times for fluid migration through the materials is uncertain due to the heterogeneous nature of the geologic materials. Reduction of the potential for infiltration of contaminants at the drill pad coupled with measures to ensure quick identification and mitigation of spills and other potential onsite releases provide the greatest protection against contamination migration to the aquifer.

Mitigative actions outlined by Ursa in the Land Use Application address both surface and subsurface best management practices (BMPs) designed to reduce risk of a contaminant excursion (spill or release) from the planned oil and gas facility. These mitigations focus on existing rules and regulations under the COGCC as well as internal BMPs implemented by Ursa as a matter of company policy. Implementation of the proposed measures will reduce the potential for both surface and subsurface releases from the drill pad. The combination of compliance with COGCC rules and conditions of approval and CDPHE stormwater requirements, implementation of the mitigative BMPs referred to by Ursa including frequent monitoring of the well pad, and rapid response and containment of any surface spilled fluids are all measures that will greatly reduce the potential for degradation of the Town's springs from the proposed natural gas operations.

This summary of findings report has presented key findings as a result of current investigations in the preparation of the forthcoming investigative report for the Parachute Springs Source Water Study. Please contact me at 970-242-0170 with any questions or concerns you may.

Sincerely,



Bruce D. Smith
Principal Hydrogeologist, PG
WESTERN WATER & LAND, INC.

Ad Name: 10493943A
Customer: Town of Parachute
Your account number is: 1003196

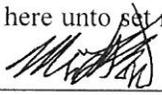
PROOF OF PUBLICATION
THE RIFLE
CITIZEN TELEGRAM

STATE OF COLORADO,
COUNTY OF GARFIELD

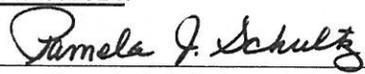
I, Michael Bennett, do solemnly swear that I am Publisher of *The Rifle Citizen Telegram*, that the same weekly newspaper printed, in whole or in part and published in the County of Garfield, State of Colorado, and has a general circulation therein; that said newspaper has been published continuously and uninterruptedly in said County of Garfield for a period of more than fifty-two consecutive weeks next prior to the first publication of the annexed legal notice or advertisement; that said newspaper has been admitted to the United States mails as a periodical under the provisions of the Act of March 3, 1879, or any amendments thereof, and that said newspaper is a weekly newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado.

That the annexed legal notice or advertisement was published in the regular and entire issue of every number of said weekly newspaper for the period of 1 consecutive insertions; and that the first publication of said notice was in the issue of said newspaper dated 8/28/2014 and that the last publication of said notice was dated 8/28/2014 the issue of said newspaper.

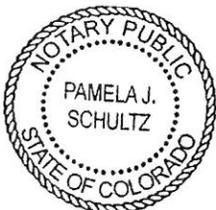
In witness whereof, I have here unto set my hand this 08/29/2014.


Michael Bennett, Publisher

Publisher Subscribed and sworn to before me, a notary public in and for the County of Garfield, State of Colorado this 08/29/2014.



Pamela J. Schultz, Notary Public
My Commission expires:
November 1, 2015



My Commission Expires 11/01/2015

PUBLIC NOTICE

TAKE NOTICE that URSA Operating Company LLC has applied to the Town of Parachute, State of Colorado, for approval of a Watershed Permit on property within the Town of Parachute watershed district.

Legal Description:

SESE QuarterQuarter
Section 5
Township 7 South
Range 95 West
6th Prime Meridian
County of Garfield
State of Colorado

Practical Description: Tompkins Pad

This application requests approval of a multi-well oil and gas pad with a total of sixteen (16) proposed wells.

All persons affected by the proposed Land Use Application are invited to appear and state their views, protests, or support. If you cannot appear personally at such hearing, then you are urged to state your views by letter as the Board of Trustees will give consideration to the comments or surrounding property owners and the others affected in deciding whether to grant or deny the request. The application may be reviewed at the Town of Parachute offices located at 222 Grand Valley Way, Parachute, CO, between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday.

A public hearing on the application has been scheduled for September 11, 2014, at 6:30 p.m. before the Town of Parachute Board of Trustees in the Board of Trustees Room, 222 Grand Valley Way, Parachute, CO.

Denise Chiaretta, Town Clerk
Town of Parachute
Published on August 28, 2014 in the Citizen Telegram. (10493943)



Austin Civil Group, Inc.

Land Planning ▪ Civil Engineering ▪ Development Services

August 13, 2014

Mr. Stuart McArthur, Town Manager
Town of Parachute
P. O. Box 100
Parachute, CO 81635

**Re: Tompkins Well Pad Watershed Permit Application
Preliminary Review Comments**

Dear Mr. McArthur:

The purpose of the letter is to provide the Town of Parachute comments on the Watershed Permit application for the above subject watershed permit application.

The watershed permit application submitted by URSA Operating Company included the following documents:

1. Land Use Application
2. Attachment A - Project Narrative prepared by URSA
3. Attachment B - Proposed Mitigation Plan prepared by URSA
4. Attachment C – Site Map
5. Attachment D – Floodplain Map
6. Attachment E – Surface Use Easement Agreement
7. Attachment F – Revised Exhibit B to Surface Use Agreement
8. Parachute Springs Source Water Study Summary of Findings Report dated August 7, 2014 from Western Water and Land, Inc.

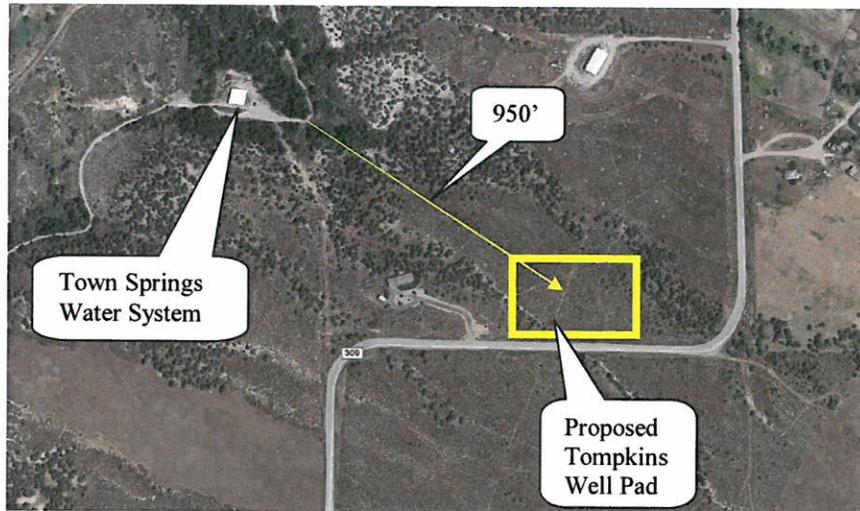
As stated in Section 9.15.010 of the Watershed Permit ordinance, these regulations were put in place to for the purpose of protecting the Town's waterworks and supply from injury and pollution.

The regulation further states that shall be unlawful for any person to engage in any of the following activities within the Town's Watershed District, which activities the Town Board finds pose a potential or threat of injury to the Town's waterworks or pollution to the Town's water supply unless they receive a permit from the Town (9.15.040-C).

123 north 7th Street ▪ suite 300 ▪ grand junction, colorado 81501 ▪ 970-242-7540 phone ▪ 970-255-1212 fax

URSA Operating Company is proposing to install 16 oil and gas production wells and associated surface facilities, access roads, pipelines, tanks, and other ancillary equipment. The well pad would disturb approximately 4.40-acres during the construction and development and would be reduced down to 1.50-acres during the production phase.

The proposed well pad is located approximately 950-ft upstream of the Town of Parachute's Revel Springs domestic water collection system, as generally depicted in the photo below:



Project Location

Town staff has met with URSA on several occasions over the past few months to discuss the proposed project. Town staff expressed concern about the potential impacts to the Town's Revel Springs domestic water collection system and URSA agreed to hire a groundwater consultant, Western Water and Land, Inc., to help answer concerns the Town may have about impacts to the Spring water source.

Bruce D. Smith, Principal Hydro geologist, PG with Western Water and Land, Inc. has been working with Town Staff over the past month collecting data and information on the Town's spring system and a draft report of the findings was presented to the Town staff on August 8, 2014. Some of the key findings of the report include the following:

1. The Town's groundwater source flows through a 10-ft gravel layer approximately 145-ft below the ground surface at the proposed Tompkins Well Pad.
2. Water percolations rates in the area of the Tompkins Well Pad could be in the range of 9 - 33 inches per hour.
3. The groundwater flow below the Tompkins Well Pad is approximately 75-ft per day
4. A potential contamination source at the Tompkins Well Pad could travel the 950-ft distance to the Town's spring collection system in less than 20 days.

The report summarizes the following:

In summary, degradation of the Town's springs can result from the surface and subsurface migration of contamination from the contaminant source to the emanation points. Contamination resulting from either mechanism requires the release of contamination at the source. Therefore, measures implemented at the potential contaminant source area, in this case the drill pad, to prevent or reduce the potential for surface and subsurface releases from the pad provide the best protective measures for the springs. Protection against surface releases is routinely managed at drill pads through the use of stormwater controls and compliance with state and federal regulations. Protection against subsurface releases requires an understanding of site-specific hydrogeologic conditions. The study being completed by WWL is providing the details required to assess hydrogeologic conditions in the vicinity of the springs and potential for impacts to the springs as a result of operations at the proposed drill pad.

The aquifer supplying water to the Town's springs is primarily composed of pediment gravels through which groundwater flows at a relatively fast rate, approximately 75 feet per day. Therefore, any contaminants entering the aquifer upgradient of the springs could quickly cause water quality degradation at the springs. Remediation of potential impacts to the springs may be a challenge once contamination enters the aquifer. Therefore, measures need to be implemented to reduce the potential for contamination migration to the aquifer. The thickness of unconsolidated materials between the ground surface at the proposed pad and the aquifer (145 feet) provides some protection against contaminant migration to the aquifer; however, the actual travel times for fluid migration through the materials is uncertain due to the heterogeneous nature of the geologic materials. Reduction of the potential for infiltration of contaminants at the drill pad coupled with measures to ensure quick identification and mitigation of spills and other potential onsite releases provide the greatest protection against contamination migration to the aquifer.

Mitigative actions outlined by Ursa in the Land Use Application address both surface and subsurface best management practices (BMPs) designed to reduce risk of a contaminant excursion (spill or release) from the planned oil and gas facility. These mitigations focus on existing rules and regulations under the COGCC as well as internal BMPs implemented by Ursa as a matter of company policy. Implementation of the proposed measures will reduce the potential for both surface and subsurface releases from the drill pad. The combination of compliance with COGCC rules and conditions of approval and CDPHE stormwater requirements, implementation of the mitigative BMPs referred to by Ursa including frequent monitoring of the well pad, and rapid response and containment of any surface spilled fluids are all measures that will greatly reduce the potential for degradation of the Town's springs from the proposed natural gas operations.

URSA Operating Company has provided the Town a "Proposed Mitigation Best Management Practices (BMP's) as part of their water shed permit application. This document states the three primary mechanisms by which material on the Tompkins Pad could leave the boundaries of the site and encroach on the Town's water supply consists of (1) Subsurface release of contaminates; (2) A spill of material on the surface which is allowed to percolate through the soil and into the groundwater; and (3) Surface runoff spill of product and flows over the surface and into the Town's springs. The document goes into details about how most of these conditions are rare and that rules required by the Colorado Oil and Gas Conservation Commission (COGCC) are in place to minimize these issues.

RECOMMENDATION

The purpose of the Watershed Ordinance is to protect the Town's spring water source from any activities that *pose a potential risk*. In my opinion, this activity *poses a risk* and we have report from Western Water & Land, Inc. that outlines the risks and the Best Management Practices (BMP's) proposed minimize the risk. I am clearly not an expert in this field and I have no experience working on a drill pad or working with COGCC rules and regulations.

If this drilling activity were to be permitted by the Town and a problem were to occur, the impacts from this action could directly impact the Town's primary source for drinking water and a lawsuit would more than likely occur and the question will be is who recommended approval of this activity when we have a report that indicates impacts are possible.

As a civil engineer with twenty-five years of municipal type engineering experience, this propose well pad is concerning. Some of my concerns include the following:

1. The drill pads that I've observed usually have pad area that is graded to a "pit" which is used to contain any stormwater runoff and or spills that may occur on the property. Fluids collected in this pit would have the potential of percolating into the subsurface soils and into the groundwater system. Another protective measure the Town could consider is to require these areas be lined with an impermeable liner to prevent percolation of fluids into the subsurface soils.
2. Incidental spills could occur in the area and not fully percolate down to the groundwater. Over time and as areas are irrigated or during precipitation periods, these contaminates could potentially migrate down to the groundwater and show up well after oil and gas operations occur. Again, another protective measure could also include lining the pad's high risk areas with an impermeable liner.
3. Most of the well pads that I have observed require large amounts of "cut and fill" operations where a pad site is "cut into a hillside and the excess dirt is "filled" on the downhill side to provide a level working area. This "cut" bank area further reduces the 145-ft soil layer over our groundwater source. The applicant hasn't provided grading information as part of this submittal in order to assess this condition.
4. The location of this well pad is directly upstream of a surface drainage basin above the Town's spring collection system. Is there a reason the well pad couldn't be located north or south?

Mr. Stuart McArthur
August 13, 2014
Page 5 of 5

Another important point is that other types of activities at this location, including construction of a single family home with a septic system, would also present a risk to the Town's Spring water source. The main reason for the concern is the short distance between potential contaminate source and that potential of the contaminate being able to move quickly through the soil, into the groundwater, and into our spring collection system.

URSA has gone above and beyond to help address concerns raised by the Town of Parachute. I'm in the process of inquiring with other professionals to try and find a qualified independent person to offer the Town their opinion about the proposed activity.

If you have any additional questions or concerns, please give me a call.

Sincerely,



Mark Austin, P.E.
President

Attachments:

1. Parachute Springs Source Water Supply Summary of Findings letter dated August 7, 2014 from Western Water and Land, Inc to Stuart McArthur.

cc:

Mark King, Town of Parachute



AGENDA ITEM

AWARD CONTRACT FOR SOLID WASTE REMOVAL:

**BIDS: DEPENDABLE WASTE (Dependable Waste is
 the only bid)**

STAFF: S. DENISE CHIARETTA, TOWN CLERK



Town of Parachute

222 Grand Valley Way Parachute, Colorado 81635
Phone: 970.285.7630 Fax: 970-285-0292
S. Denise Chiaretta CMC Town Clerk
depden@parachutecolorado.com

July 21, 2014

SOLID WASTE (TRASH) REMOVAL

The Town of Parachute's three year contract for solid waste (trash) removal is coming due November 1, 2014. The Town wishes to offer an invitation to bid for the contract of this service.

The current level of service consists of the following residential services:

- 254 Residential Services - 90 gallon wheel cart once per week
- 33 Senior Residential Services - 90 gallon wheel cart once per week
- 20 Residents with an extra can - 90 gallon wheel cart once per week

Public Commercial Containers:

Parachute Rest Area	4yd container - once per week (could require additional dump / seasonal)
Cottonwood Park	2 yd. container - twice per week (could require additional dump / seasonal)
Town Hall	2 yd. container - once per week
Town Shop	2 yd. container - once per week

A sample contract and the Public Notice of the Invitation is enclosed for your convenience.

Thank you for your interest in this invitation to bid.

Sincerely,

S. Denise Chiaretta

DEPENDABLE WASTE SERVICES

0602 County Road 303
Parachute, CO 81635
970-285-9565

BID PROPOSAL FOR THE CITY OF PARACHUTE

We, at Dependable Waste Services, Inc., are preparing this bid for the city of Parachute, CO. based on the information received August 01, 2014.

Our bid is based on 254 regular Residential customers, 20 regular residents with extra cans, and 33 Senior Citizen customers all using the 95 gallon carts.

We will be placing 2 yard containers at the Town Hall, the Town Shop, and at the Cottonwood Park. We will placing a 4 yard container at the Rest Stop.

In addition, if the Town agrees, will be placing a 30 yard recycling container at the Town Shop.

PRICING:

2 YD Container

Once per week is \$41.00 per month

Twice per week is \$83.00 per month (For Cottonwood Park)

4 YD Container

Once per week \$83.00 per month

Twice per week \$166.00 per month

95 GAL. Cart - Regular Customer -- Once per week \$15.00 per month

95 GAL. Extra Carts – Once per week \$5.00 per month

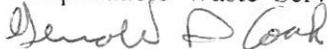
95 GAL. Cart - Senior Citizen Customer -- Once per week \$12.00 per month

30 YD Recycling Container

\$100.00 haul fee per dump.

Thank you for the opportunity to bid for this service. We look forward to serving you in the future.

Dependable Waste Services, Inc.



Gerald Cook

President

**PUBLIC NOTICE
TOWN OF PARACHUTE
INVITATION TO BID**

The Town of Parachute, Colorado intends to enter into a new contract for work and service to provide solid waste (trash) removal within the limits of the Town of Parachute. A bid packet containing pertinent information and a draft copy of a contract is available at the Town Clerk's Office, 222 Grand Valley Way, Parachute, Colorado during regular business hours Monday through Friday, 8:00 a.m. to 5:00 p.m. or by calling (970) 285-7630.

The Town of Parachute desires to enter into a similar contract for a three (3) year term, with annual review and renewal, commencing on November 1, 2014 and ending October 31, 2017. Those interested in submitting a bid to the Town should keep the following in mind:

1. The Town is prohibited from entering into an exclusive contract for solid waste removal. Granting of this contract would not preclude others from offering the same service on an individual contract basis with a customer.
2. The contractor will be expected to supply the trash removal containers for residential and specific public sites similar to those now being used.
3. The Town will only consider bids from contractors operating with a current Public Utility Commission permit.
4. The Town would expect that the charges for residential service shall be fixed on an annual basis during the term of the contract and that any changes be made only at the annual review. The contract shall contain a rate schedule to be used to determine the fees and charges for residential services and public containers.
5. The Contractor shall be expected to comply with the laws, regulations, and requirements in force and in effect, or as they may be amended, dealing with solid waste removal.
6. All bid proposals should be submitted in a sealed envelope marked "SOLID WASTE REMOVAL," and be received at the Town Clerk's office no later than 5:00 p.m. Thursday, September 5, 2014. Each bid should include a contract of similar format as the sample obtained in the bid packet, addressing the specific cost related to residential, size and cost of public containers, cost of additional pick-ups, and scheduled pick-up dates.
7. All bid proposals submitted by the deadline will be considered at the regular meeting of the Board of Trustees, Thursday, September 11, 2014 at approximately 6:30 p.m. All contracts shall be subject to review and approval by the Town Attorney and ultimate ratification of the Board of Trustees.
8. The Board of Trustees reserves the right to reject any bid submitted for any reason.

Questions regarding the current solid waste removal schedules and policies should be directed to the Town Manager of the Town of Parachute, P.O. Box 100, 222 Grand Valley Way, Parachute, CO 81635.

Town Clerk
S. Denise Chiaretta
Published: July 24, 2014



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
8/13/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Veale Insurance Agency 244 North 7th St. Suite D Grand Junction CO 81501		CONTACT NAME: Kathy Moeger PHONE (A/C No. Ext): (970) 241-9061 E-MAIL ADDRESS: kmoeger@centennial-ins.com FAX (A/C No): (970) 241-9059	
INSURED Dependable Waste Service Inc 602 County Road 303 Parachute CO 81635		INSURER(S) AFFORDING COVERAGE INSURER A: Peerless Indemnity Ins. Co. NAIC # 18333 INSURER B: Pinnacol Assurance NAIC # 41190 INSURER C: INSURER D: INSURER E: INSURER F:	

COVERAGES CERTIFICATE NUMBER: 2014-2015 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR			GL1028088	1/23/2014	1/23/2015	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
	GENL AGGREGATE LIMIT APPLIES PER <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-FECT <input type="checkbox"/> LOC						
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			BA1028090	1/23/2014	1/23/2015	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Medical payments \$ 5,000
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	4131112	5/1/2014	5/1/2015	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L EACH ACCIDENT \$ 100,000 E.L DISEASE - EA EMPLOYEE \$ 100,000 E.L DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER (877) 208-3072 Town of Parachute Parachute, CO	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Kathy Moeger/KATHY <i>Kathleen Moeger</i>
---	---

CONTRACT FOR WORK AND SERVICE

This **CONTRACT** is made and effective as of the 1st day of November 2014, between the TOWN OF PARACHUTE, COLORADO (Town) and _____ (Contractor) for work and service to be performed and furnished for the Town of Parachute, Colorado.

IT IS AGREED:

SECTION 1. The Work and Services. Contractor agrees to perform and furnish the work and services as follows:

- (a) Service area - Contractor shall provide the services of soled waste (trash) removal to residents of the Town as defined by the town limits and certain specific residents beyond that limit that receive other municipal services. Contractor shall establish pick-up routes and approximate time schedules. Such services shall be performed no less than once per week between the hours of 7:00 a.m. and 5:00 p.m. on a week day. The established pick-up schedule may be changed upon written notice to the Town Clerk, and publication of notice in a newspaper designed by the Town not less than two weeks prior to such change in the pick-up schedule. When a holiday recognized by the Contractor falls on a weekday; all pick-up days from the holiday through the end of that week will be delayed one day. These holidays are New Year's Day, Labor Day, the Fourth of July, Memorial Day, Thanksgiving, and Christmas Day.

- (b) Limitation and exclusions - weekly pick-up shall be provided on a door-to-door basis. Contractor will furnish a 90 gallon container with lid and wheels to all residential units for use in lieu of plastic containers or bags. Pick-up will be limited to trash contained in said containers. Users shall not place remodeling materials, automobile or truck parts, trees or large branches, dirt or rocks, furniture or appliances within said containers as Contractor shall, in no event, provide pick-up and removal service thereof. Said containers shall be placed at the curb, or where applicable, at the alley line prior to the scheduled time of pick-up. No vehicle shall be parked in front of the containers or otherwise positioned so as to obstruct or interfere with the collection function. Contractor shall have no obligation to pick-up and empty any container located inside a fence or gate, within garages or other improvements, or otherwise not located at the curb or alley line as herein above requires. Such container shall remain the property of the Contractor, and Contractor may, from time to time promulgate reasonable rules and regulations regarding the utilization thereof. Contractor shall have the right to require the Town, to whom such containers are furnished, to execute an appropriate agreement acknowledging and confirming the accountability of the Town to Contractor for any container so provided, and acknowledging said residential user's liability for any damage or loss of container.

SECTION 2. Duration and time of Performance. To the extent permitted by law, this contract is made for a term ending upon completion of the contract work, or on the 31st day of October 2014, at 12:00 midnight, whichever occurs first, unless terminated as provided below. For accountability and budgetary purposes the contract will be subject to annual review and at the regularly scheduled Board of Trustees meeting in October of each year included in the contract term. Contractor will begin the contract otherwise specified herein, and will comply with all schedules and completion dates in this contract, and with the Towns' requests as to the timing, scheduling, and coordination of the contract work. In addition, the Town will have an option to renew the contract for an additional three year period.

SECTION 3. Charges. Town agrees to pay the Contractor at the basic rate of \$_____ per month/ per residential unit. Senior citizens will be charged at the rate of \$_____ per month/ per senior citizen residential unit. These rates are guaranteed for a period of two (2) years excluding documented increases in land fill fees, distance to the landfill or fuel increases of more than 25%. For the purpose of this agreement, a residential unit shall be defined as one or more rooms in a building or portion thereof used for residential occupancy, occupied by one family, living independently of any other family. For the purpose of this agreement, a senior citizen residential unit shall be defined as one or more rooms in a building or portion thereof used for residential occupancy, occupied by no more than two (2) persons, with one (1) being not less than sixty years of age.

SECTION 4. Town Cleanup Days. The Town may call once a year for a Special Cleanup Days or Week. Such Cleanup Days or Week shall in no event comprise more than two weekends and the weekday between. Such Cleanup Days or Week shall be determined by the Town Administrator. The Town will give Contractor at least two (2) weeks prior notice of the scheduling of such Cleanup Days or Week. Contractor shall provide the Town, at a location of the Town's choice, one (1) 40 cubic yard roll-off container for the duration of such Cleanup Days or Week. The contractor shall haul the container to the landfill free of charge one time and the Town will pay the then current landfill rates. Any additional removals and dumps of said container shall be billed to the town at the then current hauling and landfill rates.

SECTION 5. Miscellaneous. Contractor shall be responsible for and pay any and all charges for landfill fees incurred in connection with the dumping and deposit of trash removed and hauled by Contractor under the terms of this agreement.

Contractor may utilize large dumpster containers where applicable, such as apartment building or complexes, sufficient to provide timely and effective pick-up service.

Contractor shall comply with all rules and regulations now in effect or hereinafter implemented dealing with the disposal of refuse from the Town of Parachute. The Contractor shall assume all responsibility for disposal of the refuse collected under the terms of this agreement.

SECTION 6. Payment Provisions. Contractor shall bill the Town once a month for all trash removal service provided under said contract. Such billing shall be submitted on or about the

20th of the month and shall be due and payable, in full within 30 days from receipt of such billing. The Town shall provide bookkeeping administration services in connection with its normal utility billing, if any, to the users of the trash removal services provided herein. The Town assumes all responsibility for collections, and Contractor's charges shall in no way be contingent upon the Town's collections.

SECTION 7. Insurance and Indemnity. Contractor agrees to carry Workman's Compensation Insurance in coverage and amounts necessary to fully comply with the applicable Workers Compensation Laws, and to require all of its subcontractors to do the same.

Except for the above provisions concerning Workman's Compensation Insurance, the Town does not require insurance coverage beyond that which Contractor normally carries for its own protection. Contractor agrees to maintain this insurance for the duration of this contract, and to deliver to the Town satisfactory evidence that this insurance coverage is being properly maintained. The Town shall be named in the policy as an additional insured.

Contractor and the Town each will indemnify and save harmless the other from and against claims, liability and causes of action for injury to, or death or, any person or persons, including persons employed or engaged by Contractor or the Town, and for damage to or loss of property, resulting from willful or negligent acts of missions of such party or its agents, employees, representatives or subcontractors, to the extent permitted by law. Contractor's liability for loss of or damage to the Town's property is limited to the stated amount of insurance coverage required to be carried by Contractor as stated above.

SECTION 8. Default. If either party breaches this contract (defaults), the other party shall give to the defaulting party written notice specifying the default. If the defaulting party has not remedied the default within thirty (30) days after delivery of the notice, the non-defaulting party shall have the right to terminate this contract. If this contract is terminated for default, the Town shall pay Contractor only for contract work performed by Contractor in the manner required hereunder up to the contract work performed (less all previous payment to the Contractor.)

SECTION 9. Assignments and Subcontractors. Contractor shall not assign any of its rights or obligations hereunder or subcontract any of the contract work without prior written approval of the Town, which approval may be withheld for any reason. Subject to the foregoing, this contract shall inure to the benefit of, and shall be binding upon, the parties and their respective heirs, personal representatives, successors and assigns. Each contract between Contractor and its subcontractors shall provide that the subcontractor shall agree to indemnify the Town against personal injury and property damage resulting from willful or negligent acts or omissions of the subcontractor or its agents employees or representatives, to the extent provided by the law, that the subcontractor shall furnish all tools, supplies, equipment and personnel for performance of its subcontract, and that the subcontractor will comply with all laws, regulations, provisions for non-disclosure and confidentiality and liens or encumbrances, substantially as required of Contractor hereunder.

The Town shall have the right to assign this contract to any unincorporated town or municipal corporation hereafter organized to encompass the Town, or to any property owners' association assignment. No assignment by the Town under the provisions of the paragraph shall be effective without the prior written consent of Contractor, which consent shall not be unreasonably withheld. Upon the assignment of the Town's interest hereunder(with the consent of contractor), the Town's successor in interest shall succeed to all the rights and obligations of the Town under the terms of this contract, and the Town shall be deemed released from any and all further obligations hereunder. This agreement is personal to the town (and any successor in interest), and may be enforced only by the Town (or successor in interest), and may not be enforced directly by any person utilizing the solid waste (trash) removal service or desirous of utilizing the same.

SECTION 10. Commercial Service. Contractor shall obtain and furnish containers and all materials, supplies, tools, equipment, transportation, facilities, personnel and supervision necessary to provide pick-up service on a timely and convenient schedule for large containers (2yd. - 4 yd.) to be located at the Town Hall, Shop, Cottonwood Park and Rest Area. All terms and conditions in the preceding paragraphs which are not specifically applicable to residential users only will apply to commercial and/ or public services.

Commercial rates are as follows:

2 yd. Container

Once per week	\$ _____
Twice per week	\$ _____

4 yd. Container

Once per week	\$ _____
Twice per week	\$ _____

These rates are guaranteed for a period of two (2) years excluding documented increases in landfill fees, distance to the landfill or fuel increases of more than 25%.

Contractor will provide Town Hall and Public Works Yard with a 2 yd. container to be dumped weekly at no cost to the Town.

This contract shall be governed by the laws of the State of Colorado.

This contract is signed _____, 2014 with an effective date of November 1, 2014

TOWN OF PARACHUTE

By: _____
Mayor

ATTEST:

Town Clerk

State of Colorado
County of Garfield

The foregoing was subscribed and sworn to before me on _____, 2014 by
Roy McClung, Mayor

Witnessed my hand and official seal. _____
Notary Public

My commission expires: _____

CONTRACTOR

By: _____
Agent

State of Colorado
County of Garfield

The foregoing was subscribed and sworn to before me on _____, 2014 by
_____, Agent for _____.

Witnessed my hand and official seal. _____
Notary Public

My Commission expires: _____



AGENDA ITEM

DISCUSSION 2015 PRELIMINARY BUDGET

STAFF: STUART MCARTHUR, TOWN MANAGER



Town of Parachute

2015 PRELIMINARY BUDGET DISCUSSION

General Fund Revenues – Taxes

DESCRIPTION	2013 Final	2014 Budget	2014 June YTD		2015 Budget
			Actual	2014 Projected	
General Property Tax	\$ 361,928	\$ 283,780	\$ 208,569	\$ 283,780	\$ 367,300
General Property Tax - Capital	37,917	29,790	21,805	29,790	38,560
Specific Ownership Tax	18,589	-	-	-	-
Town Sales Tax	1,018,803	997,000	565,992	1,076,760	1,067,000
County Sales Tax	43,271	66,600	26,005	52,011	50,000
Town Use Tax	3,938	4,000	-	-	-
Lodging Tax	109,518	95,000	48,541	97,082	100,000
Cigarette Tax	8,732	9,800	2,845	5,690	6,000
Pen. & Int. Del. Tax	2,014	-	78	156	200
Total Taxes	1,604,709	1,485,970	873,835	1,545,269	1,629,060

General Fund Revenues – Licenses and Permits

DESCRIPTION	2013 Final	2014 Budget	2014 June YTD Actual	2014 Projected	2015 Budget
Franchise Revenue	4,293	3,500	1,121	2,241	2,500
Liquor Licenses	1,280	900	721	1,443	1,000
Sign Permit Fees	33	100	101	203	100
Building Permit Fees	3,464	1,200	194	388	500
P.D. Misc. Fees	1,214	1,100	16,370	16,370	1,100
Certified VIN Inspections	48	-	50	100	100
Animal Licenses	265	100	263	525	250
Miscellaneous Revenues	10	20	20	40	50
Business Licenses	2,350	2,100	1,800	3,600	2,500
Contractors Licenses	1,295	950	975	1,950	1,000
Total Licenses & Permits	14,252	9,970	21,614	26,858	9,100

General Fund Revenues - Intergovernmental

DESCRIPTION	2013 Final	2014 Budget	2014 June YTD Actual	2014 Projected	2015 Budget
State Mineral Severance	144,696	140,000	-	140,000	140,000
State Shared Mineral Lease	177,600	175,000	33,033	208,033	175,000
M.V. Special Assessment	5,852	-	-	-	-
Highway User Tax Fund	38,678	-	-	-	-
Federal Mineral Leasing District	-	-	-	-	-
County Road & Bridge Fund	37,782	-	-	-	-
Total Intergovernmental	404,608	315,000	33,033	348,033	315,000

General Fund Revenues – Fines and Forfeitures



DESCRIPTION	2013 Final	2014 Budget	2014 June YTD Actual	2014 Projected	2015 Budget
Municipal Court Fines	53,731	45,000	30,162	60,323	60,000
Municipal Court Surcharge	8,367	7,000	5,323	10,646	10,000
Credit Card Fee	63	-	(112)	(112)	-
Total Fine & Forfeiture	62,161	52,000	35,372	70,969	70,000

General Fund Revenues – Misc.



DESCRIPTION	2013 Final	2014 Budget	2014 June YTD Actual	2014 Projected	2015 Budget
Charges for Services	447	600	2,460	2,460	2,250
Rental Income	9,605	6,700	4,621	6,700	6,700
Credit Card Fee	224	200	36	108	200
Oil / Gas Lease	53,878	30,000	25,283	50,565	50,000
Photo Copy Sales	83	70	45	136	100
Light the Way Project	10,000	-	2,797	2,797	-
Refund of Expenditures	-	-	-	-	-
Admin. Fee Trans. Water	-	1,500	-	-	-
Admin. Fee Trans. Sewer	-	1,500	-	-	-
Admin. Fee Trans. Garbage	-	300	-	-	-
Total Miscellaneous	74,237	40,870	35,242	62,766	59,250

General Fund Revenues – Total



DESCRIPTION	2013 Final	2014 Budget	2014 June YTD Actual	2014 Projected	2015 Budget
Total General Fund Revenues	\$ 2,171,665	\$ 1,910,600	\$ 1,033,144	\$ 2,092,194	\$ 2,090,210

Water Fund Revenues



DESCRIPTION	2013 Final	2014 Budget	2014 June YTD Actual	2014 Projected	2015 Budget
Water Utility Receipts	\$ 268,076	\$ 238,680	\$ 129,271	\$ 330,146	\$ 330,000
Irrigation Utility Receipts	16,923	20,000	11,885	20,000	20,000
Late Fees / Penalties	354	130	887	1,774	500
Irrigation Tap Fees	-	3,500	-	-	-
Water Tap Fees	-	-	-	-	-
Interest Revenue	47	40	23	46	50
Transfer From General Fund	-	26,250	-	26,250	-
Grant - DOLA	-	112,075	-	75,000	-
Trans for Cap Imprv / Equip	-	-	-	-	-
Trans from Retained Earnings	-	-	-	-	-
Total Water Revenues	\$ 285,401	\$ 400,675	\$ 142,066	\$ 453,216	\$ 350,550

Wastewater Revenues



DESCRIPTION	2013 Final	2014 Budget	2014 June YTD Actual	2014 Projected	2015 Budget
Wastewater Utility Receipts	\$ 221,761	\$ 200,000	\$ 107,279	\$ 214,559	\$ 220,000
Wastewater Tap Fees	-	3,500	-	-	-
Interest Revenue	30	20	15	29	30
Trans For Cap Imprv / Equip			-	-	-
Trans from Retained Earnings			-	-	-
Total Wastewater Revenues	\$ 221,791	\$ 203,520	\$ 107,294	\$ 214,588	\$ 220,030

Streets / Alley Fund Revenues

DESCRIPTION	2013 Final	2014 Budget	2014 June YTD Actual	2014 Projected	2015 Budget
Specific Ownership Tax	\$ -	\$ 20,000	\$ 10,664	\$ 21,328	\$ 30,000
MV Special Assessment	-	3,500	2,972	5,943	8,000
Highway User Tax Fund	-	38,510	18,946	37,891	35,000
County Road & Bridge Fund	-	25,550	25,485	50,971	50,000
Transfer from General Fund	-	160,000	-	160,000	160,000
Total Street and Alley Revenues	\$ -	\$ 247,560	\$ 58,067	\$ 276,133	\$ 283,000

Other Funds

- ▶ Garbage Fund
- ▶ Conservation Trust Fund
- ▶ Capital Improvements Fund
- ▶ Debt Service Fund
- ▶ Reserve Fund

Board of Trustee Priorities

- ▶ Economic Development
- ▶ Code Enforcement
- ▶ Public Safety
- ▶ Transportation
- ▶ Infrastructure

2015 Budget Requests – General Fund

▶ Merit Increase	4.0%
▶ Increased Medical Insurance Costs	13 - 15%
▶ Records Clerk FTE (.25 FTE)	\$18,430
▶ Attorney Fees	\$20,000
▶ Files	\$ 4,500
▶ Abatement Services	\$55,000
▶ Building Inspection / Planning Consultant Fees	\$14,750
▶ Event Support/Sponsoring	\$32,000
▶ Police Equipment	\$12,000
▶ Mosquito Control	\$ 7,300
▶ Engineering Services	\$10,000
▶ Rest Area Parking etc.	\$10,000
▶ Contributions	\$63,000
▶ Economic Development	\$50,000

2015 Budget Requests – Water Fund

▶ Merit Increase	4.0%
▶ Additional FTE (.33)	\$ 18,200
▶ Increased Medical Insurance Costs	13 - 15%
▶ Capital Projects	\$204,000
▶ Replace / Repair Equipment	
▶ Revell Springs Plant	
▶ River Plant	
▶ Storage Tanks	
▶ Computers	

2015 Budget Requests – Wastewater Fund

▶ Merit Increase	4.0%
▶ Increased Medical Insurance Costs	13 - 15%
▶ Additional FTE (.33)	\$18,200

2015 Budget Requests – Streets / Alleys Fund



▶ Merit Increase	4.0%
▶ Increased Medical Insurance Costs	13 - 15%
▶ Additional FTE (.33)	\$18,200
▶ Street Striping	\$ 6,500

Capital Improvement Plan - \$000's



Line No.	Project Description	Category	Fund	2014	2015	2016	2017	2018	2019	Funded?
1	Parks Equipment: Gator	Equipt	Capital Improvement Fund	\$ -	\$ 15.0	\$ -	\$ -	\$ -	\$ -	Y
2	Parks Equipment: Mowers	Equipt	Capital Improvement Fund	-	18.0	18.0	-	-	-	Y
3	Police Radar	Equipt	Capital Improvement Fund	5.0	2.5	-	-	-	-	Y
4	Police Radios	Equipt	Capital Improvement Fund	10.0	5.0	-	-	-	-	Y
5	Street Equipment: Skidster	Equipt	Streets and Alley Fund	28.0	-	-	-	-	-	Y
6	Equipt Total			\$ 43.0	\$ 40.5	\$ 18.0	\$ -	\$ -	\$ -	
7	HVAC Replacement	Facilities	Capital Improvement Fund	-	-	-	-	-	300.0	N
8	Major Maintenance	Facilities	Capital Improvement Fund	-	100.0	100.0	100.0	100.0	100.0	N
9	Parking Lots	Facilities	Capital Improvement Fund	-	-	250.0	250.0	250.0	-	N
10	Public Works / Police Training Facility	Facilities	Capital Improvement Fund	150.0	2,000.0	-	-	-	-	N
11	Facilities Total			\$ 150.0	\$ 2,100.0	\$ 350.0	\$ 350.0	\$ 350.0	\$ 400.0	
12	Police Vehicles	Fleet	Capital Improvement Fund	60.0	-	-	-	-	-	Y
13	Street Equipment : Trucks	Fleet	Streets and Alley Fund	-	-	-	40.0	-	-	N
14	Fleet Total			\$ 60.0	\$ -	\$ -	\$ 40.0	\$ -	\$ -	
15	Open Space Park	Parks	Capital Improvement Fund	150.0	150.0	150.0	150.0	150.0	150.0	N
16	Parks	Parks	Capital Improvement Fund	-	150.0	150.0	150.0	150.0	150.0	N
17	Trails	Parks	Capital Improvement Fund	-	-	500.0	500.0	500.0	500.0	N
18	Parks Total			\$ 150.0	\$ 300.0	\$ 800.0	\$ 800.0	\$ 800.0	\$ 800.0	

Capital Improvement Plan - \$000's



Line No.	Project Description	Category	Fund	2014	2015	2016	2017	2018	2019	Funded?	Comments	Line No.
19	Alleys	Streets	Capital Improvement Fund	-	100.0	100.0	100.0	100.0	100.0	N		19
20	Cardinal Way	Streets	Capital Improvement Fund	75.0	500.0	500.0	-	-	-	N		20
21	Grand View PUD Streets	Streets	Capital Improvement Fund	-	-	-	-	1,500.0	-	N	Major reconstruction	21
22	Main Street Development	Streets	Capital Improvement Fund	-	-	1,500.0	1,000.0	1,000.0	1,000.0	N	Economic Development - Hwy. 6	22
23	Parachute Park Boulevard	Streets	Capital Improvement Fund	750.0	750.0	-	-	-	-	P	Submitting grant to GCFMLD and DOLA for 2015 costs	23
24	Street Maintenance	Streets	Capital Improvement Fund	322.0	250.0	250.0	250.0	250.0	250.0	Y	Ongoing street / road repair	24
25	Streets Total			\$ 1,147.0	\$ 1,600.0	\$ 2,350.0	\$ 1,350.0	\$ 2,850.0	\$ 1,350.0			25
26	Lift Station	Wastewater	Wastewater Fund	-	-	-	2,000.0	-	-	N	Lift station for connection to West Interchange	26
27	Sewer Equipment Repair and Replacement	Wastewater	Wastewater Fund	-	100.0	100.0	100.0	100.0	100.0	Y		27
28	Wastewater Total			\$ -	\$ 100.0	\$ 100.0	\$ 2,100.0	\$ 100.0	\$ 100.0			28
29	Connect Tank to System	Water	Water Fund	-	-	-	1,000.0	-	-	N		29
30	Extension to West Interchange	Water	Water Fund	-	-	-	2,000.0	-	-	N	New tank for connection to West Interchange	30
31	Metering	Water	Water Fund	40.0	-	-	-	-	-	Y	Metering all residents.	31
32	Water Equipment Repair and Replacement	Water	Water Fund	100.0	100.0	100.0	100.0	100.0	100.0	Y		32
33	Water Line Maintenance	Water	Water Fund	-	150.0	150.0	150.0	150.0	150.0	N		33
34	Water System Equipment	Water	Water Fund	-	16.7	20.0	20.0	20.0	20.0	Y		34
35	Water Tank	Water	Water Fund	-	-	-	1,000.0	-	-	N	New tank for connection to West Interchange	35
36	Water/Wastewater Master Infrastructure Plan	Water	Water / Wastewater Funds	130.0	-	-	-	-	-	Y	To determine full capital needs and planning.	36
37	Water Total			\$ 270.0	\$ 266.7	\$ 270.0	\$ 4,270.0	\$ 270.0	\$ 270.0			37
38	Grand Total			\$ 1,820.0	\$ 4,407.2	\$ 3,888.0	\$ 8,910.0	\$ 4,370.0	\$ 2,920.0			38

Board Direction / Questions



AGENDA ITEM

OTHER MATTERS:

LETTERS OF INTEREST FOR BOARD REVIEW

THANK YOU LETTER:

CAROL AND STUART MCARTHUR

09/09/2014

Dear Town of Parachute,

I would like to be a Board of Trustees member. I am a Parachute resident and a responsible citizen. I enjoy living here and I would enjoy a role where I could serve this community.

Norman Feck
8968 County Road 300
Parachute, CO 81635

720-350-0561

A handwritten signature in cursive script that reads "Norman Feck". The signature is written in black ink and is positioned below the printed contact information.

Linda Jean Ford

1 Saint John Circle Parachute Co.
Phone: 970-274-2817

► **Town Manager Stuart McArthur**

And members of the board

Good Evening;

I am interested in filling the vacancy on the board of trustees because I have purchased a home here and plan to live the rest of my life here. I am very interested in the future growth of Parachute and would like to be a part of this.

Thank you for considering me.


Linda Jean Ford



Staff and
Board of
Trustees
X

Thank you for sending the beautiful plant arrangement in a basket and for thinking of us at this time of my mother's passing. This has definitely been one of the hardest things to go thru for me.

Carol & Stuart
McArthur