



**AGENDA
TOWN OF PARACHUTE
BOARD OF TRUSTEES
REGULAR MEETING
OCTOBER 20, 2016
222 GRAND VALLEY WAY, PARACHUTE, CO
6:30 P.M.**

The Town of Parachute will make reasonable accommodations for access to Town services, programs, and activities and will make special communication arrangements for persons with disabilities. Please call (970) 285-7630, x-104 for assistance.

(A) CALL TO ORDER AND ROLL CALL

(B) PLEDGE OF ALLEGIANCE

(C) APPROVE AGENDA

(D) CONSENT AGENDA:

- (1) MINUTES FROM THE SEPTEMBER 15, REGULAR MEETING
- (2) EXPENDITURES PAID FROM SEPTEMBER 7, 2016 – OCTOBER 12, 2016

(E) COMMENTS FROM CITIZENS REGARDING ITEMS NOT ON THE AGENDA

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

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

**PLEASE SILENCE ALL CELL PHONES, PAGERS, AND HAND HELD DEVICES. THANK YOU.
PLEASE NOTE: THIS MEETING IS BEING AUDIO AND VIDEO RECORDED.**

(F) DEPARTMENTAL REPORTS:

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

(G) TERRA ENERGY PARTNERS PRESENTATION

PRESENTER: MICHAEL LAND, CEO

(H) GRAND VALLEY PARKS ASSOCIATION PRESENTATION REGARDING THE SPECIAL EVENT CENTER.

PRESENTER: PHILLIP VAUGHN, CONSULTANT

(I) PRESENTATION TO THE BOARD OF TRUSTEES REGARDING THE TOWN OF PARACHUTE’S

2017 RECOMMENDED BUDGET

STAFF: STUART McARTHUR, TOWN MANAGER

(J) BOARD CONSIDERATION OF RESOLUTION NO. 2016-24

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF PARACHUTE, COLORADO, OPPOSING THE BALLOT QUESTION TO PROHIBIT THE OPERATION OF RETAIL MARIJUANA ESTABLISHMENTS AND STRONGLY ENCOURAGING THE ELECTORATE TO VOTE “NO.”

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

(K) BOARD CONSIDERATION OF RESOLUTION NO. 2016-25

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF PARACHUTE, COLORADO, IN SUPPORT OF THE MARIJUANA EXCISE TAX BALLOT QUESTION AND STRONGLY ENCOURAGING THE ELECTORATE TO VOTE “YES.”

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

(L) BOARD CONSIDERATION OF RESOLUTION NO. 2016-26

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF PARACHUTE, COLORADO, IN SUPPORT OF THE CHARTER AMENDMENT BALLOT QUESTION AND STRONGLY ENCOURAGING THE ELECTORATE TO VOTE “YES.”

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

(M) PUBLIC HEARING BEFORE THE TOWN OF PARACHUTE BOARD OF TRUSTEES IN CONSIDERATION OF A RENEWAL APPLICATION FOR A RETAIL LICENSE FOR A RETAIL MARIJUANA STORE.

APPLICANT/OWNER: Parachute Green Joint, LLC
DBA: The Green Joint

PROJECT NAME: Renewal application for a license from the Town of Parachute for a retail marijuana store.

PROJECT LOCATION: 315 East First Street Suite A
Parachute, CO 81635

LEGAL DESCRIPTION: Assessor Parcel No: 240912100029
Section: 12 Township: 7 Range: 96 Subdivision: PARK
ADD Block: 32 Lot: 1 THRU - Lot: 7, Subdivision:
PARK ADD Lot: 0 S. 66.8' OF EXCEPT PT. I-70 ROW

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

(N) PUBLIC HEARING BEFORE THE TOWN OF PARACHUTE BOARD OF TRUSTEES IN CONSIDERATION OF A RENEWAL APPLICATION FOR A RETAIL LICENSE FOR A RETAIL MARIJUANA STORE.

APPLICANT/OWNER: Buds, LTD
PROJECT NAME: Renewal application for a license from the Town of Parachute for a retail marijuana store.
PROJECT LOCATION: 104 Cardinal Way
Parachute, CO 81635
LEGAL DESCRIPTION: Assessor Parcel No: 240912400013
Section: 12 Township: 7 Range: 96 A TR IN THE SE

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

(O) PUBLIC HEARING BEFORE THE TOWN OF PARACHUTE BOARD OF TRUSTEES IN CONSIDERATION OF A RENEWAL APPLICATION FOR A RETAIL LICENSE FOR A RETAIL MARIJUANA STORE.

APPLICANT/OWNER: Cannabist Castle Supermarket & Dispensary Lounge
DBA: The Kind Castle
PROJECT NAME: Renewal application for a license from the Town of Parachute for a retail marijuana store.
PROJECT LOCATION: 248 East First Street
Parachute, CO 81635
LEGAL DESCRIPTION: Assessor Parcel No: 240912113007
Section: 12 Township: 7 Range: 96 Subdivision:
ORIGINAL TWNSTE PARACHUTE Block: 6 Lot: 10
THRU - Lot: 12

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

(P) BOARD CONSIDERATION OF ORDINANCE NO. 708-2016

AN ORDINANCE OF THE TOWN OF PARACHUTE, COLORADO, AMENDING CHAPTER 6.11 OF THE PARACHUTE MUNICIPAL CODE REGARDING MARIJUANA LICENSE RENEWAL.

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

(Q) BOARD CONSIDERATION OF ORDINANCE NO. 709-2016

AN ORDINANCE OF THE TOWN OF PARACHUTE, COLORADO, AMENDING SECTION 11.06.080 OF THE PARACHUTE MUNICIPAL CODE REGARDING UNLAWFUL LOITERING.

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

(R) BOARD CONSIDERATION OF ORDINANCE NO. 710-2016

AN ORDINANCE OF THE TOWN OF PARACHUTE, COLORADO, AMENDING CHAPTER 6.11 OF THE PARACHUTE MUNICIPAL CODE CONCERNING MEASUREMENT OF DISTANCES BETWEEN RETAIL AND MEDICAL MARIJUANA ESTABLISHMENTS

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

(S) EXECUTIVE SESSION ACCORDING TO C.R.S. 24-6-402(4)(E), FOR DETERMINING POSITIONS RELATIVE TO MATTERS THAT MAY BE SUBJECT TO NEGOTIATIONS; DEVELOPING STRATEGY FOR NEGOTIATIONS; INSTRUCTING NEGOTIATORS; SPECIFICALLY, SALE OF TOWN PROPERTY.

(T) MOTION TO ADJOURN



**MINUTES
TOWN OF PARACHUTE
BOARD OF TRUSTEES REGULAR MEETING
SEPTEMBER 15, 2016
6:30 P.M.**

(Meeting called to order by Mayor Roy B McClung 6:30 pm)

(A) CALL TO ORDER AND ROLL CALL

TRUSTEES PRESENT: John Loschke
Fred Andersen
Tim Olk
Juanita Williams
Travis Sproles

MAYOR: Roy McClung

STAFF PRESENT: Town Manager, Stuart McArthur
Town Clerk, Lucy Cordova
Public Works Director, Mark King

TRUSTEES ABSENT: Tom Rugaard

AUDIENCE LIST ATTACHED

(B) PLEDGE OF ALLEGIANCE

(C) APPROVE AGENDA

MOTION 1: Moved and seconded Loschke / Olk to approve Agenda with no changes.
Vocal vote unanimous

(D) CONSENT AGENDA:

- (1) MINUTES FROM THE AUGUST 18, 2016, REGULAR MEETING
- (2) EXPENDITURES PAID FROM AUGUST 11, 2016, TO SEPTEMBER 7, 2016.
- (3) LIQUOR LICENSE RENEWAL APPLICATION FOR RETAIL LIQUOR STORE LICENSE.
APPLICANT: Bottlecap Liquors, LLC.
DBA: Bottlecap Liquors
LOCATION: 150 Columbine Ct, Suite A
Parachute, CO 81635
- (4) LIQUOR LICENSE RENEWAL APPLICATION FOR A RETAIL 3.2 BEER OFF-PREMISES LICENSE.
APPLICANT: Rocky Mountain C Stores Inc
DBA: Rocky MTN C Stores
LOCATION: 201 Columbine Ct
Parachute, CO 81635

MOTION 2: Moved and seconded Loschke / Olk to approve Consent Agenda
Motion passed unanimously with a 5-0 vote

(E) COMMENTS FROM CITIZENS REGARDING ITEMS NOT ON THE AGENDA

Judith Hayward 182 S 2nd Ct., Parachute CO

Dave Devanney 28 S Snowberry Pl., Parachute CO

Both Dave and Judith gave information on Community Park, and asked to be part of the agenda the next month.

Liz Stenson, 327 E 3rd Rifle, CO

Liz asked if 177 S 2nd Ct in Parachute was inside the Town Limits.

(F) DEPARTMENTAL REPORTS:

(1) Mayor and Board of Trustees Mayor and Trustees Mayor McClung encouraged everyone to catch a football on the High Schools new turf field, and asked if the Board was willing to entertain the idea of letting high school students paint a mural on the pedestrian bridge.

Trustee Loschke stated that he was fed up with some properties in Town looking like trash. He directed the question of what could we do to our Code to make it more stringent. He stated that we need to do something to clean up these properties.

Mayor McClung asked Town attorney Conklin if he could bring something in writing as to what we could do about our code.

Mayor Pro-Tem Williams stated that the neighborhood BBQ was cancelled and inquired as to whether we could lower speed limits in alleys in town.

Trustee Olk stated that the CML Meeting in Rifle was very informative in regards to the County’s severance tax issues.

(2) Town Manager Monthly Update..... Stuart McArthur, Town Manager
Town Manager McArthur went over his monthly report. He spoke to Board regarding grants and the possibility of adding vending machines and a Red Box to the rest are in Town. The Board advised Mr. McArthur that there should not be any products sold at the rest area that would compete with the local businesses in close proximity to the rest area. The Board also advised that a Red Box would be permissible. Town Manager McArthur asked for direction from the Board on how they would like the updates from Plan Tools in regards to the updating of the Land Use regulations. The Board advised Mr. McArthur that in an effort to save time and money, he should meet with Mr. Landers from Plan Tools and then relay the update to the Board. Town Manager McArthur also informed the Board there might not be a P&Z meeting in December, and that there would be a Special Meeting for the Board of Trustees on December 8th.

(3) Community Development Report..... Stuart McArthur, Town Manager
Town Manager McArthur went over the Community Development Report and spoke about the Town’s upcoming Oktoberfest event.

(4) Public Works Department Monthly Update.....Mark King, Public Works Director
Public Works Director King went over his monthly report. He advised the Board that the two seasonal workers had been a great help this year in keeping the parks clean, that they will continue stripping, that are finishing up the window for the Police Records Clerk office to face the inside of the building, and are laying 500 ft of pipe to replace pipes from the 50’s that have broken.

(5) Police Department Monthly Update Cary Parmenter, Police Chief
Town Manager McArthur went over Chief Parmenter’s monthly report. Advised the Board that there were more complex cases happening in Town vs traffic citations.

(6) Town Attorney UpdateJeffrey Conklin, Town Attorney
Town attorney Conklin gave an update on upcoming changes that will affect municipal courts.

(G) BOARD CONSIDERATION OF MG LIQUORS, LLC LIQUOR LICENSE APPLICATION TO ADD A RETAIL WAREHOUSE STORAGE PERMIT AND APPROVE MAYOR TO SIGN.

APPLICANT:	Maribel Garcia / MG Liquors, LLC
APPLYING AS:	MG Liquors
DBA:	MG Liquors
LOCATION:	393 E 2 nd Street

Parachute, CO. 81635

STAFF: LUCY CORDOVA, TOWN CLERK

APPLICANT MARIBEL GARCIA PRESENT.
BOARD DISCUSSION ENSUED.

MOTION 3: Moved and seconded Loschke / Sproles to approve application for a retail warehouse storage permit
Motion passed unanimously with a 5-0 vote

(H) BOARD CONSIDERATION OF LIQUOR LICENSE APPLICATION FOR TRANSFER OF RETAIL LIQUOR STORE AND APPROVE MAYOR TO SIGN.

APPLICANT: Tumbleweed Liquors, LLC
APPLYING AS: Tumbleweed Liquors, LLC / Transferring from Bottlecap Liquors
DBA: Tumbleweed Liquors
LOCATION: 150 Columbine Ct, Suite A
Parachute, CO. 81635

STAFF: LUCY CORDOVA, TOWN CLERK

APPLICANT UNABLE TO ATTEND
TOWN CLERK CORDOVA ANSWERED BOARDS QUESTIONS BASED ON APPLICATION
BOARD DISCUSSION ENSUED

MOTION 4: Moved and seconded Olk / Andersen to approve application for transfer of Bottlecap Liquors to Tumbleweed Liquors
Motion passed unanimously with a 5-0 vote

(I) PUBLIC HEARING BEFORE THE BOARD OF TRUSTEES TO CONSIDER A DEVELOPMENT REVIEW APPLICATION FROM ROCKY MOUNTAIN LASER TAG, INC FOR A SPECIAL USE REVIEW TO CONSTRUCT AN OUTDOOR RECREATION FACILITY ON A SERVICE COMMERCIAL ZONED PROPERTY.

APPLICANT/OWNER: Rocky Mountain Laser Tag, Inc
225 Callahan Ave
Parachute, CO 81635

PROJECT NAME: Public hearing for a Special Use Review to construct an outdoor recreation facility on a Service Commercial zoned property.

PROJECT LOCATION: 68 Cardinal Way
Parachute, CO 81635

LEGAL DESCRIPTION(S): Section: 12
Township: 7
Range: 96
Lot: 3 A resub of Lot 2A, Sec E
County of Garfield

STAFF: MARK CHAIN, TOWN PLANNER

PUBLIC HEARING OPENED AT 7:45 PM
APPLICANT PRESENTATION AND BOARD DISCUSSION ENSUED.
MAYOR McCLUNG STATED A FENCE OF MINIMUM 7FT TALL SHALL ENCLOSE ALL FOUR SIDES OF RECREATION FACILITY.
PUBLIC HEARING CLOSED AT 8:00 PM

(J) BOARD CONSIDERATION OF RESOLUTION NO. 2016-21

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF PARACHUTE, COLORADO, APPROVING A SPECIAL REVIEW USE PERMIT FOR BRUCE HOGGAN TO OPERATE AN OUTDOOR RECREATION FACILITY

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

MOTION 5: Moved and seconded by Sproles / Loschke to approve permit to operate an outdoor recreation facility. Motion passed unanimously with a 5-0 vote with the following conditions:

1. *The Special Review Use Permit shall be approved for a period of up to two years. At the end of that time period, there shall be a Public Meeting at which time the operations of the Hoggan Lasertag and Archery Recreation Facility will be reviewed. The Board of Trustees, in their discretion may approve a continuation of the operation of the Facility “as is”, may recommend certain changes in the operational schedule or nature of the physical facility itself, or require that a structure or enclosed arena be constructed to house the Facility. The Board of Trustees may require at that time that the Facility also be hooked up to Town utilities and that parking and other improvements such as additional landscaping be constructed on site.*
2. *The Town Manager or his designee shall review the operation of the Facility at the end of one year from the opening of the Facility. At that time, any issues related to complaints from the public, suggestions from Town Staff, Department Heads or any Special District may be considered in order to enhance the operation of the Facility and allow it to function at an appropriate level as part of the Central Business District.*
3. *A seven (7) ft. high screened fence that meets Parachute Municipal Code standards shall enclose the property. Frontage landscaping shall be installed.*
4. *As required by the Parachute Municipal Code, the applicant shall submit a detailed site plan subject to review and conformance with Sections 15.07.112 and 15.06.104 of the Municipal Code. Special consideration shall be focused on trash storage area and portable sanitation facilities areas. Relationship to the Shared Parking Facility with H Dentistry and signage/outdoor lighting (if proposed) shall also be considered.*
5. *The Applicant shall enter into a Development Improvements Agreement with the Town as per Section 15.03.165 D of the Parachute Municipal Code. The Development Agreement may include provisions for timely review and operation of the Facility per the approved Special Review Use permit including hours of operation, issues related to an outdoor recreational use without permanent Municipal Water and Wastewater Facilities, and use of the Shared Parking on an adjacent lot.*
6. *All use of the site shall conform to with adopted fire codes applicable to the Town of Parachute and recommendations on emergency access and other appropriate safety measures as suggested by the Grand Valley Fire Protection District and the Town of Parachute Police Department.*
7. *The Record of Decision by the Parachute Board of Trustees for the Hogan Special Review Use shall be recorded in the real state records of the Garfield County Clerk and Recorder.*
8. *All representations made in the applicant’s written material or verbally as reflected in the minutes of the public meetings or hearings where the Application was presented to the Commission and/or Board of Trustees are considered part of the application and binding on the applicant.*
9. *Applicant shall reimburse the town for any and all fees, including consulting costs, incurred in the review of the Application.*

(K) BOARD CONSIDERATION OF RESOLUTION NO. 2016-22

RESOLUTION SUPPORTING THE GRANT APPLICATION FOR A GRANT FROM THE

COLORADO HEALTH FOUNDATION COTTONWOOD PARK CHILDREN'S PLAYGROUND PROJECT.

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

MOTION 6: Moved and seconded by Sproles / Loschke to approve Resolution No. 2016-22
Motion passed unanimously with a 5-0 vote

RESOLUTION SUPPORTING THE GRANT APPLICATION FOR A GRANT FROM THE COLORADO HEALTH FOUNDATION COTTONWOOD PARK CHILDREN'S PLAYGROUND PROJECT

(L) BOARD CONSIDERATION OF RESOLUTION NO. 2016-23

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF PARACHUTE, COLORADO, AUTHORIZING THE CREATION OF A CAPITAL LEASING CORPORATION.

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

MOTION 7: Moved and seconded by Loschke / Olk to approve Resolution No. 2016-23
Motion passed unanimously with a 5-0 vote

(M) PRESENTATION TO THE BOARD OF TRUSTEES REGARDING THE 2017 RECOMMENDED BUDGET FOR THE TOWN OF PARACHUTE.

STAFF: STUART McARTHUR, TOWN MANAGER

TOWN MANAGER McARTHUR GAVE HIS PRESENTATION.

(O) MOTION TO ADJOURN

MOTION 8: Moved by Olk to adjourn
Vocal vote unanimous
Meeting adjourned at 8:43 PM

Roy B. McClung, Mayor

ATTEST:

Lucy Cordova, Town Clerk

Report Criteria:
Summary report type printed

Vendor Number	Name	Description	Check Amount	Check Number	Check Issue Date
117	AFLAC	SUPPLEMENTAL INSURANCE	523.64	70100185	10/01/2016
431	ALL - TERRAIN MOTORSPORTS	KAWASAKI TEREX	14,214.25	20748	09/27/2016
1330	BRUBACHER DESIGN	LOGO / RULE SIGNAGE TOWN HALL	326.56	20696	08/31/2016
1646	CEBT	HEALTH LIFE DENTAL	20,876.50	20765	10/05/2016
1671	CENTRAL DISTRIBUTING	OKTOBERFEST 2016 BEER	3,789.75	20764	09/30/2016
1960	CIRSA	TAHOE REPAIR DEDUCTIBLE	500.00	20699	08/31/2016
2040	CITY OF RIFLE	CML DISTRICT MEETING DINNER	111.00	20743	09/13/2016
2495	CBI	BLOOD / DRUG TESTING	600.00	20697	08/31/2016
3355	DEPENDABLE WASTE SERVICES	CONTRACTED TRASH REMOVAL	3,637.68	20701	09/01/2016
3727	JESUS CUHUATEMOC ESTRADA	2ND 1/2 MECHANICAL BULL	350.00	20752	09/30/2016
3977	EUROBUNGY COLORADO	DEPOSIT TRAMPOLINES	3,000.00	20751	09/30/2016
4100	FIKES WEST, INC.	Air FreshENER / URINAL MATS	97.00	20704	08/31/2016
4120	FIRE AND POLICE PENSION ASSOC.	POLICE PENSION & D&D	1,794.57	70100186	09/15/2016
		POLICE PENSION & D&D	1,794.57	70100196	10/04/2016
4468	ACTIVE ENTERTAINMENT, LLC	2ND 1/2 SLIDE	4,815.00	20750	09/30/2016
5878	KANSAS CITY LIFE INS.	DISABILITY INS.	29.05	70100192	10/01/2016
5916	KIM WISDOM	SUBCONTRACTED COURT SERVICES	594.75	20746	09/21/2016
5932	KONICA MINOLTA	CONTRACT PAYMENT AND OVERAGE	829.90	20714	08/31/2016
6216	RONALD LEE	COURT FINE REFUND FOR OVERPAYMENT	47.00	20747	09/27/2016
6703	MAGANA PARTY RENTALS	2ND 1/2 INFLATABLES	400.00	20761	09/30/2016
6723	MARCO CASTRO	BOND REFUND LESS COURT FINES & FEES	820.00	20718	08/31/2016
7091	MOUNTAIN TEMP SERVICES LLC	RIVER RAFTING STAFFING SERVICES	874.50	20719	08/31/2016
7628	ORCHARD TRUST COMPANY, LLC	Retirement & Deferred Comp.	2,815.91	70100187	09/15/2016
		Retirement & Deferred Comp.	2,817.91	Multiple	10/04/2016
7850	PAYLOCITY CORP	PAYLOCITY PAYROLL CHECK	110.82	70100194	09/30/2016
		PAYLOCITY - DIRECT DEPOSIT	28,891.23	70100184	09/15/2016
		STATE WITHHOLDING PAYABLE	10,246.20	70100184	09/15/2016
		PAYLOCITY PAYROLL FEE	97.70	70100184	09/15/2016
		PAYLOCITY - DIRECT DEPOSIT	29,465.33	20754	09/30/2016
		STATE WITHHOLDING PAYABLE	10,234.86	70100193	09/30/2016
		PAYLOCITY PAYROLL FEE	129.50	70100195	09/30/2016
7860	PEPSI CO	OKTOBERFEST PEPSI/WATER PRE-PURCHASE	600.00	20767	09/30/2016
7905	PATRIOT HIGHWAY MARKINGS, LLC	STREET STRIPING	8,378.00	20722	08/31/2016
7906	PAYFLEX SYSTEMS, USA INC.	HRA REIMB	247.54	70100188	09/20/2016
		ADMIN FEE HRA REIMB	300.00	20723	08/31/2016
7907	PLUTT ROGERS & COMPANY PC	2015 AUDIT	9,500.00	20725	08/31/2016
7908	PLAN TOOLS, LLC	PLAN TOOLS	5,967.67	20724	08/31/2016
7944	PROVELOCITY	MONTHLY IT SERVICE AGREEMENT	1,260.00	70100189	09/15/2016
8437	RIFLE CREEK GOLF COURSE	GOLF CART FUEL REIMB	100.00	20755	09/30/2016
8587	ROCKY MOUNTAIN LASER TAG	2ND 1/2 LASER TAG	1,500.00	20756	09/30/2016
9103	SOUTHWESTERN SYSTEMS, INC	SEWER PREVENTATIVE MAINTENANCE	5,773.48	20732	08/31/2016
9135	SNOB PRODUCTIONS INC	OKTOBERFEST STAGE	11,450.00	20757	09/30/2016
9212	STEVEN A. NOFZIGER	PD TOWING SERVICES	390.00	20733	08/31/2016
9271	STEVEN BRUBACHER	VICTIM RESTITUTION PYMT #1	150.00	20734	08/31/2016
9281	STUART S. MCARTHUR	TRAVEL REIMB	321.94	20735	08/31/2016
10397	WELLS FARGO	MERCHANT SERVICES	306.81	70100190	09/12/2016
10398	WELLS FARGO	2ND 1/2 CHASE RICE	50,000.00	20758	09/29/2016
		2ND 1/2 MARK WILLS	3,250.00	20759	09/29/2016
		PETTY CASH OKTOBERFEST	3,000.00	20760	09/29/2016
10446	WESLEY HAMMETT	REIMB LOST PROPERTY POLICE DEPT	613.60	20766	10/11/2016
10610	WEX, INC.	FUEL	2,606.72	70100191	09/14/2016



**STUART S. MCARTHUR
TOWN MANAGER**

Integrity • Respect • Teamwork • Pride • Innovation • Diversity

222 GRAND VALLEY WAY • PARACHUTE, CO 81635 • (970) 285-7630

DATE: October 20, 2016
TO: Board of Trustees
FROM: Stuart S. McArthur, Town Manager
SUBJECT: TOWN MANAGER MONTHLY REPORT – OCTOBER 2016

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

1. Sales tax report showing current month (September receipts for July sales) sales tax and comparing the last three years and the 2016 budget is attached to this report. You will note that sales tax YTD is slightly up by 1.06% from last year at this time. The net sales tax receipts are up by 43.52% for the month compared to September 2015 actuals. Without the refund made to Cingular Wireless of \$49,550 in August, YTD sales tax would be up almost 9.0%. Without that refund our total sales tax would be \$677,175 versus \$627,625. For purposes of my analysis, I will use the gross number including the total \$92,880 in August, which reflects the real revenue for the year.

Of the \$87,840 tax receipt figure, \$26,264 is from the sale of recreation marijuana, representing about 29.9% (25.7% last month) of all sales tax for the month.

Without the marijuana sales and the related growth in other businesses, I estimate that the total YTD revenue would be down 17.1% from 2015. Sales taxes would be down nearly \$154,520 (\$522,660 versus \$677,175). This conservatively assumes that of the 55.8% growth experienced by the top 18 tax payers, only 50% of it is related to marijuana.

We have not received the State’s portion for the marijuana sales tax for the month at the time of writing this report. Once received I will revise my monthly report.

- 2. YTD Financial Statements and 2016 Budget status will be provided at the meeting.
- 3. As of the writing of this report (Friday, September 9, 2016), the prices for energy commodities are:

WTI Crude Oil\$50.02 (August - \$46.60) – Up 7.4%
Natural Gas (Nymex).....\$3.23 (August - \$2.81) – Up 15.0%

- 4. Grants that I have submitted and/or working on applications include:
 - Cottonwood Park UpgradesColorado Health Foundation..... \$100,000
 - Grand Valley High School SidewalkSafe Routes to School..... \$200,000

- Park 'n' RideDOLA..... \$200,000
- Park Acquisition / Development.....GOCO / DOLA..... ???

5. The Town is working with Sexton and Sexton Interiors on the design for the remodel of the Rest Area cabin and restrooms. I have requested an extension from GCFMLD until spring 2017 to do the work. A Request for Proposals (RFP) will be distributed early next year.
6. Progress continues on the update of the Town's municipal code as it relates to the development review process. Does the Board have some specific direction regarding the update?
7. I am getting a lot of calls from parties interested in establishing businesses in the Town. I will be bringing several applications to the Planning and Zoning Commission and the Board of Trustees in the coming months.
8. I have started participating in a county-wide Built Environment group sponsored by LiveWell Colorado. I am ensuring that Parachute is on the map regarding current and future trails.
9. On Friday, September 23rd I attended a Board meeting of the Garfield County Senior Advisory Board. I explained to them that the Town of Parachute is willing to pay for the Town's residents that participate in the meal program and utilize the Traveler's transit service. Of the listing of participants in the program only one individual resides within the Town. The others live in Battlement Mesa. It turns out that Silt and Rifle have similar situations where they subsidize county residents. The Senior Board is going back to re-evaluate how they track the participants throughout the County. They will begin to use street addresses versus just the municipalities that are indicated.
10. On September 14th I attended the Parachute Battlement Mesa Parks and Recreation District Board meeting to present the idea of working together on park development in the Cottonwood Park area. This cooperation, although indicated unanimously by the Board members may take some time, thus making it not possible to submit application for park acquisition/development in the area.
11. On September 21st Trustee Loschke and I attended the Board meeting of the Grand Valley Parks Association, again, to discuss the possibility of working together in developing the Cottonwood Park area. This cooperation will also take some time to develop. We will continue to work toward our stated goals.
12. I am working with the high school and elementary school students to determine what type of park/recreation equipment to provide in the Town.
13. I am working with SGM, Town planers, on a plan for the location of a multi-field sports complex, outdoor recreation facility, and a river ramp at yet a different location. I will bring the ideas forward when things solidify more.
14. As a reminder the election is scheduled for November 8th.
15. Another reminder, the December Board meeting will need to be a special meeting on December 8th to adopt the 2017 budget since the mill levy certification is legally due to the County on the 15th, which is the date of the regular meeting. Unless necessary, there will not be a regular meeting.

16. Upcoming Issues:

Agenda Items:

- i. Upcoming retail marijuana license applications and renewals.
- ii. Annexation zoning for prior annexations
- iii. Survey and easements for Town water/electric/road facilities within the Battlement Mesa Company property
- iv. Minor subdivision and Fire District Property Sale

If you have questions or concerns, contact me at 970.285.7630 or stuartmc@parachutecolorado.com.

Stuart McArthur

From: Ryan Gordon <RyanG@sgm-inc.com>
Sent: Wednesday, October 12, 2016 4:40 PM
To: Stuart McArthur
Subject: Cottonwood park concrete slab

Checked in with my structural group. Here is their recommendations:

1. A concrete thickness of 4" is fine if there is no vehicle traffic.
2. The slab should have steel reinforcement, recommended reinforcement is #4s on 24" centers going each way.
3. For crack control, there should be control joints about every 20' each way.
4. I think that we should do a little bit of subgrade preparation to make sure the concrete slab will last.
 - a. After removing the existing surface, remove any noticeable soft spots, organic material. Wet to obtain optimal moisture content and compact. Would want to proof roll to verify subgrade.
 - b. Install 6" of base, compact and proof roll.
 - c. Install concrete.

Cost:

1. Concrete slab would be \$2.5-3/sq a range of \$15,125-\$18,150
2. Base material is 3025 cf (112 cy) \$7,000
3. Subgrade prep: \$5,000

The work could be done by a local competent contractor.

Ryan Gordon, PE

Senior Engineer I

Celebrating



118 W. 6th St., Suite 200
Glenwood Springs, CO 81601
970.384.9034 / 970.618.3804 cell

www.sgm-inc.com



2015 Colorado Companies to Watch WINNER!

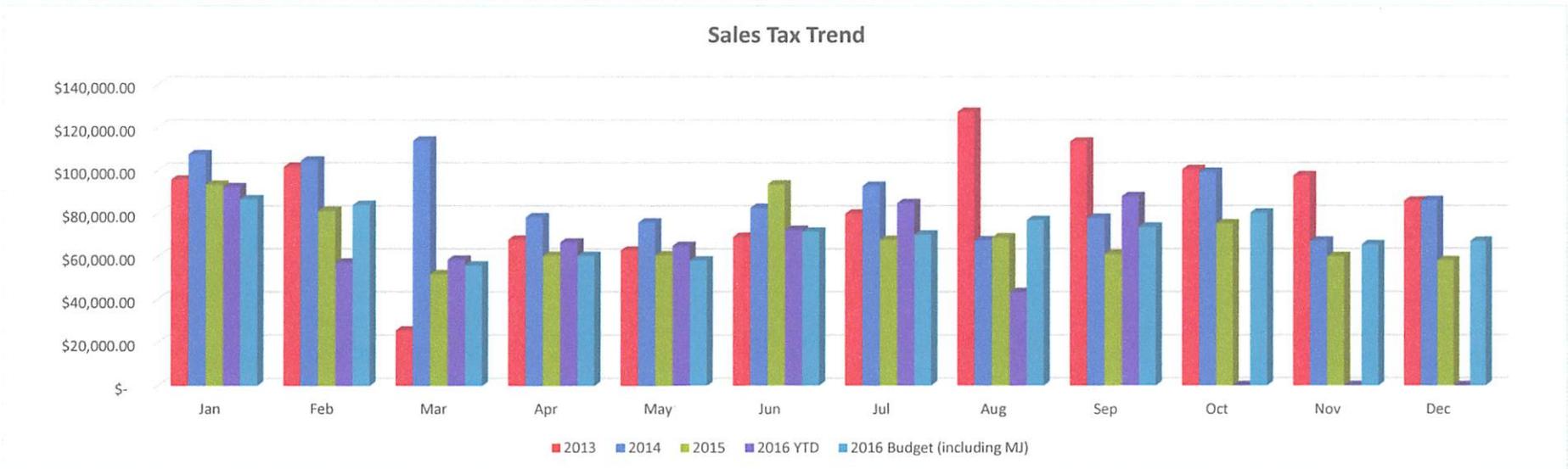


**Town of Parachute
Sales Tax Trend Analysis - 2016**

		Actuals							
Month Received	Month Paid*	2013	2014	2015	2015 YTD 2016	2016 YTD	2016 Budget (including MJ)	YTD % Compared to 2015	Actual Compared to Budget
Jan	Nov	\$ 95,706.59	\$ 107,541.87	\$ 93,340.02	\$ 93,340.02	\$ 92,154.37	\$ 86,586.24	-1.27%	6.43%
Feb	Dec	\$ 101,588.06	\$ 104,702.30	\$ 81,163.74	\$ 81,163.74	\$ 57,244.56	\$ 83,919.54	-29.47%	-31.79%
Mar	Jan	\$ 25,564.29	\$ 113,904.74	\$ 51,821.09	\$ 51,821.09	\$ 58,553.69	\$ 55,845.37	12.99%	4.85%
Apr	Feb	\$ 67,891.55	\$ 78,277.62	\$ 60,420.09	\$ 60,420.09	\$ 66,537.75	\$ 60,311.81	10.13%	10.32%
May	Mar	\$ 62,753.99	\$ 75,764.05	\$ 60,555.16	\$ 60,555.16	\$ 64,923.68	\$ 58,117.56	7.21%	11.71%
Jun	Apr	\$ 69,165.79	\$ 82,490.46	\$ 93,419.42	\$ 93,419.42	\$ 72,328.49	\$ 71,547.56	-22.58%	1.09%
Jul	May	\$ 79,877.98	\$ 92,727.04	\$ 67,717.37	\$ 67,717.37	\$ 84,792.28	\$ 70,159.88	25.21%	20.86%
Aug	Jun	\$ 127,189.55	\$ 67,447.53	\$ 68,804.28	\$ 68,804.28	\$ 43,250.00	\$ 76,909.25	-37.14%	-43.76%
Sep	Jul	\$ 113,405.91	\$ 77,887.19	\$ 61,204.69	\$ 61,204.69	\$ 87,839.94	\$ 73,714.37	43.52%	19.16%
Oct	Aug	\$ 100,377.26	\$ 99,147.71	\$ 75,283.71	\$ -	\$ -	\$ 80,227.83	0.00%	0.00%
Nov	Sep	\$ 97,548.24	\$ 67,147.25	\$ 59,887.91	\$ -	\$ -	\$ 65,565.03	0.00%	0.00%
Dec	Oct	\$ 85,800.99	\$ 86,001.23	\$ 58,023.81	\$ -	\$ -	\$ 67,095.57	0.00%	0.00%
Total		\$ 1,026,870.20	\$ 1,053,038.99	\$ 831,641.29	\$ 638,445.86	\$ 627,624.76	\$ 850,000.00	0.96%	-0.13%

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

** Note: \$49,550 was refunded to Cingular Wireless in August 2016. Without refund, sales tax would be \$92,800.





DEREK WINGFIELD
COMMUNITY DEVELOPMENT

Integrity ▪ Respect ▪ Teamwork ▪ Pride ▪ Innovation ▪ Diversity

222 GRAND VALLEY WAY ▪ PARACHUTE, CO 81635 ▪ (970) 285-7630

STAFF REPORT

DATE: October 20, 2016
TO: Board of Trustees
FROM: Derek Wingfield, Community Development
SUBJECT: SEPTEMBER 2016 MONTHLY UPDATE

September was continued help with our neighbors Grand Junction. We had a presence at “Pork and Hops”; this assistance is exchanged for help with Oktoberfest staffing. I was able to mingle with several vendors and possible future sponsors for our events.

I also received a bid for abatement on the questioned property on South Second Court. We have been getting questioned on moving with a code enforcement action on the property. While code needs updates based on last court action failing. I have provided a bid that is proposed from the street looking to the property on the minimum possible cost if the Town takes action and is given order to clean.

“Thank you”, to the staff. Everyone pulled together and worked hard to make Oktoberfest this year work! It was truly a group effort and the event was far more successful on many levels than previous years.

We spoke with local businesses over the last week about the event and the impact they felt:

Mamma’s: paraphrase; we got our butts kicked! Stated great job, its growing and truly helped business.

Wendy’s: “We were slammed”

MG Liquors: “Thanks for the business we really needed the boost”

Candlewood: “we had to turn people away”

Philips 66: Overtime, busy, busy, busy

Bottlecap: “doubled our business”

Little Coffee: “record sales weekend”

There were a few businesses’ that did not feel the impact but still stated they noticed the population was high and other businesses were being stimulated.

The outcome:

	2015	2016
Gate	950-1000	2055+
Kegs	16 (2days sales)	27 (plus sold out both Lq Stores)

Ticket Sales by Transaction	In County Purchase	Out of County
Ticket Total from Trans: 1481	135 Transaction	506

This event brought out of area traffic which follows our goal of creating an outdoor recreational spot. We accomplished the goal of the event based on the numbers tracked.

We struggled with sponsors as well as volunteers and still managed a great event. The hope to communicate the event was a "real" event is needed. On Sunday while cleaning we were approached by "Budlight" and the Ice House America to discuss and increase in participation as they saw the event was much larger and more successful than they imagined it could be. Caerus reached out on Monday stating they are planning a budget line item for Parachute's Oktoberfest sponsorship (should be noted they were the 2nd highest contributing sponsor).

We invited and provided tickets to several business owners to show them the value of the event based on the comments we were given when approaching them about the event for this year. I have heard back from one of them in a positive way with hopes we can secure them as sponsors for 2017.

The campground was a great hit, we need to plan and develop a larger parking/camping plan, and this is also a great revenue source. Speaking with the Grand Junction staff that helped along with representatives from Budlight, our crowd was larger than Pork and Hops in Grand Junction.

I am hoping to bid and book early this year as the cost difference could be the difference in breaking even and taking a loss. This will also allow a stronger push on sponsors as we would have the whole year to promote digitally.

FYI: Sunday morning the park was truly a mess, and several staff and volunteers rallied early in the morning and by 11am all visible trash was picked up and in dumpsters. The roads were cleared and the park was completely open for the public.

"Thank You" for supporting this event and allowing us to use Town resources to plan and put the event on. I hope you will remain steadfast in knowing we are growing closer with each year to seeing the expenditures becoming revenue. We were 15% closer this year and it was only year two at this caliber. We do not want to increase additional changes at this point just replicate our current platform with obvious execution mends. We have 1400 people we can now digitally invite back based on our ticket tracking to get started for the future.



6690 Highway 82
Glenwood Springs CO 81601
Tax ID # 55-0878473

Insured: Town of Parachute
Property: 175 S 2nd Court
Parachute, CO 81635

Home: (970) 985-9084
E-mail: DWingfield@parachutecolorado.com

Estimator: Brian Guzman
Company: Ecos Environmental
Business: 6690 Highway 82
Glenwood Springs , CO 81601

Business: (970) 945-4407
E-mail: bguzman@ecosenvironmental.com

Claim Number: -

Policy Number: -

Type of Loss: Asbestos Abatement

Date Contacted: 9/27/2016

Date of Loss:

Date Received: 9/27/2016

Date Inspected: 9/21/2016

Date Entered: 9/27/2016

Price List: COGS8X_SEP16
Restoration/Service/Remodel

Estimate: 175_S_2ND_ST_AB

Ecos Environmental & Disaster Restoration Inc. (ECOS) offers this estimate for your consideration.

Scope of work: abatement of trailer and all junk on site

All abatement procedures will comply with standards and final inspection per Colorado Department of Public Health & Environment (CDPHE) regulations.

This is a preliminary estimate, if the scope of work changes you will be notified.

Water and electricity must be provided by home owner.

ECOS is not responsible for any damages that may occur during asbestos abatement.

6690 Highway 82
Glenwood Springs CO 81601
Tax ID # 55-0878473

175_S_2ND_ST_AB

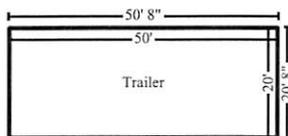
175_S_2ND_ST_AB

DESCRIPTION	QTY	REMOVE	REPLACE	TAX	TOTAL
1. Asbestos test fee - full service survey - base fee	1.00 EA	0.00	1,500.00	0.00	1,500.00
2. CDPHE Asbestos Abatement Permit	1.00 EA	0.00	400.00	0.00	400.00
3. 3rd Party Air Clearance Test Post Abatement	1.00 EA	0.00	800.00	0.00	800.00
4. Project Design	1.00 EA	0.00	2,500.00	0.00	2,500.00
5. Hazardous waste hauling & disposal - (Bid Item)	8.00 EA	0.00	3,000.00	0.00	24,000.00
Local friable ACM disposal - 40 yard dumpster					
6. Containment Barrier/Airlock/Decon Chamber	5,000.00 SF	0.00	1.29	28.00	6,478.00
containment over affected area, waste load out chambers, equipment room, shower room, clean room					
7. Temporary safety shower	2.00 EA	0.00	90.61	0.00	181.22
8. Neg. air fan/Air scrub.-XLrg (per 24 hr period)-No monit.	42.00 DA	0.00	140.00	0.00	5,880.00
2 XL AFD's for 21 days to keep negative air pressure and appropriate air exchanges per Colorado State regulation					
9. Add for personal protective equipment (hazardous cleanup)	210.00 EA	0.00	11.18	125.50	2,473.30
PPE for 5 technicians for 21 days - 2 sets per day					
10. Powered Air-Purifying Respirator (PAPR) - per day	105.00 DA	0.00	73.25	0.00	7,691.25
5 PAPRs for 21 days					
11. PAPR cartridge - vapor only (single cartridge)	15.00 EA	0.00	25.89	31.07	419.42
12. Hazardous Waste/Mold Cleaning-Supervisory/Admin- per hour	60.00 HR	0.00	118.18	0.00	7,090.80
1 asbestos supervisor for 60 hours to oversee the abatement					
13. Demolish/remove home (1001 sf - 2000 sf)	1,000.00 SF	3.64	0.00	0.00	3,640.00
Total: 175_S_2ND_ST_AB				184.57	63,053.99

Main Level

Trailer

Height: 8'



1,120.00 SF Walls	1,000.00 SF Ceiling
2,120.00 SF Walls & Ceiling	1,000.00 SF Floor
111.11 SY Flooring	140.00 LF Floor Perimeter
140.00 LF Ceil. Perimeter	

6690 Highway 82
 Glenwood Springs CO 81601
 Tax ID # 55-0878473

CONTINUED - Trailer

DESCRIPTION	QTY	REMOVE	REPLACE	TAX	TOTAL
14. Tear off asbestos drywall (no haul off)	2,120.00 SF	2.00	0.00	52.58	4,292.58
15. Tear out asbestos vinyl floor covering (no haul off)	1,000.00 SF	4.40	0.00	13.60	4,413.60
16. HEPA Vacuuming - Detailed - (PER SF)	3,120.00 SF	0.00	1.14	0.00	3,556.80
17. Hazardous Waste/Mold Cleaning Technician - per hour	300.00 HR	0.00	98.48	0.00	29,544.00
5 technicians for 60 hours to abate contents from inside and outside of the trailer					
Totals: Trailer				66.18	41,806.98
Total: Main Level				66.18	41,806.98
Line Item Totals: 175_S_2ND_ST_AB				250.75	104,860.97

Grand Total Areas:

1,120.00 SF Walls	1,000.00 SF Ceiling	2,120.00 SF Walls and Ceiling
1,000.00 SF Floor	111.11 SY Flooring	140.00 LF Floor Perimeter
0.00 SF Long Wall	0.00 SF Short Wall	140.00 LF Ceil. Perimeter
1,000.00 Floor Area	1,047.11 Total Area	1,120.00 Interior Wall Area
1,284.00 Exterior Wall Area	142.67 Exterior Perimeter of Walls	
0.00 Surface Area	0.00 Number of Squares	0.00 Total Perimeter Length
0.00 Total Ridge Length	0.00 Total Hip Length	

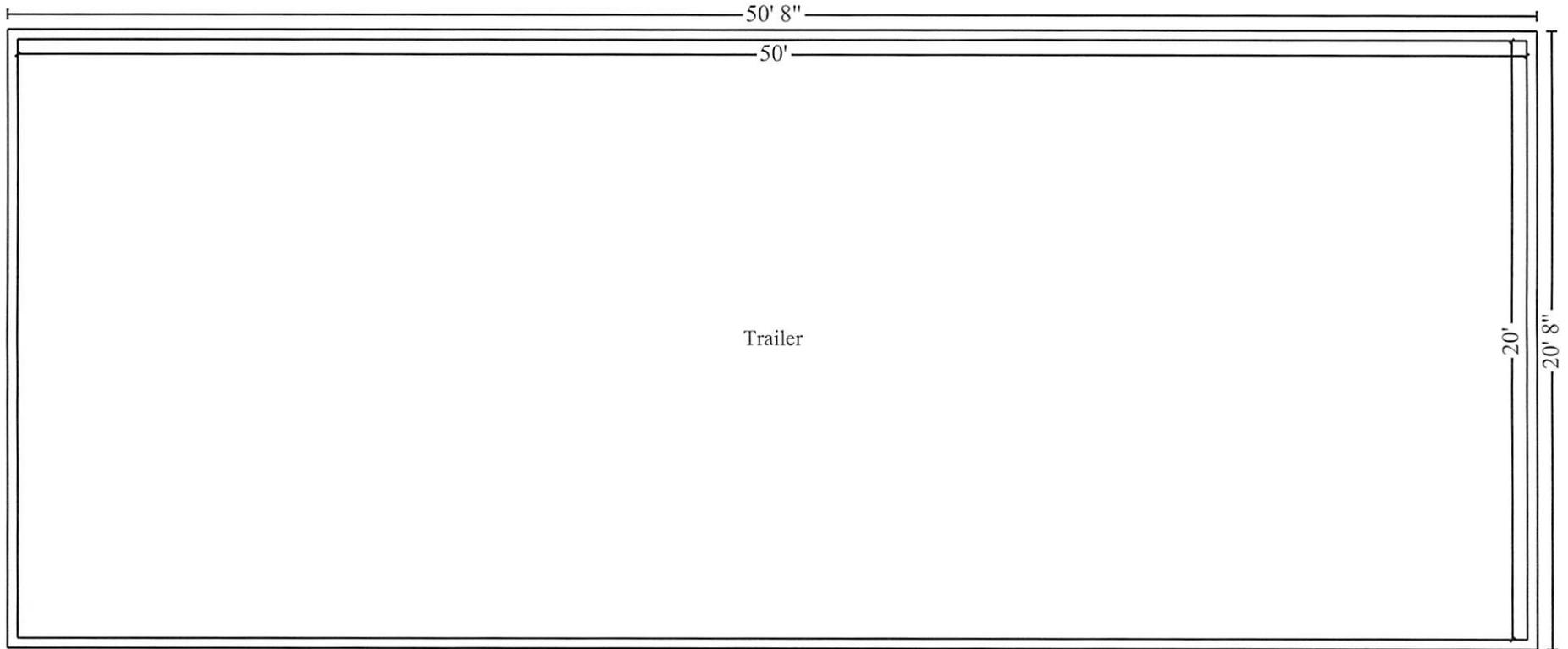


6690 Highway 82
Glenwood Springs CO 81601
Tax ID # 55-0878473

Summary for Dwelling

Line Item Total	104,610.22
Material Sales Tax	250.75
Replacement Cost Value	\$104,860.97
Net Claim	\$104,860.97

Brian Guzman



Main Level



Mark King
Public Works Director

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222 GRAND VALLEY WAY ▪ PARACHUTE, CO 81635 ▪ (970) 285-7630

Date: October 19th, 2016
To: Board of Trustees
From: Mark King, Public Works Director
Subject: September Monthly Report

The purpose of this memo is to provide the Board of Trustees with Public Works updates for the past month.

The Public Works crew spent the better part of 2 weeks in preparation for Oktoberfest.

We prepped and painted the Town shop this month. A little paint sure improved the looks over there.

The sweeper has been out on the streets recently. We plan on sweeping once a week from now until all the leaves fall or snow falls.

We will start draining the irrigation system on October 17th. If you have any issues or know anyone that has issues with the irrigation system, have them contact Town Hall to schedule repairs before the following season.

The Police Department Records window is complete. Construction for the court room door has started and will be completed before the next board meeting pending any unforeseen problems and/or interruptions.

If you have any questions or concerns you can contact me at 970-986-1821.



CARY PARMENTER
POLICE CHIEF

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222 GRAND VALLEY WAY ▪ PARACHUTE, CO 81635 ▪ (970) 285-7630

To: Board of Trustees

From: Cary Parmenter, Police Chief

Date: 10/12/16

Ref: September Report

Officer Joel Korver finished his field training and has been assigned to his own shift. He will work the weekend day shift allowing him to meet and greet business owners and citizens.

It is nice to have Joel out on his own; now the other officers can take a well-deserved break and catch up on training.

There was a larger than expected crowd at this year's Oktoberfest. Officers were kept busy with disturbances, and intoxicated persons throughout Town. There was one arrest made at the concert for interfering with a police officer while investigating an assault in the crowd.

We arrested two DUI's, one involved a rollover crash. The State Patrol also made a DUI arrest on Battlement Mesa and the Sheriff's Office responded to several disturbances in the County.

I have addressed some concerns that were brought up during the event with the Town Manager; we will work on correcting them next year.

**POLICE ACTIVITY BLOTTER FOR SEPTEMBER 2016
SUMMARY**

DATE

- 09/02/16 Traffic Violation**
Officers conducted a traffic stop in the area of County Road 300 and Cardinal Way. The driver, Alexis Homan 26, of Parachute was arrested for Displayed Expired Plates, NPOI, Drove w/o a Valid License (Resident Over 30 days), and Obstructing a Police Officer.
- 09/02/16 Restraining Order Violation**
Officers responded to the area of 200 Colorado Avenue for a report of a restraining order violation. The suspect, Shanna Olmstead 36 of Parachute, was arrest for a Violation of a Restraining Order.
- 09/02/16 Arson**
An Officer was dispatched to a report of an arson incident in the area along Parachute Park Boulevard. The case is currently open and under investigation.
- 09/03/16 Theft / Warrant**
Officers responded to 314 E. 1st Street for a report of a theft. The suspect, James Gill 51 of Canyon Lake, TX, was arrested for a warrant and issued a summons for Theft.
- 09/03/16 Sexual Assault of a Child by Person in a Position of Trust**
An Officer was dispatch to the 252 Green Street for a report of a sexual assault. The suspect, Jason Finney 41 of Parachute, was arrested for Sexual Assault of a Child by a Person in a Position of Trust.
- 09/04/16 Traffic Violations / Warrant**
Officers conducted a traffic stop in the area of 28 Cardinal Way. Upon contacting the driver, Brandon Sanchez 24 of Mack, CO, was arrested for Fictitious Plates, Improper Number Plates Attached, NPOI, DUR HTO, and for 3 Warrants.
- 09/05/16 Warrant**
Officers contacted parties at the Parachute Ponds for license inspection. Upon contacting one of the parties, William Korn 33 of Parachute, he was found to have a warrant and was arrested.
- 09/05/16 Traffic Violation**
Officers responded to the area of the Rodeo Grounds for a report of a vehicle doing doughnuts. The driver, Seth Armstrong 18 of Parachute, was summonsed for Reckless Driving and Violation of Temporary Instructional Permit.
- 09/05/16 Arson**
Officers responded to the area north of the Tells Meadows subdivision for a fire. The cause of the fire is under investigation.

- 09/06/16** **Vicious Dog**
Officers responded to 525 Wildrose Lane for a report of a dog attacking another dog. The owner of the suspected dog, Jennifer Felshaw 34 of Parachute, was summonsed for Vicious Dog.
- 09/07/16** **Dog at Large**
Officers responded to Alpine Lane for a report of a dog at large in custody. The suspect, Brittney Harris 35 of Parachute, was summonsed for Failure to Control Dog.
- 09/08/16** **Trespass**
Officers were called to the 200 Colorado Ave. on a report of a trespass. The case is still under investigation.
- 09/08/16** **Warrant**
Officers contacted a party at 200 Colorado Avenue, Christian Bellard 31 of Parachute, was arrested for a warrant.
- 09/08/16** **Disturbance / Warrant**
Officers responded to 252 Green St. for a report of a disturbance. Upon contacting a party, Patricia Parker 61 of Pagosa Springs, was arrested for a warrant.
- 09/09/16** **Theft**
Officers responded to 200 County Road 215 for a report of a theft. A male party stole two one gallon jugs of oil and fled. The case is still under investigation.
- 09/11/16** **Traffic Violation**
Officers conducted a traffic stop in the area of mm 72 on Interstate 70. The driver, Axel Gonzalez Marioni 25, of Rifle summonsed for Speeding and NPOI.
- 09/12/16** **Trespass**
Officers responded to 125 Creek St. for a report of a trespass of a vehicle. The case is still under investigation.
- 09/13/16** **Traffic Violation**
Officers conducted a traffic stop in the area of the St. John Cir. and Cardinal Way. The driver, Meghanne Baca 33, of Parachute was summonsed for Fictitious Plates, NPOI, and Driving w/o a Valid License.
- 09/15/16** **Traffic Violation / Warrant**
An Officer conducted a traffic stop on I-70. Upon contacting the driver, Annalei Chavez 27 of Aurora, CO, was arrested for a warrant and released with a warning for Failure to Display Valid Registration.
- 09/15/16** **Weapons Violation**
Officers responded to 200 Colorado Avenue for a report of a weapons violation. The suspect, Kevin Wyvell 46, of Parachute was arrested for Menacing and Prohibited Possession of a Weapon.

- 09/16/16 Burglary**
Officers responded to 510 W. 1st St. for a report of a burglary. The suspect, Jacob VanDiver 18, of Parachute was arrested for 2nd Degree Burglary and Theft.
- 09/16/16 Traffic Violation**
An Officer conducted a traffic stop in the area of mm 74 on I-70. The driver, Jacob Daniels 36, of Grand Junction was arrested for Fictitious Plates, NPOI, and DUR.
- 09/16/16 Assault**
An Officer responded to 28 Cardinal Way for a report of an assault. The case is still under investigation.
- 09/17/16 Domestic Violence**
An Officer responded to the 200 Colorado Ave. for a report of Domestic Disturbance. The suspect, Nathaniel Arlington 47 of Parachute, was arrested and charged with Harassment, Resisting Arrest, and Domestic Violence. During the investigation, Laura Ozsvath 34 of Parachute, was arrested for Obstructing a Police Officer.
- 09/17/16 DUI**
An Officer conducted a traffic stop in the area of mm 72 on I-70. The driver, Dylan Roberts-Bentz 20, of Rifle was arrested for Speeding, Open Container, and DUI. During the investigation, a juvenile female passenger was also summonsed and released to a parent charged with MIP.
- 09/17/16 Disturbance / Warrant**
Officers responded to 150 Columbine Ct. for a report of a disturbance. A party contacted, Shaun Collins 22, of Silt was arrested for a warrant.
- 09/21/16 Traffic Violation**
An Officer conducted a traffic stop in the area of mm 74 on I-70. The driver, Jose RAMIREZ-SANTOS 31, of Clifton was summonsed for Speeding, NPOI, and Driving w/o a Valid License.
- 09/21/16 Dog at Large**
An Officer found a dog running at large in the area of Meadow Dr. and Alpine Ln. The suspect, Brittney Harris 35 of Parachute, was summonsed for Failure to Control Dog.
- 09/21/16 Traffic Violation**
An Officer conducted a traffic stop in the area of E. 1st St. and Parachute Ave. The driver, Shawn Oferrell 36, of Aspen was summonsed for Defective/Unsafe Vehicle and Violation of Temporary Instructional Permit.
- 09/22/16 Child Abuse**
An Officer responded to Grand Valley Middle School for a report of Child Abuse. Upon investigation, no charges were filed with this case.

- 09/23/16 Traffic Violation**
An Officer conducted a traffic stop in the area of Cardinal Way and County Road 300. The driver, Shanae Hogan 23, of Parachute was summonsed for Defective/Unsafe Vehicle and NPOI.
- 09/24/16 DUI**
An Officer conducted a traffic stop in the area of Hwy 6 and County Road 215. The driver, Samantha Ferrell 26, of DeBeque was arrested for Expired Plates, Open Container, and DUID.
- 09/26/16 Assault**
Officers were called to the area of 500 N. Parachute Avenue for a report of an assault. The case is still under investigation.
- 09/27/16 Sex Offense**
Officers were called to 800 Cardinal Way for a report of sexual exploitation of a child. The case is still under investigation.
- 09/29/16 Traffic Violation**
An Officer conducted a traffic stop in the area of 700 Cardinal Way. The driver, Deven Arlington-Hernandez 22, of Parachute was summonsed for Defective Headlight and DUR.
- 09/30/16 Traffic Violation**
An Officer conducted a traffic stop in the area of 10 Cardinal Way. The driver, Seth Armstrong 18, of Parachute was summonsed for Driving w/o Headlights when required and NPOI.

110 Traffic Stops September 2016
42 Traffic Citations September 2016

44 Case Reports in September 2016
56 Case Reports in September 2015
38 Case Reports in September 2014
21 Case Reports in September 2013

273 case reports YTD for 2016
(369 case reports YTD in 2015)
(175 case reports YTD in 2014)
(162 case reports YTD in 2013)
(159 case reports YTD in 2012)
(128 case reports YTD in 2011)



Stuart S. McArthur
Town Manager

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222 GRAND VALLEY WAY • PARACHUTE, CO 81635 • (970) 285-7630

DATE: October 15, 2016
TO: Town of Parachute Board of Trustees
FROM: Stuart S. McArthur, Town Manager
SUBJECT: TOWN OF PARACHUTE 2017 RECOMMENDED BUDGET MESSAGE

I am pleased to present to the Mayor, Board of Trustees, and the residents of the Town the 2017 Recommended Budget for the Town of Parachute, Colorado. This budget provides a sound financial plan to provide the best possible municipal services for the residents of the Town. The budget generally maintains the current service levels with continued plans to increase street maintenance.

This budget was prepared based upon the best knowledge at hand, including, but not limited to:

- Actual 2015 revenues and expenditures;
- Actual and estimated 2016 revenues and expenditures;
- 2017 and beyond economic outlook;
- Goals and objectives of the Board; and
- The best interests of the residents.

First of all, I would like to thank the staff of the Town of Parachute for their work toward preparation of this product. Secondly, I would like to express gratitude to the Mayor and the Board of Trustees for their continued direction and support of the Town and its staff.

The economy is continuing to experience the downturn in the natural gas industry. Any return of the industry will be years into the future, yet the price of natural gas on the NYMEX market has been increasing lately. It is \$3.27 USD/MMBtu as of October 10th. That is up from \$2.81 a month ago; a 17% increase. When the industry does rebound, it will do so slowly and it will not come back as we have experienced in the past. Technology has made it possible for the drilling companies to use less and less labor, thus employment and drilling crews will not be as robust as in previous years. This will continue to significantly impact our sales tax as the hotels and restaurants in Town depend upon these crews and local employed residents to do business at their establishments.

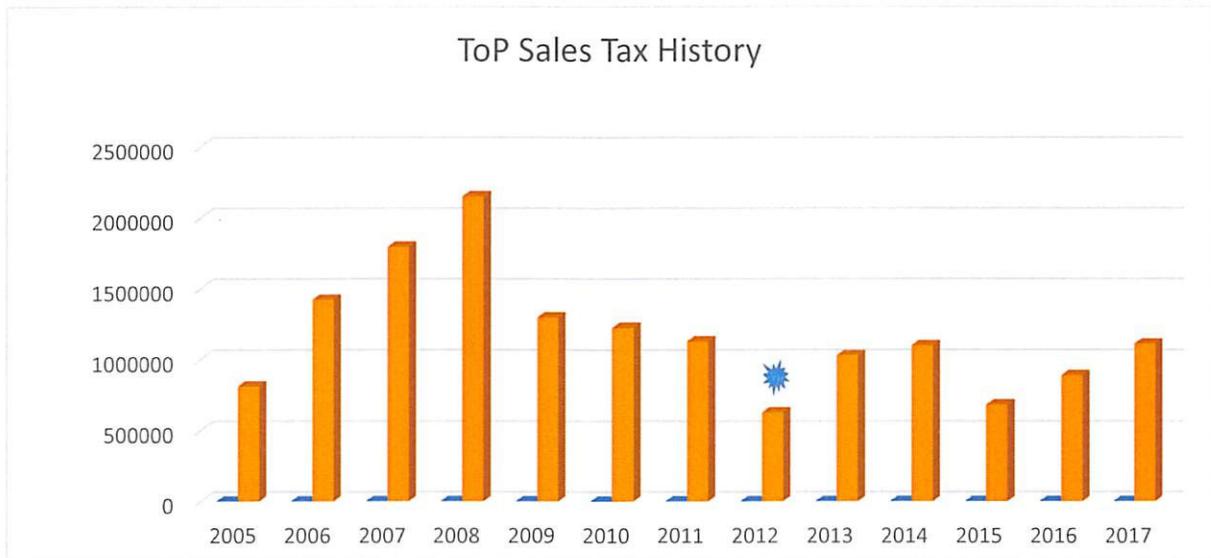
Natural gas industry began its downturn mid-2014 and has continued its spiral downward. At the time, a representative from Williams told me: “As for ... the local economy, like other energy companies we are at the mercy of commodity prices. Depressed natural gas markets have stifled growth and until local producers commit additional capital to the area we don’t expect to add jobs or enlarge our footprint. At this point, projecting a timeframe for this change would only be conjecture.”

As a result of the Board’s decision in 2015 to allow retail and medical marijuana establishments in the Town, sales tax revenues have not decreased as we would have experienced with the natural gas downturn. Instead sales taxes are staying relatively flat from 2015. Based on current known data, I am projecting sales taxes to be up nearly 5.0% over last year. This will continue to increase into 2017.

Sales Tax Revenues are trending upwards. I am projecting that 2017 sales taxes will be up from 2016 by \$221,500 (25%). This is due to the continued increase in sales of retail marijuana from existing stores; the increase from additional stores that have indicated interest in the Town; the indirect growth of the other existing businesses; and new business attracted to the Town through our efforts toward creating outdoor recreation opportunities in the Town/Community.

2014 Actuals	2015 Actuals	2016 Estimate	2017 Budget
\$ 1,097,579	\$ 680,277	\$ 887,680	\$ 1,109,180

The following graph reflects the sales tax trend from 2005 through 2017. The trend has been downwards since 2009 after a spike in 2008.



★ 2012 is not reflective of actuals; this was the year of major refunds to oil company.

The 2016 budget is balanced for ALL funds. In this case balanced means that Sources of Funds (revenues and fund balance) is equal to or greater than projected Uses of Funds (expenditures and transfers).

Sources of Funds	\$ 5,824,814
Uses of Funds	\$ 5,820,814
FTE	16.35

The following table illustrates the total sources of funding for all Town funds.

Revenues / Sources of Funds			
Fund Name	2017 Budget	Fund Balance	Total Sources of Funds
General Fund	\$ 2,203,770	\$ -	\$ 2,203,770
Water Enterprise Fund	905,800	112,970	1,018,770
Wastewater Enterprise Fund	275,620	-	275,620
Street and Alley Fund	199,960	49,430	249,390
Garbage Enterprise Fund	60,000	-	60,000
Parks and Recreation Enterprise Fund	-	-	-
Grant Fund	1,285,655	-	1,285,655
Conservation Trust Fund	3,490	75,954	75,954
Parachute Capital Improvement Fund	61,090	594,565	655,655
Debt Service Fund	-	-	-
Reserve Fund	-	-	-
Total Revenues / Sources of Funds	\$ 4,995,385	\$ 832,919	\$ 5,824,814

General Fund revenues are up approximately \$200,000 from the 2016 estimated receipts. Significant offsetting increases and decreases involve:

- Property TaxesDown \$ 65,620
- Sales Taxes.....Up \$ 143,190
- Marijuana Sales Taxes Up \$ 26,160
- Marijuana Excise TaxesUp \$ 100,000
- Building Permit Fees.....Up \$ 7,030
- Severance Taxes.....Down \$ 72,190
- Federal Mineral Lease Funds.....Down \$ 29,420

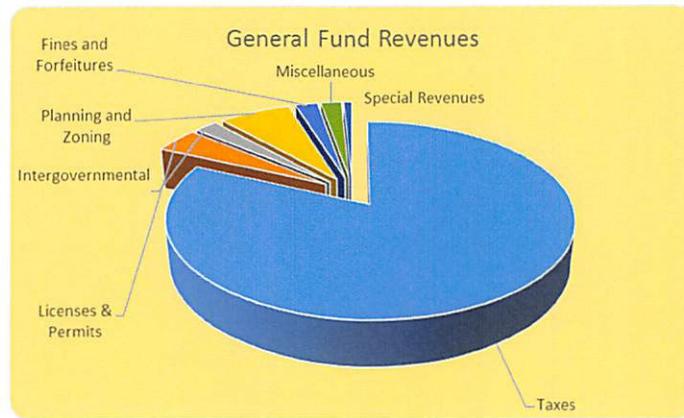
Note: Values are rounded to nearest "000"

Sales taxes are projected to be up from the 2016 estimate by over 25.0%, \$1,109,180 versus \$887,680 in 2016 and \$680,277 in 2015. Sales tax revenues are projected to exceed the 2014 actual receipts of \$1,053,039. Assessed values are down by approximately \$2,000,000, thus the Property Tax Revenue is down. Since the Board of Trustees approved Ordinance 683 that permitted the establishment of retail marijuana sales in the Town, I have forecast sales tax revenues of \$250,000 based on the current data from the State. Another \$100,000 is projected to be received from the Town's new Excise Tax on marijuana cultivation facility sales. Due to the downturn of the natural gas industry, I am anticipating much lower Severance Tax and Federal Mineral Lease funding from the Colorado State Department of Local Affairs – a combined expected decline of nearly \$102,000. Although Oktoberfest did not turn a profit in 2016, we anticipate increasingly larger crowds as the event becomes known throughout the State. In addition, we plan to sponsor a Latino themed event in the spring of 2017 in response to our ever increasing population of Latinos. Participation with the Grand Valley Parks Association with Grand Valley Days is still being discussed.

One significant note, if retail marijuana were not to continue to be allowed, the 2017 budget will be significantly down from 2016. I have performed an analysis of the 2017 budget if the marijuana industry were to be prohibited. Sales Tax revenues in the General Fund would decline by approximately 20.0%. I project that staff would have to be reduced in all funds the first year by at least 25.0%. FTE would then probably continue to decrease in subsequent years. With the assumption that unemployment would increase, I have also estimated that the enterprise fund revenues would also decrease by 25.0% in the first year as people relocate for jobs. No donations would be possible as would all capital projects be put on hold or cancelled due to the lack of matching funds for grants.

Description	2017 Change			
	2017 Budget	2015 Actuals	2016 Budget	2016 Projected
General Property Tax	\$ 357,190	-7.51%	0.49%	-15.52%
Town Sales Tax*	\$ 1,109,180	63.05%	30.49%	18.02%
Town Use Tax	50,000	-18.98%	222.58%	232.05%
Lodging Tax	\$ 133,440	48.55%	33.44%	21.59%

Taxes continue to be the largest majority of the General Fund revenues. Sales taxes represent nearly 50.3% of the total revenue. The General Property Tax is 16.2% of the total General Fund revenues. No Fund Balance is currently being transferred to any other fund from the General Fund. At the beginning of 2017, it is estimated that the General Fund available balance will be nearly of \$600,000. In 2014, an established policy amount, \$3.0 million was transferred from the General Fund to the Reserve Fund. This amount represents approximately one and one half (1.5) years of General Fund operating funds. In addition, the mandatory TABOR 3.0% Emergency Reserve (\$65,450) is maintained in the new fund. An estimated remaining available fund balance in the General Fund at the end of 2016 will be \$598,354.

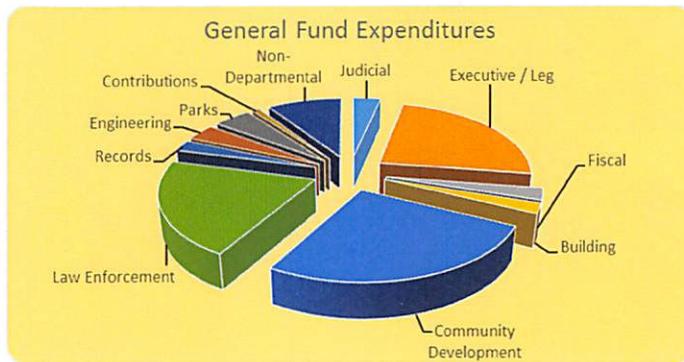


Use of fund balance in other funds is as follows:

Fund	Purpose	Amount
Water Fund	Capital Projects	\$ 112,970
Streets and Alleys Fund	Operations	49,430
Conservation Trust Fund	Contingency	75,954
Capital Improvement Fund	Capital Projects	594,565
Total Use of Fund Balance		\$ 832,919

Expenditures

The graph to the right illustrates that a major portion of the General Fund is spent on Executive/Legislative, Law Enforcement and Community Development. These amounts represent the allocation for the administrative functions of the Town; law enforcement to provide for the public safety of the Town residents; and for the upkeep and economic development of the Town, respectively.



Transfers from the General Fund are frequently required to help fund the operations of other funds. This is the case in 2017. All transfers from the General Fund to other funds are:

Fund	Transfer Amount
Parachute Capital Improvement Fund	\$ 61,090
Street and Alley Fund	\$ 80,000
Water Fund	\$ 41,300
Wastewater Fund	\$ 22,590
Total Transfers from General Fund	\$ 204,980

The transfer to the capital improvement fund represents 1.0% of sales taxes and 100% of building and materials use taxes per the municipal code. Transfers to the Water and Wastewater Fund are for ongoing operations, representing the legally allowable 10.0% of revenues to the enterprise funds.

No amount is required to be transferred to the Reserve Fund to maintain the TABOR mandatory 3.0% reserve.

The following table illustrates the Uses of Funds for the entire Town.

Expenditures / Uses of Funds	
Fund Name	2016 Budget
Expenditures / Uses of Funds	
General Fund	\$ 2,203,770
Water Enterprise Fund	1,018,770
Wastewater Enterprise Fund	275,620
Street and Alley Fund	249,390
Garbage Enterprise Fund	56,000
Parks and Recreation Enterprise Fund	-
Grant Fund	1,285,655
Conservation Trust Fund	75,954
Parachute Capital Improvement Fund	655,655
Debt Service Fund	-
Reserve Fund	-
Total Expenditures	\$ 5,820,814

* All fund balance in the Conservation Trust Fund is budgeted as Contingency.

Two other funds were created in the 2015 budget: The Parachute Capital Improvement Fund and the Debt Service Fund. These funds have been established to meet the requirements that capital and debt service expenditures for governmental funds need to be expended out of specific funds for the designated purpose.

Additionally, two more funds were created in the 2016 Budget:

1. Parks and Recreation Enterprise Fund – to set the Town up to be able to run parks and recreation programs and issue debt to get projects off the ground.
2. Grants Fund – to account appropriately for the receipt of grant awards. 2017 will be the first year that expenditures and revenues will be budgeted in this fund. The source of revenue comes from the fund balance in the Parachute Capital Improvement Fund matching granted funds.

Fund balances for all funds continue to be positive.

Fund	Projected Fund Balance
General Fund	\$ 598,354
Water Enterprise Fund	\$ 240,990
Wastewater Enterprise Fund	\$ 95,082
Street and Alley Fund	\$ 100,552
Garbage Enterprise Fund	\$ 37,622
Parks and Recreation Enterprise Fund	\$ -
Grant Fund	\$ -
Conservation Trust Fund	\$ -
Parachute Capital Improvement Fund	\$ 294,049
Debt Service Fund	\$ -
Reserve Fund	\$ 3,065,450

Again, thank you for your support. The coming year promises to be one of positive things for the Town of Parachute.

If you have questions, please contact me at 970.285.7630, x-106 or at my e-mail address of stuartmc@parachutecolorado.com.

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2017 BUDGET GENERAL FUND SUMMARY

GENERAL FUND REVENUES

DESCRIPTION	2015 Final	2016 Budget	2016 August YTD Actual	2016 Projected	2017 Budget	% of Budget
General Property Tax	\$ 386,174	\$ 355,460	\$ 390,367	\$ 422,810	\$ 357,190	19.81%
General Property Tax - Capital	-	37,310	-	-	-	0.00%
Specific Ownership Tax	-	-	-	-	-	0.00%
Town Sales Tax	680,277	750,000	484,472	715,987	859,180	47.65%
Town Sales Tax - Marijuana	-	100,000	96,312	223,842	250,000	13.87%
Town Excise Tax - Marijuana	-	100,000	-	-	100,000	5.55%
County Sales Tax	-	34,500	30,296	45,856	45,860	2.54%
Town Use Tax	61,715	15,500	8,721	15,058	50,000	2.77%
Lodging Tax	89,831	100,000	49,344	106,750	133,440	7.40%
Cigarette Tax	5,615	7,000	3,019	6,075	6,080	0.34%
Pen. & Int. Del. Tax	1,473	200	1,331	1,331	1,330	0.07%
Total Taxes	1,225,084	1,499,970	1,063,862	1,537,709	1,803,080	100.00%

LICENSES & PERMIT REVENUES

Franchise Revenue	\$ 10,213	\$ 7,500	\$ 2,319	\$ 5,101	\$ 5,100	5.47%
Liquor Licenses	1,505	1,000	1,469	1,790	1,790	1.92%
Sign Permit Fees	318	100	306	357	450	0.48%
Building Permit Fees	20,908	150,000	16,909	42,970	50,000	53.64%
P.D. Misc. Fees	6,257	4,000	1,120	1,852	1,850	1.98%
Certified VIN Inspections	-	100	-	20	20	0.02%
Animal Licenses	443	400	270	322	320	0.34%
Miscellaneous Revenues	485	100	290	295	290	0.31%
Business Licenses	2,360	2,500	2,075	2,340	2,340	2.51%
Marijuana Applications	42,500	-	32,500	55,500	30,000	32.18%
Contractors Licenses	1,600	1,500	825	1,061	1,060	1.14%
Total Licenses & Permits	86,590	167,200	58,082	111,605	93,220	100.00%

INTERGOVERNMENTAL REVENUES

State Mineral Severance	\$ 166,609	\$ 113,290	\$ -	\$ 96,247	\$ 24,060	49.24%
State Shared Mineral Lease	216,339	175,000	-	39,216	9,800	20.06%
Grant Revenues	10,340	35,000	-	20,000	15,000	30.70%
M.V. Special Assessment	-	-	-	-	-	0.00%
Highway User Tax Fund	-	-	-	-	-	0.00%
County Road & Bridge Fund	-	-	-	-	-	0.00%
Total Intergovernmental	393,288	323,290	-	155,463	48,860	100.00%

PLANNING & ZONING REVENUES

Planning & Zoning Fees	\$ 525	\$ 2,000	\$ 600	\$ 1,300	\$ 1,300	0.86%
Economic Development	-	-	-	-	-	0.00%
Street Impact Fees	-	-	-	-	-	0.00%
P & Z Charges for Services	250	200	-	16	20	0.01%
Special Events Donations/Revs	47,187	150,000	13,355	150,000	150,000	99.13%
Main Street Cont Program	-	-	-	-	-	0.00%
Total Planning and Zoning	47,962	152,200	13,955	151,316	151,320	100.00%

FINE & FORFEITURE REVENUES

Municipal Court Fines	\$ 61,639	\$ 60,000	\$ 22,034	\$ 40,050	\$ 40,050	85.91%
Municipal Court Surcharge	8,924	10,000	3,079	5,980	5,980	12.83%
Credit Card Fee	1,794	500	488	592	590	1.27%
Total Fines and Forfeitures	72,357	70,500	25,600	46,622	46,620	100.00%

MISCELLANEOUS REVENUES

Charges for Services	\$ -	\$ 1,500	\$ -	\$ (402)	\$ 1,000	2.32%
Rental Income	8,446	10,000	2,911	7,494	7,490	17.34%
Park Rental Income	950	-	700	700	700	1.62%
Credit Card Fee	193	200	1,146	1,197	1,200	2.78%
Oil / Gas Lease	32,097	50,000	20,244	28,703	28,700	66.44%
Photo Copy Sales	198	120	8	28	30	0.07%
Refund of Expenditures	-	-	-	-	-	0.00%

DESCRIPTION	2015 Final	2016 Budget	2016 August YTD Actual	2016 Projected	2017 Budget	% of Budget
Community Cleanup Day Rev / Donations	488	-	535	535	540	1.25%
Debt Service Receipts	-	-	-	-	3,535	8.18%
Admin. Fee Trans. Water	-	-	-	-	-	0.00%
Admin. Fee Trans. Sewer	-	-	-	-	-	0.00%
Admin. Fee Trans. Garbage	-	-	-	-	-	0.00%
Total Miscellaneous	42,372	61,820	25,545	38,256	43,195	100.00%

SPECIAL REVENUES							
Interest Revenues	\$ 5,444	\$ 4,000	\$ 8,447	\$ 9,694	\$ 9,690	55.45%	
Financing Resources	-	-	-	-	-	0.00%	
Grant - P.D. Reimbursements	10,190	-	3,799	3,799	-	0.00%	
Sale of Fixed Asset	-	-	-	-	-	0.00%	
Misc. Revenues	1,851	400	7,441	7,794	7,785	44.55%	
Total Special Revenues	17,485	4,400	19,686	21,286	17,475	100.00%	

Total General Fund Revenues	\$ 1,885,137	\$ 2,279,380	\$ 1,206,730	\$ 2,062,258	\$ 2,203,770
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2017 BUDGET GENERAL FUND EXPENDITURES

JUDICIAL EXPENSES							
Wages	\$ 27,052	\$ 40,810	\$ 17,636	\$ 25,047	\$ 33,030	44.44%	
Overtime	192	-	24	24	-	0.00%	
Withholding	2,131	3,110	1,399	1,985	3,060	4.12%	
Insurance Benefit	3,185	5,240	531	884	2,080	2.80%	
Retirement Benefit	962	990	442	683	280	0.38%	
Disability Ins	164	290	21	37	390	0.52%	
Dues & Fees	1,687	20	310	310	320	0.43%	
Training and Travel	-	700	-	350	700	0.94%	
Office Supplies	731	2,100	799	1,327	2,100	2.83%	
IT Support	4,812	(270)	623	605	600	0.81%	
Operating Supplies	3,087	5,100	2,606	4,020	5,100	6.86%	
Telephone	575	500	742	952	500	0.67%	
Legal Fees	18,528	10,000	11,291	14,336	16,000	21.53%	
Professional Services	584	900	2,204	4,895	6,400	8.61%	
Youth Zone	1,500	7,000	-	1,500	1,000	1.35%	
Workers Compensation	94	230	58	58	260	0.35%	
Jury Trial Expenses	-	500	-	-	500	0.67%	
Jury Fees	-	-	-	-	-	0.00%	
Capital Outlay	-	250	-	-	2,000	2.69%	
Total Judicial	65,283	77,470	38,684	57,012	74,320	100.00%	

EXECUTIVE & LEGISLATIVE EXPENSES							
Wages	192,198	155,870	138,764	203,428	150,260	28.41%	
Overtime	798	-	1,282	2,231	-	0.00%	
Withholding	15,008	12,530	11,025	16,166	11,950	2.26%	
Insurance Benefit	42,217	34,280	37,661	58,025	44,460	8.41%	
Retirement Benefit	7,104	7,330	5,715	8,764	6,960	1.32%	
Disability Ins	2,184	1,940	1,232	1,558	1,770	0.33%	
HRA	54,257	70,000	35,256	45,033	50,730	9.59%	
Fees & Dues	7,094	4,000	5,536	5,895	6,000	1.13%	
Public Notices	266	3,500	-	2,176	3,500	0.66%	
Training & Travel	4,018	3,500	1,880	3,080	5,500	1.04%	
Office Supplies	4,168	3,500	3,168	4,231	5,500	1.04%	
IT Support	2,500	1,980	1,201	1,882	1,980	0.37%	
Operating Supplies	11,093	10,450	1,505	2,105	5,450	1.03%	
Vehicle Supplies & Maint.	-	2,700	-	1,110	2,700	0.51%	
Telephone	3,093	3,000	1,741	3,086	3,000	0.57%	
Employee Appreciation	-	1,500	-	1,500	1,500	0.28%	
Professional Services	123,408	70,000	47,081	70,952	125,000	23.63%	
COLA	-	25,130	-	12,565	14,410	2.72%	
Fuel/Motor Oil	879	4,200	276	408	2,500	0.47%	
Workers Compensation	1,184	560	144	288	635	0.12%	
Contingency	-	29,390	-	29,390	80,100	15.14%	
Capital Outlay	-	-	-	-	5,000	0.95%	

DESCRIPTION	2015 Final	2016 Budget	2016 August YTD Actual	2016 Projected	2017 Budget	% of Budget
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Total Exec. & Legis.	471,469	445,360	293,466	473,872	528,905	100.00%
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FISCAL EXPENSES						
County Treasurer Comm.	9,975	12,000	8,973	11,494	12,000	21.05%
Audit Services	9,500	9,500	9,500	9,500	10,000	17.54%
Insurance / Surety / Bonds	31,027	35,000	16,717	25,292	35,000	61.40%
Total Fiscal	50,502	56,500	35,190	46,286	57,000	100.00%

LEGAL EXPENSES						
Attorney Fees	48,050	45,000	34,859	52,288	-	0.00%
Reimbursable Attny. Fees	-	-	-	-	-	0.00%
Total Legal	48,050	45,000	34,859	52,288	-	0.00%

ELECTION EXPENSES						
Training & Travel	27	100	-	100	-	0.00%
Office Supplies	-	50	-	50	-	0.00%
Election Forms & Supplies	353	2,000	390	390	-	0.00%
Clothing Allowance	-	-	-	-	-	0.00%
Election Services	-	1,000	400	2,610	-	0.00%
Total Election	380	3,150	790	3,150	-	0.00%

BUILDING EXPENSES						
Wages	13,219	24,550	10,107	12,456	13,570	28.29%
Overtime	625	-	418	418	-	0.00%
Withholding	1,072	1,950	825	1,011	1,080	2.25%
Insurance Benefits	3,613	10,690	1,665	2,664	4,540	9.47%
Retirement Benefits	656	1,230	312	429	680	1.42%
Disability Ins	150	300	54	82	170	0.35%
Fees and Dues	144	-	389	389	-	0.00%
Operating Supp. & Maint.	5,328	6,000	5,859	7,891	6,000	12.51%
Building & Grounds Maint.	7,028	16,300	1,765	14,651	16,300	33.99%
Utilities	3,402	3,500	2,397	3,956	3,500	7.30%
Telephone	383	550	19	220	550	1.15%
Workers Compensation	897	1,370	354	708	1,570	3.27%
Capital Outlay	-	-	-	-	-	0.00%
Total Building	36,515	66,440	24,163	44,875	47,960	100.00%

COMMUNITY DEVELOPMENT EXPENSES						
Wages	64,946	67,780	45,623	70,340	93,970	16.24%
Overtime	2,638	-	4,514	7,514	5,000	0.86%
Withholding	5,112	5,390	3,836	6,494	7,470	1.29%
Insurance Benefits	21,825	25,520	15,353	23,830	35,640	6.16%
Retirement Benefits	3,197	3,390	2,316	3,552	4,700	0.81%
Disability Ins	719	800	505	784	1,200	0.21%
Fees & Dues	310	550	135	135	550	0.10%
Code Enforcement	21	-	-	-	-	0.00%
Office Supplies	760	5,000	799	2,375	5,000	0.86%
IT Support	977	200	1,337	2,057	200	0.03%
Operating Supplies	2,544	15,000	192	12,039	15,000	2.59%
Vehicle Supplies and Maintenance	1,732	-	54	54	-	0.00%
Telephone	1,409	500	520	698	500	0.09%
Required Mailings	-	450	-	-	450	0.08%
Professional Services	3,447	60,000	-	60,000	60,000	10.37%
Contracted Building Inspection	9,316	142,500	12,962	69,991	142,500	24.62%
Training & Travel	161	2,500	271	671	2,500	0.43%
Economic Development	5,000	5,000	1,000	1,000	-	0.00%
Reimbursable Fees	-	-	-	-	-	0.00%
Fuel / Motor Oil	109	-	62	62	1,200	0.21%
Workers Compensation	193	290	76	132	340	0.06%
Bike Rodeo	981	-	137	137	-	0.00%
Comm Clean Up Day Expense	4,594	7,000	2,546	2,546	2,500	0.43%
Oktoberfest Expenses	97,433	150,000	104,313	208,627	200,000	34.56%
Capital Outlay	-	-	-	-	-	0.00%

DESCRIPTION	2015 Final	2016 Budget	2016 August YTD Actual	2016 Projected	2017 Budget	% of Budget
Total Community Development	227,425	491,870	196,551	473,037	578,720	100.00%

LAW ENFORCEMENT EXPENSES						
Wages	244,308	274,580	166,149	245,792	255,720	55.93%
Overtime Wages	16,122	-	6,404	10,404	-	0.00%
FPPA / D&D\Withholding	5,187	5,100	3,862	5,971	4,860	1.06%
Insurance Benefits	59,006	89,570	43,841	63,777	71,550	15.65%
Retirement	17,567	25,330	11,686	17,507	23,510	5.14%
Disability Ins	2,555	3,260	1,636	2,296	3,250	0.71%
Memberships / Dues	256	1,600	705	889	1,600	0.35%
Advertising / Publications	211	-	-	-	-	0.00%
Office Supplies	2,836	4,000	943	1,808	4,000	0.87%
Operating Supplies	13,176	8,000	8,236	10,641	8,000	1.75%
IT Support	1,824	1,280	1,355	1,848	1,280	0.28%
Police Officer Supplies	4,759	2,500	2,892	3,626	2,500	0.55%
Neighborhood Watch	138	1,000	-	-	1,000	0.22%
Mock DUI	-	-	-	-	-	0.00%
Vehicle Supplies & Maint.	4,529	8,000	-	-	4,000	0.87%
Explorer Post	-	-	-	-	-	0.00%
K9 Equipment	(30)	-	-	-	-	0.00%
Donation	-	-	-	-	-	0.00%
Vehicle Repairs	1,838	5,000	(320)	3,893	5,000	1.09%
Police Dept CD	-	-	-	-	-	0.00%
Utilities	1,701	1,100	1,198	1,827	1,100	0.24%
Telephone	5,072	4,500	4,707	7,020	4,500	0.98%
Advocate Safe House	-	500	-	-	500	0.11%
Colorado West	-	-	-	-	-	0.00%
Contractual Services	1,425	1,000	1,890	3,450	1,500	0.33%
Training / Travel	1,291	5,000	516	1,349	4,000	0.87%
Uniforms	3,732	9,000	358	1,122	4,500	0.98%
Fuel / Motor Oil	13,804	20,000	6,760	10,670	12,000	2.62%
Insurance / Surety / Bonds	-	-	5,350	8,916	-	0.00%
Workers Compensation	9,668	11,660	3,009	5,744	13,310	2.91%
Contingency	-	-	-	-	-	0.00%
Capital Outlay	3,271	-	-	-	17,500	3.83%
Vehicle Lease	12,328	12,000	9,247	9,247	12,000	2.62%
Total Law Enforcement	426,571	493,980	280,425	417,798	457,180	100.00%

RECORDS COORDINATOR EXPENSES						
Wages	36,286	35,190	23,459	35,188	37,180	69.91%
Withholding	2,764	2,800	1,793	2,678	2,960	5.57%
Insurance Benefits	1,134	1,170	749	1,127	1,660	3.12%
Retirement Benefits	1,760	1,760	1,183	1,770	1,860	3.50%
Disability Ins	419	450	280	419	470	0.88%
Fees and Dues	-	-	-	-	-	0.00%
Office Supplies	975	3,000	63	1,142	2,000	3.76%
IT Support	272	-	887	1,607	700	1.32%
Operating Supplies	1,516	3,000	98	1,091	3,000	5.64%
Utilities	2,126	1,350	1,498	2,104	2,100	3.95%
Telephone	772	800	47	366	800	1.50%
Training / Travel	-	200	-	-	200	0.38%
Workers Compensation	94	220	56	99	250	0.47%
Contingency	-	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	0.00%
Total Records	48,119	49,940	30,113	47,593	53,180	100.00%

ENGINEERING EXPENSES						
Professional Services	4,266	40,000	-	40,000	80,000	100.00%
Reimbursable Fees	-	-	-	-	-	0.00%
Total Engineering	4,266	40,000	-	40,000	80,000	100.00%

PARKS						
Wages	43,950	67,590	42,843	61,860	24,640	24.43%

2017 BUDGET WATER ENTERPRISE FUND SUMMARY

WATER ENTERPRISE FUND REVENUES

DESCRIPTION	2015 Final	2016 Budget	2016 August YTD Actual	2016 Projected	2017 Budget	% of Budget
Water Utility Receipts	\$ 344,028	\$ 358,050	\$ 232,138	\$ 369,734	\$ 380,000	41.95%
Irrigation Utility Receipts	31,111	37,550	17,555	28,399	32,530	3.59%
Late Fees / Penalties	2,000	1,500	1,493	1,940	1,940	0.21%
Irrigation Tap Fees	-	-	-	-	-	0.00%
Water Tap Fees	-	-	4,875	4,875	-	0.00%
Interest Revenue	30	40	19	26	30	0.00%
Transfer From General Fund	35,000	69,710	34,855	69,711	41,300	4.56%
Miscellaneous Revenues	73	-	73	-	-	0.00%
Loan from General Fund	-	15,960	-	15,960	-	0.00%
Grant Receipts	68,166	300,000	-	-	450,000	49.68%
Trans for Cap Imprv / Equip	-	-	-	-	-	0.00%
Trans from Retained Earnings	-	-	-	-	-	0.00%
Total Water Revenues	\$ 480,407	\$ 782,810	\$ 291,007	\$ 490,645	\$ 905,800	100.00%

WATER ENTERPRISE FUND EXPENSES

Wages	\$ 120,379	\$ 122,150	\$ 93,781	\$ 136,349	\$ 131,970	12.95%
Overtime Wages	7,088	-	4,230	4,230	-	0.00%
Withholding	9,488	9,710	7,327	10,711	10,490	1.03%
Insurance Benefits	32,209	42,870	24,806	38,992	49,090	4.82%
Retirement Benefits	5,595	6,110	3,778	5,862	6,600	0.65%
Diability Ins.	1,274	340	791	1,308	1,680	0.16%
Fees & Dues	547	600	664	719	600	0.06%
Publications	215	200	-	-	200	0.02%
Office Supplies	2,853	700	3,195	3,354	700	0.07%
IT Support	2,608	1,500	1,397	1,704	1,500	0.15%
Operating Supplies	20,677	10,000	14,099	16,882	10,000	0.98%
Equipment Repair	409	5,000	5,720	8,260	5,000	0.49%
Utilities	27,712	32,000	18,188	31,382	32,000	3.14%
Telephone	3,327	4,000	2,796	4,449	4,000	0.39%
Attorney Fees	6,913	1,500	4,529	5,206	1,500	0.15%
Engineering	1,668	-	110	110	20,000	1.96%
Audit	-	2,500	-	-	2,500	0.25%
Training / Tavel	2,310	-	38	38	-	0.00%
COLA	-	-	-	-	1,500	0.15%
Potable Water (Water Plant)	6,613	15,000	5,035	15,035	15,000	1.47%
Water Meter Expense	3,200	1,500	-	1,500	1,500	0.15%
Source of Supply (Revell Springs)	4,505	1,500	-	117	1,500	0.15%
Transmission / Distribution (Water Pipes)	1,958	2,500	2,863	3,747	2,500	0.25%
Irrigation System	1,054	4,500	-	2,304	4,500	0.44%
Corss Connection Program	-	1,000	-	-	1,000	0.10%
Clothing Allowance	-	1,600	51	1,651	1,600	0.16%
Fuel / Motor Oil	3,240	4,000	2,116	3,846	4,000	0.39%
Insurance	9,642	10,000	6,336	9,185	10,000	0.98%
Worker's Compensation	4,295	5,380	1,386	2,475	5,380	0.53%
Refund Utility Overpayment	-	-	-	-	-	0.00%
Administration Fee	-	-	-	-	-	0.00%
Water Treatment / Testing	9,683	17,000	16,627	23,102	17,000	1.67%
Safety Program	-	-	-	-	-	0.00%
Depreciation	77,560	-	-	-	-	0.00%
Contingency	-	-	-	-	-	0.00%
Capital Outlay	80,860	461,070	13,839	13,839	665,960	65.37%
Capital Outlay - Bag Filter House	-	4,000	-	4,024	4,000	0.39%
% of Vehicle Lease	326	1,000	2,163	2,551	1,000	0.10%
Annual Ruedi Water Pmnt.	470	4,500	9,691	9,691	4,500	0.44%
Trans. For Cap. Imprv/Equip	-	-	-	-	-	0.00%
Debt Service Pmt. CWCB	2,129	11,120	11,119	22,239	-	0.00%
Debt Service Pmt. Alpine	14,277	22,000	-	22,000	-	0.00%
Total Water Fund Expenses	\$ 465,083	\$ 806,850	\$ 256,675	\$ 406,863	\$ 1,018,770	100.00%

WATER ENTERPRISE FUND REVENUE / EXPENDITURE COMPARISON

2017 BUDGET WASTEWATER ENTERPRISE FUND SUMMARY

WASTEWATER ENTERPRISE REVENUES

DESCRIPTION	2015 Final	2016 Budget	2016 August YTD Actual	2016 Projected	2017 Budget	% of Budget
Wastewater Utility Receipts	\$ 207,927	\$ 205,000	\$ 155,517	\$ 248,798	\$ 253,000	91.79%
Wastewater Tap Fees	-	-	4,875	4,875	-	0.00%
Interest Revenue	44	30	30	35	30	0.01%
Trans For Cap Imprv / Equip	-	-	-	-	-	0.00%
Transfer from General Fund	22,000	20,500	10,250	20,500	22,590	8.20%
Trans from Retained Earnings	-	-	-	-	-	0.00%
Total Wastewater Revenue	\$ 229,971	\$ 225,530	\$ 170,672	\$ 274,208	\$ 275,620	100.00%

WASTEWATER ENTERPRISE EXPENSES

Wages	\$ 23,215	\$ 27,370	\$ 15,902	\$ 25,123	\$ 22,410	8.13%
Overtime	915	500	717	717	-	0.00%
Withholding	1,809	2,180	1,683	2,201	1,780	0.00%
Insurance Benefits	5,436	8,750	4,103	6,329	8,330	8.76%
Retirement Benefits	1,108	1,370	761	1,111	1,120	0.41%
Disability Ins	237	1,570	148	148	290	0.11%
Fees and Dues	144	-	389	389	-	0.00%
Office Supplies	731	350	874	972	350	0.37%
IT Support	1,373	530	1,337	1,422	530	0.00%
Operating Supplies	6,112	10,000	5,859	8,900	10,000	0.00%
Equipment Repair	-	2,000	51	1,036	2,000	0.00%
Utilities	3,402	3,500	2,397	3,958	3,500	0.00%
Utilities / Lift Station	6,567	8,000	3,844	7,134	8,000	0.00%
Telephone	2,033	2,200	854	1,863	2,200	0.00%
Attorney Fees	-	-	256	256	-	0.00%
Engineering	-	-	-	-	-	0.00%
Audit	-	-	-	-	-	0.00%
Line Cleaning	43,259	11,000	8,589	8,589	11,000	0.00%
Treatment / CMD Contract	131,592	123,000	83,421	136,992	123,000	0.00%
Tap Fees CMD	-	-	-	-	-	0.00%
COLA	-	1,090	-	545	400	0.00%
Clothing Allowance	-	-	-	-	-	0.00%
Lift Station Wet Well	-	6,570	-	-	6,570	0.00%
Lift Station Pump Maint.	-	2,500	5,188	5,257	2,500	0.00%
Fuel / Motor Oil	2,853	3,000	2,116	3,562	3,000	0.00%
Insurance / Surety / Bond	3,756	3,000	2,244	2,978	3,000	0.00%
Workers Compensation	2,675	970	250	439	970	0.00%
Administration Fee	-	-	-	-	-	0.00%
Safety Program	-	-	-	-	-	0.00%
Depreciation	26,472	-	-	-	-	0.00%
Contingency	-	1,880	-	-	54,735	0.00%
Capital Outlay	-	-	-	-	-	0.00%
Debt Service	326	2,000	2,163	3,496	5,535	0.00%
% of Vehicle Lease	-	2,200	-	-	4,400	0.00%
Trans. To Cap. Imprv	-	-	-	-	-	0.00%
Total Wastewater Exp.	\$ 264,016	\$ 225,530	\$ 143,146	\$ 223,416	\$ 275,620	100.00%

WASTEWATER ENTERPRISE FUND REVENUE / EXPENDITURE COMPARISON

Beginning Fund Balance	\$ 78,336	\$ 44,291	\$ 44,291	\$ 95,082
TOTAL REVENUES	\$ 229,971	\$ 225,530	\$ 274,208	\$ 275,620
TOTAL EXPENDITURES	\$ 264,016	\$ 225,530	\$ 223,416	\$ 275,620
Current Revenue / Expense	\$ (34,045)	\$ -	\$ 50,792	\$ -
Ending Fund Balance	\$ 44,291	\$ 44,291	\$ 95,082	\$ 95,082

Available for Packages

\$

-

2017 BUDGET STREET AND ALLEYS FUND SUMMARY

STREET AND ALLEY FUND REVENUES

DESCRIPTION	2015 Final	2016 Budget	2016 August YTD Actual	2016 Projected	2017 Budget	% of Budget
Specific Ownership Tax	\$ 21,532	\$ 25,000	\$ 13,030	\$ 22,241	\$ 22,240	11.12%
MV Special Assessment	6,312	7,000	3,909	6,896	6,900	3.45%
Highway User Tax Fund	40,817	42,460	25,076	41,231	40,820	20.41%
County Road & Bridge Fund	49,985	75,000	21,803	29,010	50,000	25.01%
Transfer from General Fund	160,000	160,000	80,000	160,000	80,000	40.01%
Miscellaneous Revenues	2,000	-	-	-	-	0.00%
Total Street and Alley Revenues	\$ 280,646	\$ 309,460	\$ 143,818	\$ 259,377	\$ 199,960	100.00%

STREET & ALLEY FUND EXPENSES

Wages	\$ 71,524	\$ 97,340	\$ 48,376	\$ 80,906	\$ 103,610	41.55%
Overtime Wages	2,967	3,500	2,366	2,366	-	0.00%
Withholding	5,761	7,740	3,957	6,448	8,240	3.30%
Insurance Benefits	20,011	33,520	16,088	27,367	32,590	13.07%
Retirement Benefits	3,435	4,870	2,432	4,111	5,180	2.08%
Disability Ins	793	1,570	563	940	1,320	0.53%
Fees & Dues	144	-	389	389	-	0.00%
IT Support	1,142	250	450	506	250	0.10%
Shop Supplies	12,449	4,950	10,996	13,163	4,950	1.98%
Equipment Repairs	1,855	20,000	5,577	16,670	10,000	4.01%
Old Town Hall Utilities	3,559	3,000	1,887	2,875	3,000	1.20%
Utilities	5,103	5,000	3,595	5,876	5,000	2.00%
Street Lights	44,555	34,000	27,888	42,188	44,000	17.64%
Telephone	1,639	2,000	845	1,605	2,000	0.80%
Engineering	55	1,500	1,645	1,645	1,500	0.60%
Training / Travel	-	9,500	-	-	-	0.00%
COLA	-	1,090	-	545	1,220	0.49%
Street Striping	-	10,000	9,314	19,314	10,000	4.01%
Street Maintenance	4,101	-	4,650	4,650	-	0.00%
Parachute Ave Repair	-	-	-	-	-	0.00%
Right-of-way Maintenance	219	3,500	-	2,345	3,500	1.40%
Fuel / Motor Oil	3,047	4,500	2,116	4,026	4,500	1.80%
Workers Compensation	3,881	5,380	1,386	2,754	5,380	2.16%
Safety Program	-	150	-	68	150	0.06%
Contingency	-	44,600	-	-	-	0.00%
Capital Outlay	608	8,500	-	1,864	-	0.00%
% of Vehicle Lease Pmt.	4,325	3,000	2,163	3,381	3,000	1.20%
Total Street & Alley Expenditures	\$ 191,171	\$ 309,460	\$ 146,683	\$ 246,002	\$ 249,390	100.00%

STREET & ALLEY FUND REVENUE / EXPENDITURE COMPARISON

Beginning Fund Balance	\$ 47,132	\$ -	\$ -	\$ 136,607	\$ 149,982
TOTAL REVENUES	\$ 280,646	\$ 309,460	\$ -	\$ 259,377	\$ 199,960
TOTAL EXPENDITURES	\$ 191,171	\$ 309,460	\$ -	\$ 246,002	\$ 249,390
Current Revenue / Expense	\$ 89,475	\$ -	\$ -	\$ 13,375	\$ (49,430)
Ending Fund Balance	\$ 136,607	\$ -	\$ -	\$ 149,982	\$ 100,552

Available for Packages \$ -
Use of Fund Balance \$ (49,430)

2017 BUDGET GARBAGE ENTERPRISE FUND SUMMARY

GARBAGE ENTERPRISE FUND REVENUES

DESCRIPTION	2015 Final	2016 Budget	2016 August YTD Actual	2016 Projected	2017 Budget	% of Budget
Garbage Services	\$ 58,798	\$ 56,000	\$ 40,731	\$ 61,423	\$ 60,000	100.00%
Miscellaneous Revenues	-	-	-	-	-	0.00%
Total Garbage Revenues	\$ 58,798	\$ 56,000	\$ 40,731	\$ 61,423	\$ 60,000	100.00%

GARBAGE ENTERPRISE FUND EXPENSES

Equipment	\$ 904	\$ -	\$ -	\$ -	\$ -	0.00%
Contract Hauler	53,305	56,000	35,889	54,217	56,000	100.00%
Administration Fee	-	-	-	-	-	0.00%
Total Garbage Expenses	\$ 54,209	\$ 56,000	\$ 35,889	\$ 54,217	\$ 56,000	100.00%

GARBAGE ENTERPRISE FUND REVENUE / EXPENDITURE COMPARISON

Beginning Fund Balance	\$ 21,826	\$ 26,415		\$ 26,415	\$ 33,622
TOTAL REVENUES	\$ 58,798	\$ 56,000		\$ 61,423	\$ 60,000
TOTAL EXPENDITURES	\$ 54,209	\$ 56,000		\$ 54,217	\$ 56,000
Current Revenue / Expense	\$ 4,589	\$ -		\$ 7,207	\$ 4,000
Ending Fund Balance	\$ 26,415	\$ 26,415		\$ 33,622	\$ 37,622

2017 BUDGET PARKS & RECREATION ENTERPRISE FUND SUMMARY

PARKS & RECREATION ENTERPRISE FUND REVENUES

DESCRIPTION	2015 Final	2016 Budget	2016 August YTD Actual	2016 Projected	2017 Budget	% of Budget
	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
	-	-	-	-	-	0.00%
	-	-	-	-	-	0.00%
Total Parks and Rec Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%

PARKS & RECREATION ENTERPRISE FUND EXPENSES

	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
	-	-	-	-	-	0.00%
	-	-	-	-	-	0.00%
	-	-	-	-	-	0.00%
	-	-	-	-	-	0.00%
	-	-	-	-	-	0.00%
	-	-	-	-	-	0.00%
	-	-	-	-	-	0.00%
Total Parks & Rec Expenditures	\$ -	0.00%				

PARKS & RECREATION ENTERPRISE FUND REVENUE / EXPENDITURE COMPARISON

Beginning Fund Balance	\$ -	\$ -		\$ -	\$ -
TOTAL REVENUES	\$ -	\$ -		\$ -	\$ -
TOTAL EXPENDITURES	\$ -	\$ -		\$ -	\$ -
Current Revenue / Expense	\$ -	\$ -		\$ -	\$ -
Ending Fund Balance	\$ -	\$ -		\$ -	\$ -

2017 BUDGET GRANT FUND SUMMARY

GRANT FUND REVENUES

DESCRIPTION	2015 Final	2016 Budget	2016 August YTD Actual	2016 Projected	2017 Budget	% of Budget
High School Sidewalk (SRS)	\$ -	\$ -	\$ -	\$ -	\$ 200,000	15.56%
River Access Ramp (GCFMLD)	-	-	-	-	250,000	19.45%
Trails Signs (GCFMLD)	-	-	-	-	25,000	1.94%
Park 'n' Ride (DOLA)	-	-	-	-	200,000	15.56%
Cottonwood Park Upgrade (CHF)	-	-	-	-	100,000	7.78%
Partner Matching Funds	-	-	-	-	105,000	
Transfer from Other Funds	-	-	-	-	405,655	31.55%
Total Grant Fund Revenues	\$ -	\$ -	\$ -	\$ -	\$ 1,285,655	91.83%

GRANT FUND EXPENSES

Grant Projects	\$ -	\$ -	\$ -	\$ -	\$ 1,285,655	100.00%
	-	-	-	-	-	0.00%
	-	-	-	-	-	0.00%
	-	-	-	-	-	0.00%
	-	-	-	-	-	0.00%
	-	-	-	-	-	0.00%
	-	-	-	-	-	0.00%
	-	-	-	-	-	0.00%
	-	-	-	-	-	0.00%
Total Grant Expenditures	\$ -	\$ -	\$ -	\$ -	\$ 1,285,655	100.00%

GRANT FUND REVENUE / EXPENDITURE COMPARISON

Beginning Fund Balance	\$ -	\$ -		\$ -	\$ -
TOTAL REVENUES	\$ -	\$ -		\$ -	\$ 1,285,655
TOTAL EXPENDITURES	\$ -	\$ -		\$ -	\$ 1,285,655
Current Revenue / Expense	\$ -	\$ -		\$ -	\$ -
Ending Fund Balance	\$ -	\$ -		\$ -	\$ -

2017 BUDGET CONSERVATION TRUST FUND SUMMARY

CONSERVATION TRUST FUND REVENUES

DESCRIPTION	2015 Final	2016 Budget	2016 August YTD Actual	2016 Projected	2017 Budget	% of Budget
Conservation Trust Receipts	\$ 5,268	\$ 3,000	\$ 4,065	\$ 3,363	\$ 3,360	96.28%
Interest Revenue	77	30	67	128	130	3.72%
Trans from Retained Earnings	-	-	-	-	-	0.00%
Total Con. Trust Revenues	\$ 5,345	\$ 3,030	\$ 4,132	\$ 3,490	\$ 3,490	100.00%

CONSERVATION TRUST FUND EXPENSES

Wages	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Withholding	-	-	-	-	-	0.00%
Insurance Benefit	-	-	-	-	-	0.00%
Retirement Benefit	-	-	-	-	-	0.00%
Cottonwood Park	-	-	-	-	-	0.00%
Rest Stop	-	-	-	-	-	0.00%
Beasley Park	-	-	-	-	-	0.00%
Trans from Retained Earnings	-	-	-	-	-	0.00%
Contingency	-	-	-	-	75,954	100.00%
Total Con. Trust Expenses	\$ -	\$ -	\$ -	\$ -	\$ 75,954	100.00%

CONSERVATION TRUST FUND REVENUE / EXPENDITURE COMPARISON

Beginning Fund Balance	\$ 63,629	\$ 68,974	\$ 68,974	\$ 72,464
TOTAL REVENUES	\$ 5,345	\$ 3,030	\$ 3,490	\$ 3,490
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ 75,954
Current Revenue / Expense	\$ 5,345	\$ 3,030	\$ 3,490	\$ (72,464)
Ending Fund Balance	\$ 68,974	\$ 72,004	\$ 72,464	\$ 0

2017 BUDGET PARACHUTE CAPITAL IMPROVEMENTS FUND SUMMARY

PARACHUTE CAPITAL IMPROVEMENT FUND REVENUES

DESCRIPTION	2015 Final	2016 Budget	2016 August YTD Actual	2016 Projected	2017 Budget	% of Budget
Transfer from General Fund	\$ 595,000	\$ 59,500	\$ 29,750	\$ 59,500	\$ 61,090	100.00%
Transfer from Other Capital Funds	-	-	-	-	-	0.00%
Grants	76,522	691,000	762,930	762,930	-	0.00%
Total Capital Improvement Revenues	671,522	750,500	792,680	822,430	61,090	100.00%

CAPITAL IMPROVEMENT FUND EXPENSES

Police Department Acquisitions	\$ -	\$ 73,020	\$ 49,225	\$ 49,225	\$ -	0.00%
Public Works Acquisitions	-	178,000	84,788	-	-	0.00%
Street Maintenance	922	313,681	-	325,000	250,000	38.13%
Building Construction Projects	-	10,000	2,000	2,000	-	0.00%
Events Equipment	15,000	-	33,586	33,586	-	0.00%
Sidewalk Improvement Project	-	-	17,095	25,996	-	0.00%
Road Construction Projects	1,511,477	1,100,000	29,104	129,104	-	0.00%
Cottonwood Park Electrical	47,154	-	-	-	-	0.00%
Other	-	-	-	-	405,655	61.87%
Total Capital Improvement Expenses	\$ 1,574,553	\$ 1,674,701	\$ 215,798	\$ 564,911	\$ 655,655	38.13%

PARACHUTE CAPITAL IMPROVEMENT FUND REVENUE / EXPENDITURE COMPARISON

Beginning Fund Balance	\$ 1,534,126	\$ 631,096	\$ 631,096	\$ 888,614
TOTAL REVENUES	\$ 671,522	\$ 750,500	\$ 822,430	\$ 61,090
TOTAL EXPENDITURES	\$ 1,574,553	\$ 1,674,701	\$ 564,911	\$ 655,655
Current Revenue / Expense	\$ (903,030)	\$ (924,201)	\$ 257,518	\$ (594,565)
Ending Fund Balance	\$ 631,096	\$ (293,106)	\$ 888,614	\$ 294,049

2017 BUDGET DEBT SERVICE FUND SUMMARY

DEBT SERVICE FUND REVENUES

DESCRIPTION	2015 Final	2016 Budget	2016 August YTD Actual	2016 Projected	2017 Budget	% of Budget
Transfer from General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Total Debt Service Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	-

DEBT SERVICE FUND EXPENSES

Debt Service - Principal	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Debt Service - Interest	-	-	-	-	-	0.00%
Total Debt Service Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%

DEBT SERVICE FUND REVENUE / EXPENDITURE COMPARISON

Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Revenue / Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

2017 BUDGET RESERVE FUND SUMMARY

RESERVE FUND REVENUES

DESCRIPTION	2015 Final	2016 Budget	2016 August YTD Actual	2016 Projected	2017 Budget	% of Budget
Transfer from General Fund	\$ 12,030	\$ 12,030	\$ 8,590	\$ 12,030	\$ -	0.00%
Total Reserve Fund Revenues	\$ 12,030	\$ 12,030	\$ 8,590	\$ 12,030	\$ -	0.00%

RESERVE FUND EXPENSES

Expenditure	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Total Reserve Fund Expenses	\$ -	0.00%				

RESERVE FUND REVENUE / EXPENDITURE COMPARISON

Beginning Fund Balance	\$ 3,041,390	\$ 3,053,420		\$ 3,053,420	\$ 3,065,450
TOTAL REVENUES	\$ 12,030	\$ 12,030		\$ 12,030	\$ -
TOTAL EXPENDITURES	\$ -	\$ -		\$ -	\$ -
Current Revenue / Expense	\$ 12,030	\$ 12,030		\$ 12,030	\$ -
Ending Fund Balance	\$ 3,053,420	\$ 3,065,450		\$ 3,065,450	\$ 3,065,450
3% TABOR Emergency Reserve		\$ 41,390		\$ 65,450	\$ 65,450
Board Policy Reserve		\$ 3,024,060		\$ 3,000,000	\$ 3,000,000

\$ -

**TOWN OF PARACHUTE, COLORADO
RESOLUTION NO. 2016-24**

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF PARACHUTE, COLORADO OPPOSING THE BALLOT QUESTION TO PROHIBIT THE OPERATION OF RETAIL MARIJUANA ESTABLISHMENTS AND STRONGLY ENCOURAGING THE ELECTORATE TO VOTE “NO.”

WHEREAS, in 2015, a Petitioners Committee was formed and the Committee submitted to the Town Clerk a Citizens’ Initiated Petition to prohibit retail marijuana establishments in the Town of Parachute (the “Town”);

WHEREAS, the Initiated Ordinance was placed on the agenda for the Board of Trustees regular meeting on September 17, 2015, at which, the Board of Trustees voted not to adopt the Initiated Ordinance and for the Initiated Ordinance to be placed on the ballot of the November 2016 general election, as prescribed by paragraph (5)(F) of Section 16 of Article XVIII of the Colorado Constitution;

WHEREAS, as a result, the following ballot question will appear on the November 2016 election ballot:

“Shall the Town of Parachute prohibit the licensing and operation of retail marijuana cultivation facilities, retail marijuana product manufacturing facilities, retail marijuana testing facilities, and retail marijuana stores?”

Yes _____

No _____”

(the “Marijuana Prohibition Ballot Question”).

WHEREAS, pursuant to Section 1-45-117(1)(b)(III) of the Fair Campaign Practices Act (C.R.S. § 1-45-101, *et seq.*), the Board of Trustees wishes to formally take a position with respect to the Marijuana Prohibition Ballot Question;

WHEREAS, the Board of Trustees believes that retail marijuana establishments have aided in stabilizing the Town’s economy, provided needed tax revenue, created jobs, and spurred other economic activity and, as a result, prohibiting retail marijuana establishments would be devastating to the Town’s economy; and

WHEREAS, the Board of Trustees believes it is in the best interests of the Town for the

Board of Trustees to oppose the Initiated Ordinance and encourage the Town's registered electorate to vote "NO" on the Marijuana Prohibition Ballot Question;

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

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

Section 2. The Board of Trustees opposes the passage of the Marijuana Prohibition Ballot Question that will appear on the November 8, 2016 coordinated election ballot and strongly encourages the electors of the Town of Parachute to vote NO in opposition of the Marijuana Prohibition Ballot Question.

Section 3. Adoption of this resolution may be reported or distributed only through established, customary means by which information about other proceedings of the Board of Trustees is regularly provided to the public; however, paid advertising may not be used.

INTRODUCED, PASSED, APPROVED, AND ADOPTED by a vote of ___ to ___ of the Board of Trustees of the Town of Parachute, Colorado at a special meeting held at the Town Hall in the Town of Parachute, Colorado on the ___ day of _____, 2016 and approved by the Mayor on the ___ day of _____, 2016.

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

By _____
Roy B. McClung, Mayor

ATTEST:

Lucy Cordova, Town Clerk

TOWN OF PARACHUTE, COLORADO
RESOLUTION NO. 2016-25

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF PARACHUTE, COLORADO IN SUPPORT OF THE MARIJUANA EXCISE TAX BALLOT QUESTION AND STRONGLY ENCOURAGING THE ELECTORATE TO VOTE “YES.”

WHEREAS, by Ordinance No. 2015-687, the Board of Trustees adopted a 5% excise tax on the cultivation of retail marijuana, which was approved by voters in November 2015;

WHEREAS, by Ordinance No. 2016-701, to offset costs and meet the current and future financial and planning needs of the Town, the Board of Trustees adopted a five percent (5%) excise tax on the cultivation of unprocessed medical marijuana when it is first sold or transferred by a medical marijuana cultivation facility and manufacturing of retail and medical marijuana when it is first sold or transferred from such manufacturing facility (the “Marijuana Excise Tax Ballot Question”);

WHEREAS, the Marijuana Excise Tax Ballot Question will appear on the November 2016 coordinated election ballot;

WHEREAS, pursuant to Section 1-45-117(1)(b)(III) of the Fair Campaign Practices Act (C.R.S. § 1-45-101, *et seq.*), the Board of Trustees wishes to formally take a position with respect to this ballot question;

WHEREAS, the proposed excise tax will produce needed revenues to the Town; and

WHEREAS, the Board of Trustees believes it is in the best interests of the Town for the Board of Trustees to support the Marijuana Excise Tax Ballot Question and encourage the Town’s registered electorate to vote “YES.”

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

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

Section 2. The Board of Trustees strongly supports the passage of the Marijuana Excise Tax Ballot Question that will appear on the November 8, 2016 coordinated election ballot and strongly encourages the electors of the Town of Parachute to vote YES in support of the Marijuana Excise Tax Ballot Question.

Section 3. Adoption of this resolution may be reported or distributed only through established, customary means by which information about other proceedings of the Board of Trustees is regularly provided to the public; however, paid advertising may not be used.

INTRODUCED, PASSED, APPROVED, AND ADOPTED by a vote of ___ to ___ of the Board of Trustees of the Town of Parachute, Colorado at a special meeting held at the Town Hall in the Town of Parachute, Colorado on the ___ day of _____, 2016 and approved by the Mayor on the ____ day of _____, 2016.

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

By _____
Roy B. McClung, Mayor

ATTEST:

Lucy Cordova, Town Clerk

**TOWN OF PARACHUTE, COLORADO
RESOLUTION NO. 2016-26**

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF PARACHUTE, COLORADO IN SUPPORT OF THE CHARTER AMENDMENT BALLOT QUESTION AND STRONGLY ENCOURAGING THE ELECTORATE TO VOTE “YES.”

WHEREAS, under Section 2-8 of the Town Charter, terms of the Board of Trustees in office are considered consecutive unless they are at least four years apart;

WHEREAS, the Board of Trustees desires to amend the Charter to decrease the time from four years to two years for terms in office to be considered consecutive (the “Charter Amendment”) and, by Ordinance No. 2016-706, approved such question to be placed on the regular election to be held on November 8, 2016;

WHEREAS, pursuant to Section 1-45-117(1)(b)(III) of the Fair Campaign Practices Act (C.R.S. § 1-45-101, *et seq.*), the Board of Trustees wishes to formally take a position with respect to this ballot question; and

WHEREAS, the Board of Trustees believes it is in the best interests of the Town for the Board of Trustees to support the Charter Amendment and encourage the Town’s registered electorate to vote “YES” on such ballot question.

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

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

Section 2. The Board of Trustees supports the passage of the Charter Amendment Ballot Question that will appear on the November 8, 2016 coordinated election ballot and strongly encourages the electors of the Town of Parachute to vote YES in support of the Charter Amendment Ballot Question.

Section 3. Adoption of this resolution may be reported or distributed only through established, customary means by which information about other proceedings of the Board of Trustees is regularly provided to the public; however, paid advertising may not be used.

INTRODUCED, PASSED, APPROVED, AND ADOPTED by a vote of ___ to ___ of the Board of Trustees of the Town of Parachute, Colorado at a special meeting held at the Town Hall in the Town of Parachute, Colorado on the ___ day of _____, 2016 and approved by the Mayor on the ___ day of _____, 2016.

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

By _____
Roy B. McClung, Mayor

ATTEST:

Lucy Cordova, Town Clerk



Retail Marijuana Establishment Business License Application and Checklist

Application Checklist

<p><input checked="" type="checkbox"/> Application Form Fully Completed</p> <p>Type or clearly print an answer to every question. If a question does not apply to you, indicate so with an N/A. If the available space is insufficient, continue on a separate sheet and precede each answer by stating the question. A separate application is required for EACH license type.</p>
<p><input checked="" type="checkbox"/> All Forms Signed & Attached</p> <p>The following accompanying forms must be signed by each owner of the Applicant as required by the Town's Retail Marijuana Establishments ordinance and be provided with the Application as a condition of acceptance:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Affirmation & Consent <input checked="" type="checkbox"/> Investigation Authorization/Authorization to Release
<p><input checked="" type="checkbox"/> Copy of Conditional State License or Proof of State License Application Attached</p> <p>Proof of state license application shall be submitted when a conditional state license has not been issued. Proof of a state license consists of a copy of the complete State Retail Marijuana License Application and supporting documents, and all Associated Key Marijuana License Applications and supporting documents submitted in connection with the Retail Marijuana License Application. These items may be submitted as a supplement to the other application materials.</p>
<p><input checked="" type="checkbox"/> All Requested Information Attached (Other forms may be made available and may be required at time of application)</p> <p>The following supporting information requested in the Town of Parachute's Retail Marijuana Establishments ordinance and in this application (as applicable) must be attached:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Proof of ownership, lease, rental agreement, or other arrangement for legal possession of the proposed licensed premises described in this application form. <input checked="" type="checkbox"/> Operating plan described in the Town's Retail Marijuana Establishments ordinance of the proposed licensed premises. <input checked="" type="checkbox"/> Floor plan described in the Town's Retail Marijuana Establishments ordinance of the proposed licensed premises. <input checked="" type="checkbox"/> Sign, security and lighting plans indicating how the proposed licensed premises will comply with the requirements of the Colorado Retail Marijuana Code and the Town's Retail Marijuana Establishments ordinance. <p>An area map of the proposed licensed premises as described in the Town's Retail Marijuana Establishments ordinance. The area map must clearly show the proximity of the proposed licensed premises to any public or private school located 500 feet or less from the proposed licensed premises, and to any other licensed premises located 150 feet or less from the proposed licensed premises as measured pursuant to the Town's Retail Marijuana Establishments ordinance.</p> <p>Proof that the proposed licenses premises will be located in a location that is compliant with the Town's zoning and land use laws, or that the necessary land use application(s) has been made.</p> <p>Note: The Town of Parachute reserves the right to request additional information and documentation throughout the course of the background investigation.</p>
<p><input type="checkbox"/> Application Fees</p> <p>Application fees as required by the Town's Retail Marijuana Establishments ordinance. Application fees are non-refundable and must be paid via a certified check or money order.</p>

New License Application Annual License Renewal

License Sought - Attach a copy of the conditional State License or proof of application for a State License.			
A separate license application must be filed for each type of desired license or proposed licensed premises.			
Retail Marijuana Store <input checked="" type="checkbox"/>		Retail Marijuana Testing Facility <input type="checkbox"/>	
Retail Marijuana Cultivation Facility <input type="checkbox"/>		Retail Marijuana Products Manufacturing Facility <input type="checkbox"/>	
*A Cultivation Facility license requires a public hearing before the Planning and Zoning Commission for Special Review Use approval.			
Applicant's Legal Business Name (Please Print) PARACHUTE GREEN JOINT LLC			
Trade Name (DBA) (Provide Trade Name Registration) THE GREEN JOINT		Website Address THE GREENJOINT.COM	
Location and Contact Information – Proposed Licensed Premises			
Street Address and Assessor Parcel No. of Proposed Premises 315 E 1ST STREET, SITE A 2409-121-14-003		City PARACHUTE	State ZIP CO 81635
Business Phone Number 970-285-9000	Business Fax Number N/A	Email Address DAN@THE GREEN JOINT.COM	
Does the applicant have legal possession of the proposed licensed premises by virtue of ownership, lease or other arrangement? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Legal Basis for possession: Ownership <input type="checkbox"/> Lease <input checked="" type="checkbox"/> Other <input type="checkbox"/> Explanation: _____			
Submit all documentation (e.g. deed, title commitment/report, title, sale or lease agreements etc.) showing legal right to possession. If premises are leased, attach written consent by the property owner to licensing of the premises for a retail marijuana establishment.			
Is the proposed licensed premises in compliance with applicable zoning and land use laws? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If not, has the applicant submitted the necessary land use application? Yes <input type="checkbox"/> No <input type="checkbox"/> Attach any submitted application.			
Applicants' Contact and Related Information			
Address 1030 GRAND AVE		City GLANWOOD SPRINGS	State Zip CO 81607
Primary Contact Person for Business DANIEL SULLIVAN		Title MEMBER MGR.	Primary Contact Phone Number [REDACTED]
Primary Contact Address (city, state, Zip) ABOVE		Primary Contact Fax Number	
Federal Taxpayer ID [REDACTED]	Colorado Sales Tax License # [REDACTED]	Email Address [REDACTED]	
Business Entity Details			
Sole Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/>		Limited Liability Company <input checked="" type="checkbox"/> C Corporation (Closely Held) <input type="checkbox"/>	
Trust <input type="checkbox"/> Limited Partnership <input type="checkbox"/>		S Corporation <input type="checkbox"/> C Corporation (Publicly Traded) <input type="checkbox"/>	
Other <input type="checkbox"/> Explanation: _____			
State of Incorporation or Creation of Business Entity COLORADO			Date of Incorp./Creation 8-3-15
Date Qualified to Conduct Business in Colorado (Provide Certificate of Good Standing from the Colorado Secretary of State's Office) 8-3-15 (ATTACHED)			
If a Corporation, Limited Liability Company, or Limited Partnership, List all States Where the Corporation is Authorized to Conduct Business COLORADO			
List all Trade Names used by the Business Entity In Addition to Formal Name THE GREEN JOINT			
Has the applicant (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation) or manager ever (in Colorado or any other state);			
• Been denied a privileged license (i.e.; Liquor, Gaming, Racing and Marijuana)?			Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
• Had a privileged license (i.e.; Liquor, Gaming, Racing and Marijuana) suspended or revoked?			Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

- Had interest in another entity that had a privileged (i.e.; Liquor, Gaming, Racing and Marijuana) license denied, suspended or revoked? Yes No

If you answered yes to any of the above questions, explain the denial, suspension, or revocation in detail on a separate sheet.

Ownership Structure

List all persons and/or entities with any ownership interest in the applicant/proposed licensee, and all officers and directors, regardless of whether they have an ownership interest in the applicant/proposed licensee. If an entity (corporation, partnership, LLC, etc.) has an ownership interest the applicant/proposed licensee, list all persons having an ownership interest in such entity, their percentage of ownership of the entity, and their effective ownership of applicant/proposed licensee if ownership in applicant is through ownership of a parent or holding entity (an Ownership Entity). Submit additional sheets if necessary.

Name GREEN MEDICINE LLC	Title	SSN/FEIN	Date of Birth
Address	City	State	ZIP Phone Number
Ownership Entity (if applicable)	% Ownership of Ownership Entity 100%		Effective Own. % in Applicant
Name DANIEL SULLIVAN	Title MEMBER Mgr.	SSN/FEIN	Date of Birth
Address	City	State	ZIP Phone Number
Ownership Entity (if applicable) GREEN MEDICINE LLC	% Ownership of Ownership Entity		Effective Own. % in Applicant 43.9
Name CHERYL SULLIVAN	Title MEMBER	SSN/FEIN	Date of Birth
Address	City	State	ZIP Phone Number
Ownership Entity (if applicable) GREEN MEDICINE LLC	% Ownership of Ownership Entity		Effective Own. % in Applicant 43.9
Name BARBARA PAARZ	Title MEMBER	SSN/FEIN	Date of Birth
Address	City	State	ZIP Phone Number
Ownership Entity (if applicable)	% Ownership of Ownership Entity		Effective Own. % in Applicant 12.2
Name	Title	SSN/FEIN	Date of Birth
Address	City	State	ZIP Phone Number
Ownership Entity (if applicable)	% Ownership of Ownership Entity		Effective Own. % in Applicant
Name	Title	SSN/FEIN	Date of Birth
Address	City	State	ZIP Phone Number
Ownership Entity (if applicable)	% Ownership of Ownership Entity		Effective Own. % in Applicant

Who, besides the owners of the applicant/proposed licensee listed above (including persons, firms, partnerships, corporations, limited liability companies, trusts), will loan or give money, inventory, furniture or equipment to or for use in this business; or who will receive money or profits from this business. Submit a separate sheet if necessary.

Name	Date of Birth	FEIN OR SSN	Interest
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Has the applicant or an ownership entity listed above (if applicable) ever applied for a marijuana license (retail or medical) in this or any other jurisdiction, foreign or domestic, whether or not the license was ever issued? If YES, provide details on a separate sheet, including jurisdiction, type of license, license number, and dates license held or applied for. <i>SEE ATTACHED</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Has the applicant or an ownership entity listed above ever been denied a marijuana license (retail or medical), withdrawn a marijuana license or had any disciplinary action taken against any marijuana license that they have held in this or any other jurisdiction, Colorado or otherwise? If YES, provide details on a separate sheet, including jurisdiction, type of action, and date of action. <i>SEE ATTACHED</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
In the last ten years, has the applicant or any partner, member, officer, director, or stockholder of the applicant ever been arrested, charged, or convicted of a crime or offense in a federal, state or other court? If YES, please provide details on a separate sheet, including jurisdiction, the crime or offense arrested for and whether charged with or convicted, and date of action.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

Maintenance of Books and Records

Name of Person who maintains Applicant's business records	Title
[REDACTED]	[REDACTED]
Address	Phone Number
[REDACTED]	[REDACTED]
Person who prepares Applicant's tax returns, government forms & reports	Title
[REDACTED]	[REDACTED]
Address	Phone Number
[REDACTED]	[REDACTED]

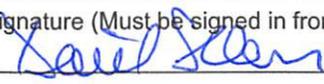
Location of financial books and records for Applicant's business
ABOVE

Managers

Name of Manager of proposed licensed premises. Submit a separate sheet, if necessary. <i>CRISTIN CAIN</i>	Date of Birth	SSN
	[REDACTED]	[REDACTED]

Owner's Affirmation & Consent

I, DANIEL SULLIVAN, as an owner of and authorized agent for the applicant, state under penalty for offering a false instrument for recording pursuant to 18-5-114 C.R.S. that the entire foregoing Retail Marijuana Establishment Business License Application, statements, attachments, and supporting schedules are true and correct to the best of my knowledge and belief, and that this statement is executed with the knowledge that misrepresentation or failure to reveal information requested may be deemed sufficient cause for Local Licensing Authority to refuse to issuance of a the desired retail marijuana establishment license. I am aware that later discovery of an omission or misrepresentation made in the above statements may be grounds for the denial or revocation of the license. I am voluntarily submitting this application to the Local Licensing Authority of the Town of Parachute, Colorado under oath with full knowledge that I may be charged with perjury or other crimes for intentional omissions and misrepresentations pursuant to Colorado law or for offering a false instrument for recording pursuant to 18-5-114 C.R.S. I further consent to any background investigation necessary to determine my present and continuing suitability and that this consent continues as long as applicant holds a retail marijuana establishment license, and for 90 days following the expiration or surrender of such marijuana license.

Print Full Owner/Legal Agent Name: <u>DANIEL LEE SULLIVAN</u>		
Applicant's Name <u>PARACHUTE GREEN JOINT LLC</u>		Trade Name (DBA) <u>THE GREEN JOINT</u>
Owner/Legal Agent Last Name (Please Print) <u>SULLIVAN</u>	Owner/Legal Agent First Name <u>DANIEL</u>	Owner/Legal Agent Middle Name <u>LEE</u>
Legal Agent Title <u>MEMBER MANAGER</u>	Signature (Must be signed in front of one witness) 	
Date (MM/DD/YY) <u>09-25-16</u>	City <u>SAN TAN VALLEY</u>	State <u>AZ</u>
Witness 1 Signature <u>Clye Sule</u>		

Owner's Authorization to Investigate and Release Information

I, DANIEL SULLIVAN, as an owner of and authorized agent for the applicant, hereby authorize the Town of Parachute, Colorado and any Application review authorities selected by it (hereafter, the Investigatory Agencies) to conduct a complete investigation into this Application, using whatever legal means they deem appropriate. I hereby authorize any person or entity contacted by the Investigatory Agencies to provide any and all such information deemed necessary by the Investigatory Agencies. I hereby waive any rights of confidentiality in this regard. I understand that by signing this authorization, a financial record check may be performed. I authorize any financial institution to surrender to the Town of Parachute, Colorado and Investigatory Agencies a complete and accurate record of such transactions that may have occurred with that institution, including, but not limited to, internal banking memoranda, past and present loan applications, financial statements and any other documents relating to financial records in whatever form and wherever located. I understand that by signing this authorization, a financial record check of the applicant/proposed licensee's tax filing and tax obligation status may be performed. I authorize the Town of Parachute, Colorado to surrender to the Investigatory Agencies a complete and accurate record of any and all tax information or records relating to applicant. I authorize the Investigatory Agencies to obtain, receive, review, copy, discuss and use any such tax information or documents relating to applicant. I authorize the release of this type of information, even though such information may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws.

The Town of Parachute, Colorado and Investigatory Agencies reserve the right to investigate all relevant information and facts to their satisfaction. I understand that the Investigatory Agencies may conduct a complete and comprehensive investigation to determine the accuracy of all information gathered. However, the Investigatory Agencies, their agents or employees shall not be held liable for the receipt, use, or dissemination of inaccurate information. I, on behalf of the applicant, its legal representatives, and assigns, hereby release, waive, discharge, and agree to hold harmless, and otherwise waive liability as to the Town of Parachute, Colorado, Investigatory Agencies, and any of those entities' agents or employees for any damages resulting from any use, disclosure, or publication in any manner, other than a willfully unlawful disclosure or publication, of any material or information acquired during inquiries, investigations, or hearings, and hereby authorize the lawful use, disclosure, or publication of this material or information. Any information contained within this Application, any financial or personnel record, or otherwise found, obtained, or maintained by the Town of Parachute, Colorado or Investigatory Agencies, shall be accessible to law enforcement agents of this or any other state, the government of the United States, or any foreign country.

Print Full Owner/Legal Agent Name: <u>DANIEL LEE SULLIVAN</u>		
Applicant's Name <u>PARACHUTE GREEN JOINT LLC</u>		Trade Name (DBA) <u>THE GREEN JOINT</u>
Owner/Legal Agent Last Name (Please Print) <u>SULLIVAN</u>	Owner/Legal Agent First Name <u>DANIEL</u>	Owner/Legal Agent Middle Name <u>LEE</u>
Signature <u>Daniel Sullivan</u>		Date <u>09-25-16</u>
Applicant's Business Name <u>PARACHUTE GREEN JOINT LLC</u>		Trade Name (DBA) <u>THE GREEN JOINT</u>
Legal Agent Title <u>MEMBER MANAGER</u>	Signature (Must be signed in front of one witness) <u>Daniel Sullivan</u>	
Date (MM/DD/YY) <u>09-25-16</u>	City <u>SAN JUAN VALLEY</u>	State <u>AZ</u>
Witness 1 Signature <u>Cyrus Sal</u>		

Owner's Authorization to Investigate and Release Information

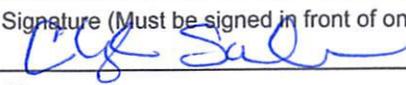
I, CHERYL SULLIVAN, as an owner of and authorized agent for the applicant, hereby authorize the Town of Parachute, Colorado and any Application review authorities selected by it (hereafter, the Investigatory Agencies) to conduct a complete investigation into this Application, using whatever legal means they deem appropriate. I hereby authorize any person or entity contacted by the Investigatory Agencies to provide any and all such information deemed necessary by the Investigatory Agencies. I hereby waive any rights of confidentiality in this regard. I understand that by signing this authorization, a financial record check may be performed. I authorize any financial institution to surrender to the Town of Parachute, Colorado and Investigatory Agencies a complete and accurate record of such transactions that may have occurred with that institution, including, but not limited to, internal banking memoranda, past and present loan applications, financial statements and any other documents relating to financial records in whatever form and wherever located. I understand that by signing this authorization, a financial record check of the applicant/proposed licensee's tax filing and tax obligation status may be performed. I authorize the Town of Parachute, Colorado to surrender to the Investigatory Agencies a complete and accurate record of any and all tax information or records relating to applicant. I authorize the Investigatory Agencies to obtain, receive, review, copy, discuss and use any such tax information or documents relating to applicant. I authorize the release of this type of information, even though such information may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws.

The Town of Parachute, Colorado and Investigatory Agencies reserve the right to investigate all relevant information and facts to their satisfaction. I understand that the Investigatory Agencies may conduct a complete and comprehensive investigation to determine the accuracy of all information gathered. However, the Investigatory Agencies, their agents or employees shall not be held liable for the receipt, use, or dissemination of inaccurate information. I, on behalf of the applicant, its legal representatives, and assigns, hereby release, waive, discharge, and agree to hold harmless, and otherwise waive liability as to the Town of Parachute, Colorado, Investigatory Agencies, and any of those entities' agents or employees for any damages resulting from any use, disclosure, or publication in any manner, other than a willfully unlawful disclosure or publication, of any material or information acquired during inquiries, investigations, or hearings, and hereby authorize the lawful use, disclosure, or publication of this material or information. Any information contained within this Application, any financial or personnel record, or otherwise found, obtained, or maintained by the Town of Parachute, Colorado or Investigatory Agencies, shall be accessible to law enforcement agents of this or any other state, the government of the United States, or any foreign country.

Print Full Owner/Legal Agent Name: <u>CHERYL LYNN SULLIVAN</u>		
Applicant's Name <u>PARACHUTE GREEN JOINT LLC</u>		Trade Name (DBA) <u>THE GREEN JOINT</u>
Owner/Legal Agent Last Name (Please Print) <u>SULLIVAN</u>	Owner/Legal Agent First Name <u>CHERYL</u>	Owner/Legal Agent Middle Name <u>LYNN</u>
Signature 		Date <u>09-25-16</u>
Applicant's Business Name <u>PARACHUTE GREEN JOINT LLC</u>		Trade Name (DBA) <u>THE GREEN JOINT</u>
Legal Agent Title <u>MEMBER</u>	Signature (Must be signed in front of one witness)	
Date (MM/DD/YY) <u>09-25-16</u>	City <u>SAN TAN VALLEY</u>	State <u>AZ</u>
Witness 1 Signature 		

Owner's Affirmation & Consent

I, CHERYL SULLIVAN, as an owner of and authorized agent for the applicant, state under penalty for offering a false instrument for recording pursuant to 18-5-114 C.R.S. that the entire foregoing Retail Marijuana Establishment Business License Application, statements, attachments, and supporting schedules are true and correct to the best of my knowledge and belief, and that this statement is executed with the knowledge that misrepresentation or failure to reveal information requested may be deemed sufficient cause for Local Licensing Authority to refuse to issuance of a the desired retail marijuana establishment license. I am aware that later discovery of an omission or misrepresentation made in the above statements may be grounds for the denial or revocation of the license. I am voluntarily submitting this application to the Local Licensing Authority of the Town of Parachute, Colorado under oath with full knowledge that I may be charged with perjury or other crimes for intentional omissions and misrepresentations pursuant to Colorado law or for offering a false instrument for recording pursuant to 18-5-114 C.R.S. I further consent to any background investigation necessary to determine my present and continuing suitability and that this consent continues as long as applicant holds a retail marijuana establishment license, and for 90 days following the expiration or surrender of such marijuana license.

Print Full Owner/Legal Agent Name: <u>CHERYL LYNN SULLIVAN</u>		
Applicant's Name <u>PARACHUTE GREEN JOINT LLC</u>		Trade Name (DBA) <u>THE GREEN JOINT</u>
Owner/Legal Agent Last Name (Please Print) <u>SULLIVAN</u>	Owner/Legal Agent First Name <u>CHERYL</u>	Owner/Legal Agent Middle Name <u>LYNN</u>
Legal Agent Title <u>MEMBER</u>	Signature (Must be signed in front of one witness) 	
Date (MM/DD/YY) <u>09-25-16</u>	City <u>SAN TAN VALLEY</u>	State <u>AZ</u>
Witness 1 Signature 		

Owner's Affirmation & Consent

I, BARBARA PAARZ, as an owner of and authorized agent for the applicant, state under penalty for offering a false instrument for recording pursuant to 18-5-114 C.R.S. that the entire foregoing Retail Marijuana Establishment Business License Application, statements, attachments, and supporting schedules are true and correct to the best of my knowledge and belief, and that this statement is executed with the knowledge that misrepresentation or failure to reveal information requested may be deemed sufficient cause for Local Licensing Authority to refuse to issuance of a the desired retail marijuana establishment license. I am aware that later discovery of an omission or misrepresentation made in the above statements may be grounds for the denial or revocation of the license. I am voluntarily submitting this application to the Local Licensing Authority of the Town of Parachute, Colorado under oath with full knowledge that I may be charged with perjury or other crimes for intentional omissions and misrepresentations pursuant to Colorado law or for offering a false instrument for recording pursuant to 18-5-114 C.R.S. I further consent to any background investigation necessary to determine my present and continuing suitability and that this consent continues as long as applicant holds a retail marijuana establishment license, and for 90 days following the expiration or surrender of such marijuana license.

Print Full Owner/Legal Agent Name: <u>BARBARA JO PAARZ</u>		
Applicant's Name <u>PARACHUTE GREEN JOINT LLC</u>		Trade Name (DBA) <u>THE GREEN JOINT</u>
Owner/Legal Agent Last Name (Please Print) <u>PAARZ</u>	Owner/Legal Agent First Name <u>BARBARA</u>	Owner/Legal Agent Middle Name <u>JO</u>
Legal Agent Title <u>MEMBER</u>	Signature (Must be signed in front of one witness) <u>Barbara Jo Paarz</u>	
Date (MM/DD/YY) <u>09/25/16</u>	City <u>TWIN LAKES</u>	State <u>Colorado</u>
Witness 1 Signature <u>Thal Paarz</u>		

Owner's Authorization to Investigate and Release Information

I, BARBARA PAARZ, as an owner of and authorized agent for the applicant, hereby authorize the Town of Parachute, Colorado and any Application review authorities selected by it (hereafter, the Investigatory Agencies) to conduct a complete investigation into this Application, using whatever legal means they deem appropriate. I hereby authorize any person or entity contacted by the Investigatory Agencies to provide any and all such information deemed necessary by the Investigatory Agencies. I hereby waive any rights of confidentiality in this regard. I understand that by signing this authorization, a financial record check may be performed. I authorize any financial institution to surrender to the Town of Parachute, Colorado and Investigatory Agencies a complete and accurate record of such transactions that may have occurred with that institution, including, but not limited to, internal banking memoranda, past and present loan applications, financial statements and any other documents relating to financial records in whatever form and wherever located. I understand that by signing this authorization, a financial record check of the applicant/proposed licensee's tax filing and tax obligation status may be performed. I authorize the Town of Parachute, Colorado to surrender to the Investigatory Agencies a complete and accurate record of any and all tax information or records relating to applicant. I authorize the Investigatory Agencies to obtain, receive, review, copy, discuss and use any such tax information or documents relating to applicant. I authorize the release of this type of information, even though such information may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws.

The Town of Parachute, Colorado and Investigatory Agencies reserve the right to investigate all relevant information and facts to their satisfaction. I understand that the Investigatory Agencies may conduct a complete and comprehensive investigation to determine the accuracy of all information gathered. However, the Investigatory Agencies, their agents or employees shall not be held liable for the receipt, use, or dissemination of inaccurate information. I, on behalf of the applicant, its legal representatives, and assigns, hereby release, waive, discharge, and agree to hold harmless, and otherwise waive liability as to the Town of Parachute, Colorado, Investigatory Agencies, and any of those entities' agents or employees for any damages resulting from any use, disclosure, or publication in any manner, other than a willfully unlawful disclosure or publication, of any material or information acquired during inquiries, investigations, or hearings, and hereby authorize the lawful use, disclosure, or publication of this material or information. Any information contained within this Application, any financial or personnel record, or otherwise found, obtained, or maintained by the Town of Parachute, Colorado or Investigatory Agencies, shall be accessible to law enforcement agents of this or any other state, the government of the United States, or any foreign country.

Print Full Owner/Legal Agent Name: <u>BARBARA JO PAARZ</u>			
Applicant's Name <u>PARACHUTE GREEN JOINT LLC</u>		Trade Name (DBA) <u>THE GREEN JOINT</u>	
Owner/Legal Agent Last Name (Please Print) <u>PAARZ</u>	Owner/Legal Agent First Name <u>BARBARA</u>	Owner/Legal Middle Name <u>JO</u>	Agent
Signature <u>Barbara Jo Paarz</u>		Date <u>9/25/16</u>	
Applicant's Business Name <u>PARACHUTE GREEN JOINT LLC</u>		Trade Name (DBA) <u>THE GREEN JOINT</u>	
Legal Agent Title <u>MEMBER</u>	Signature (Must be signed in front of one witness) <u>Barbara Paarz</u>		
Date (MM/DD/YY) <u>09/25/16</u>	City <u>TWIN LAKES</u>	State <u>Colorado</u>	
Witness 1 Signature <u>Wal Paarz</u>			

Town of Parachute Application - Supplemental Answers to Questions on Page 4

Applied for & held Licenses - Colorado

In addition to Parachute, we have 6 Marijuana Licenses that have been issued by Marijuana Enforcement Division (MED) of the State of Colorado, and another 6 associated local jurisdiction Licenses.

<u>Description</u>	<u>Jurisdiction</u>	<u>License Type</u>	<u>MED License #</u>	<u>Licensed Since</u>	<u>Status</u>
Medical Store - GM	City of Glenwood Springs	MMC	402-00551	Jul-10	Active / Renewed
Medical Store - HO	City of Rifle	MMC	402-00008	Nov-11	Active / Renewed
Retail Store - TGJ	City of Glenwood Springs	RMS	402R-00212	Apr-14	Active / Renewed
Cultivation - GM	City of Rifle	OPC	403-00849	Nov-13	Active / Renewal in Process
Cultivation - HO	City of Rifle	OPC	403-00010	Nov-13	Active / Renewal in Process
Cultivation - TGJ	City of Rifle	RMCF	403R-00278	Apr-14	Active / Renewed

Applied for Licenses – Arizona

In July 2016, Members of Green Medicine LLC applied for 5 Medical Marijuana Licenses in the State of Arizona, under the entity names of AZGM 1, Inc., AZGM 2, Inc. and AZGM 3, Inc..

As of this writing, the State is still in the process of reviewing applications, and is not expected to announce the award of new Licensees until November or December of 2016.

Withdrawn License

In July 2010, Green Medicine LLC applied for an Off Premise Cultivation License (OPCL) that was located in Mesa County. However, in November of that year, Mesa County voters did not uphold cultivation in unincorporated Mesa County, and thus we had to close the cultivation operation and submitted a withdrawal of that license to the MMED.

STATE OF COLORADO

DEPARTMENT OF REVENUE



Marijuana Enforcement Division



Retail Marijuana Conditional License

PARACHUTE GREEN JOINT, LLC

THE GREEN JOINT

315 East 1st Street Parachute, CO 81635

Retail Marijuana Store - 402R-00518

Effective Date of License: November 12, 2015

License Valid Through: 11/12/2016

This license is conditioned upon Local Authority approval, pursuant to section 12-43.4-304(1) C.R.S.

This conditional license is issued subject to the laws of the State of Colorado and especially under the provisions of Title 12, Article 43.4, as amended. A licensee shall not exercise any of the rights or privileges of this license until such time as all such Medical Marijuana and Medical Marijuana-Infused Product are fully transferred and declared in the MITS system as Retail Marijuana and Retail Marijuana Product, pursuant to Rule R211 & R309. This conditional license is nontransferable and shall be conspicuously posted in the place above described. This conditional license is only valid through the expiration date shown above. Any questions concerning this conditional license should be addressed to: Colorado Marijuana Enforcement Division, 455 Sherman Street, Suite 390, Denver, CO 80203. In testimony whereof, I have hereunto set my hand.

W. Lewis Koski

W. Lewis Koski
Division Director

Barbara J. Broni

Barbara J. Broni, Executive Director

INDUSTRIAL AND COMMERCIAL LEASE

THIS INDUSTRIAL AND COMMERCIAL LEASE (the "Lease") is entered into by Landlord and Tenant as described in the following Basic Lease Information on the Date which is set forth for reference only therein. Landlord and Tenant agree:

ARTICLE 1

1.1 Basic Lease Information. In addition to the terms which are defined elsewhere in this Lease, the following defined terms are used in this Lease:

Tenant: Green Joint Parachute, LLC

Term: 10-Year with a 1 year extension

Rent Commencement Date: 12/1/15

Monthly Base Rent: [REDACTED] (Tenant has rights to sub-lease with Owners reasonable approval)

Rent Escalation: 3% per annum

Security Deposit: [REDACTED] payable upon lease signing.

Lease Expiration: 11/30/2025

Termination Rights: The tenant has the right to terminate the lease upon payment of a termination fee.

Termination Fee: [REDACTED] in year 1, [REDACTED] in year 2, [REDACTED] in year 3 [REDACTED] in year 4, and \$[REDACTED] thereafter.

Lease Type: NNN (Tenant pays all maintenance, utilities, tenant insurance, tax, and annual fees)

Buyout Option: Available to purchase for [REDACTED] until Aug 31, 2018

Real Estate Taxes: Tenant's responsibility

**Principal Pay-down of
Purchase Price:**

Tenant will earn [REDACTED] per month of paid rent as "credit"
against pre-agreed purchase price of [REDACTED]

1.2 Definitions:

(a) ADDITIONAL RENT: Any amounts which this Lease requires Tenant to pay in addition to Monthly Rent.

(b) PRIME RATE: The rate of interest from time to time announced by US Bank ("Bank"), or any successor to it, as its prime rate. If Bank or any successor to it ceases to announce its prime rate, the Prime Rate will be that rate published by The Wall Street Journal and identified as the Prime Rate.

(c) PROJECT: The development consisting of the Land and all improvements built on the Land including without limitation the Building, parking lot, parking structure, if any, walkways, driveways, fences, and landscaping.

(d) RENT: The Monthly Rent and Additional Rent.

If any other provision of this Lease contradicts any definition set forth in this Article, the other provision will prevail.

1.3 Exhibits. The following exhibits are attached to this Lease and are made part of this Lease:

- EXHIBIT A** – The Leased Premises
- EXHIBIT B** – Additional Conditions
- EXHIBIT C** – Tenant Improvements

**ARTICLE 2
AGREEMENT**

Landlord leases the Premises to Tenant, and Tenant leases the Premises from Landlord, in accordance with the terms and conditions set forth in this Lease. The duration of this Lease will be the Term. The Term will commence on the Commencement Date, and will expire on the Expiration Date, unless sooner terminated in accordance with this Lease.

**ARTICLE 3
DELIVERY OF PREMISES AND MONTHLY RENT**

3.1 Construction Obligations and Tenant Improvements. Tenant shall construct, with reasonable diligence, improvements to the Leased Premises sufficient, in Landlord's reasonable discretion, to provide for Tenant's intended use of the Premises. (The "Tenant Improvements"). Attached to this

Lease as Exhibit C is an initial proposed plan agreed to by the Parties for improvements to be undertaken by Tenant prior to Commencement Date. The proposed improvements found on Exhibit C are neither exhaustive nor final and are subject to modification as reasonably required by Tenant or applicable state and local laws, rules, and regulations. In no way should Exhibit C be seen as a guarantee that all improvements set forth in Exhibit C will be performed by Tenant or will be completed exactly as shown on Exhibit C. Exhibit C is attached hereto for informational purposes only. The Parties will work together in good faith to determine additional needed improvements as necessary. Landlord agrees to reimburse Tenant for the first \$20,000.00 of leasehold improvements, upon delivery of documentation of such expenditures.

3.2 Completion of Construction. Tenant Improvements shall be complete by December 1, 2015.

3.2.1 Delivery of Possession. Landlord shall deliver possession of the Premises to Tenant upon the mutual execution of this signed Lease and Tenant's delivery of the Security Deposit. Tenant has thoroughly inspected the Leased Premises, the Building, and the Project, and acknowledges that neither Landlord nor its agents or employees have made any representations or warranties as to the suitability or fitness of the Premises for the conduct of Tenant's business or for any other purpose.

3.3 Monthly Rent. Tenant shall pay Monthly Rent to Landlord. Monthly Rent will be paid in advance, on or before the first day of each calendar month of the Term. If the Term commences on a day other than the first day of a calendar month, or ends on a day other than the last day of a calendar month, then Monthly Rent will be appropriately prorated by Landlord based on the actual number of calendar days in such month. If the Term commences on a day other than the first day of a calendar month, then the prorated Monthly Rent for such month will be paid on or before the first day of the Term. Monthly Rent will be paid to Landlord, without written notice or demand, and without deduction or offset, in lawful money of the United States of America at Landlord's Address, or at such other address as Landlord may from time to time designate in writing. The Monthly Rent rate shall be adjusted every twelve months as set forth in Paragraph 3.5 below.

3.4 Forbearance Period. Forbearance explained below.

3.5 Annual Rent Adjustment. In exchange for the consideration provided by Landlord in the form of the forbearance period, waiver of security deposit and Tenant Improvements, the Parties agree that Monthly Rent shall be increased 3% every year during the Term of the Lease.

For example, the monthly rental rate for each term of the Lease shall be as follows:

Dec. 1, 2015 –Nov. 30, 2016 – [REDACTED]
Dec. 1, 2016 –Nov. 30, 2017 – [REDACTED]
Dec. 1, 2017 –Nov. 3, 2018 – Increasing by 3% per year thereafter

3.6 Renewal of Lease. Tenant may renew this Lease for one additional one-year term ("Renewal Period") at the expiration of this Lease. If Tenant wishes to renew this Lease, it must send written notice of its intent to renew the Lease to Landlord no less than 180 days prior to the expiration of the Lease term. Upon receipt of notice from Tenant that Tenant wishes to renew the Lease, Landlord shall timely provide Tenant with a proposed Monthly rental rate for the Renewal Period. The Tenant's right to renew this

Lease is fully contingent on the Parties mutually agreeing on the rental rate for the Renewal Period. If the Parties have not mutually agreed to a rental rate for the Renewal Period by close of Business on Sept. 15, 2025, there shall be no right to renew and the Lease shall terminate on Nov. 30, 2025.

3.7 Tenant's Option To Purchase. From the Commencement Date until August 31, 2018, the Tenant has a one-time right to purchase this property for a purchase price of \$800,000 and based upon mutually agreeable terms and conditions of sale.

ARTICLE 4 ADDITIONAL RENT AND OPERATING EXPENSES

4.1 Operating Expenses.

(a) In addition to Monthly Rent, beginning on the Commencement Date, Tenant agrees to pay all Operating Expenses, payable or incurred by Landlord in each calendar year or partial calendar year during the Term. If Operating Expenses are calculated for a partial calendar year, the Operating Expenses will be appropriately prorated.

(b) As used in this Lease, the term "Operating Expenses" means:

(1) All reasonable and necessary expenses incurred in the operation, maintenance, repair and management of the Project, including but not limited to (i) all equipment or facilities, such as plumbing, the cost of utilities that are jointly metered, HVAC equipment, electrical, lighting facilities, fire protection system, fire inspection, fixtures, walls (interior), ceilings, windows, doors, plate glass, landscaping, and signs located in, on, or adjacent to the Premises; (ii) non-structural repairs to and maintenance of the exterior walls of the Building; (iii) repair, maintenance, utility costs, snow removal, and landscaping of the Common Areas; (iv) fire detection systems including sprinkler system maintenance and repair; (v) any and all repairs or improvements required by any applicable law, regulation, ordinance, or policy adopted by a governmental or quasi-governmental unit with jurisdiction over all or some portion of the Project or the Building; (vi) any other service that is elsewhere characterized as an "Operating Expense."

4.2 Real Property Taxes.

(a) Tenant shall pay Real Property Taxes relating to the Project.

(b) "Real Property Taxes" shall mean all taxes assessed against the Project, or any portion of it, by any governmental or quasi-governmental authority.

(c) Tenant shall pay promptly when due all taxes and assessments levied upon trade fixtures, alterations, additions, improvements, inventories and other personal property located and/or installed on the Premises by Tenant; and Tenant shall provide Landlord copies of receipts for payment of all such taxes and assessments if Landlord is notified by any taxing authority of a delinquency of any such payments by Tenant. Tenant and Landlord acknowledge that the cost of Landlord's Insurance is included in the rental rate paid by Tenant.

4.3 Estimated Payments. During each calendar year or partial calendar year in the Term, in addition to Monthly Rent, Tenant will pay to Landlord on the first day of each month an amount equal to 1/12 of the estimated Operating Expenses for such calendar year, as calculated by Landlord. At the time the Parties enter into this Lease. If, at any time, Landlord becomes aware of potential additional Operating Expenses, he will promptly provide an estimate of such expenses prorated on an annual basis.

4.4 Annual Settlement. Within 120 days after the end of each calendar year, Landlord will deliver to Tenant a statement of amounts payable for such calendar year prepared by Landlord. Such certified statement will be final and binding upon Landlord and Tenant unless Tenant objects to it in writing to Landlord within 60 days after it is given to Tenant. If such statement shows an amount owing by Tenant that is less than the estimated payments previously made by Tenant for such calendar year, the excess will be held by Landlord and credited against the next payment of Rent. However, if the Term has ended and Tenant was not in default at its end, Landlord will refund the excess to Tenant. If such statement shows an amount owing by Tenant that is more than the estimated payments previously made by Tenant for such calendar year, Tenant will pay the deficiency to Landlord within 30 days after the delivery of such statement.

4.5 Utilities. Tenant shall pay, directly to the appropriate supplier, the cost of all natural gas, heat, light, power, sewer services, telephone, water, refuse disposal and other utilities and services supplied to the Premises that are separately metered or directly contracted to the Tenant.

4.6 Additional Rent. Amounts payable by Tenant according to this Article 4 will be payable as Rent, without deduction or offset. If Tenant fails to pay any amounts due according to this Article 4, Landlord will have all the rights and remedies available to it on account of Tenant's failure to pay Rent.

4.7 Net Lease. Except as set forth in Article 9 hereof, this Lease is entered into by Landlord for the express purpose of providing Landlord with income from Rent, free and clear from any and all expenses, charges, taxes, liens, or impositions of any kind, with the exceptions of those listed in this Lease. In addition to Monthly Rent required to be paid pursuant to 3.3 above and Operating Expenses required to be paid pursuant to this Article 4, Tenant shall pay as Additional Rent all costs for additions and alterations made at the sole discretion of Tenant, all costs of maintenance and repairs to the Leased Premises except as set forth in Article 9 and elsewhere hereof, and any other charges, costs and expenses arising out of or in any way connected with the Premises occurring during the Term of this Lease which are not a result of Landlord's negligence or breach of this Lease.

ARTICLE 5 INSURANCE

Landlord's Insurance. At all times during the Term, Landlord shall carry and maintain:

- (a) Fire and extended coverage insurance covering the Project, its equipment and common area furnishings;
- (b) Bodily injury and property damage insurance; and
- (c) Such other reasonable and customary insurance as Landlord reasonably determines from time to time.

The insurance coverages and amounts in this Section will be reasonably determined by Landlord, based on coverages carried by prudent owners of comparable buildings in the vicinity of the Project, taking into account Tenant's particular uses of the Building, but shall not be less than the replacement value of the Building. Tenant and Landlord acknowledge that the cost of Landlord's Insurance is included in the rental rate paid by Tenant.

5.2 Tenant's Insurance. Tenant shall maintain in full force and effect during the entire term of this Lease, at its own cost and expense, the policies of insurance set forth below. Notwithstanding the foregoing, because of the uncertainty of the business of Tenant, Tenant shall use its good faith efforts to maintain the policies of insurance contemplated herein provided such coverage can be obtained at a commercially reasonable price to Tenant. The parties agree to work in good faith to modify the policies set forth herein as needed in order for Tenant to obtain reasonable insurance coverage at a reasonable cost.

(a) **Commercial General Liability Insurance and Umbrella Liability Insurance.** Tenant shall maintain a policy, or policies, of coverage for bodily injury, property damage and advertising/personal injury arising from Premises, operations, independent contractors, products-completed operations, and liability assumed under an insured contract, both oral and written, with policy limits of at least \$1,000,000 per occurrence and \$2 million annual aggregate.

(b) **Commercial Automobile Insurance and Umbrella Liability Insurance.** If Tenant operates owned, hired, or unowned vehicles at the Premises, Tenant shall maintain a policy, or policies, of insurance covering owned and unowned auto liability with policy limits of not less than \$500,000.00 per occurrence. Such insurance shall cover liability arising out of any auto, including owned, hired and non-owned autos.

(c) **Worker's Compensation Insurance and Employers' Liability Insurance.** Worker's Compensation Insurance as required by law and Employer's Liability Insurance with policy limits of not less than the following:

- (1) Bodily Injury by Accident: \$500,000.00 each accident
- (2) Bodily Injury by Disease: \$500,000.00 policy limit; and
- (3) Bodily Injury by Disease: \$500,000.00 each employee.

(d) **Commercial Property Insurance.** Tenant shall maintain a policy, or policies, of insurance providing coverage for Tenant's fixtures, inventory, equipment, Tenant improvements and betterments, and all other content Tenant installs on or places in the Premises. The policy shall, at minimum, cover the perils insured under the ISO Special Causes of Loss Form (CP 10 30), but must include coverage for the following: vandalism, malicious mischief, sprinkler leakage, and theft of or damage to stock. Tenant's commercial property insurance shall be in an amount equal to 100% of the full replacement cost. The proceeds of such insurance, so long as this Lease remains in effect, shall be used to repair and/or replace the Premises, and the Leasehold Improvements, fixtures, glass, equipment, mechanical, plumbing, heating, ventilating, air conditioning, electrical, telecommunication and other equipment, systems and facilities so insured.

(e) **Business Interruption or Rental Loss Insurance.** Sufficient to cover, for a period of not less than one year, all rental, expense and other payment obligations of Tenant under this

Lease, including, without limitation, Base Rent and adjustments thereto and Taxes, Operating Expenses, and all other costs, fees, charges, and payments that would be borne by or due from Tenant under this Lease as if the Leased Premises and Tenant's business were fully open and operating.

(f) Other. Any other forms of insurance Landlord may reasonably require from time to time in form and amounts and for insurance risks against which a prudent Tenant of comparable size in a comparable business would protect itself.

5.3 Forms of Insurance. All insurance required to be carried by Tenant hereunder:

(a) shall be issued by insurance carriers authorized to conduct business in the State of Colorado with an A.M. Best's guide rating of no less than A-VII;

(b) shall be written as primary insurance;

(c) shall contain a provision whereby each insurer agrees to give Landlord at least fifteen (15) days' prior written notice of any cancellation;

(d) may provide for a deductible so long as the deductible does not exceed \$15,000.00 per occurrence;

(e) shall be written on an Occurrence basis, and shall not be modified to reduce the extent of coverage or limits required herein without the prior written consent of Landlord. As respects the Commercial General Liability, Commercial Automobile Liability and Umbrella Liability policies, Tenant shall ensure that Landlord is added by endorsement under the ISO (CG 20 11) or comparable form as additional insureds to the policies. Owner and Manager, their parent companies, subsidiaries, affiliate companies and partnerships and all of their directors, officers, agents, representatives and employees.

(f) Evidence of Commercial Property Insurance shall be provided using the ACORD 24, and certificates of all other insurance and appropriate endorsements shall be provided using the ACORD 25. These certificates of coverage shall be provided to Landlord five (5) days prior to occupancy and evidence of renewal shall be provided to Landlord concurrent with the expiration of each policy.

5.4 Failure to Maintain. If Tenant shall fail to acquire and maintain the insurance required pursuant to this Article, Landlord may, in addition to any other rights and remedies available to Landlord, but shall not be obligated to, acquire such insurance and pay the premiums therefore, which premiums shall be payable by Tenant to Landlord immediately upon demand.

5.5 Blanket Insurance. Tenant may, at its option, satisfy its insurance obligations hereunder by policies of so-called blanket insurance carried by Tenant provided that the same shall, in all respects, comply with the provision hereof. In such event, Tenant shall not be deemed to have complied with its obligation hereunder until Tenant shall have obtained and delivered to Landlord a certificate of insurance with appropriate endorsements, or upon Landlord's request, a copy of said policy with endorsements.

5.6 Subrogation. To the extent permitted by law and by each applicable policy of insurance, Landlord and Tenant hereby waive any recovery of damages against each other (including their employees, officers, directors, agents, or representatives) for loss or damage to the building, Tenant Improvements and betterments, fixtures, equipment, and any other personal property to the extent covered by commercial property insurance or boiler and machinery insurance required above.

5.7 Adequacy of Coverage. Landlord, its agents and employees, make no representation that the limits of liability specified to be carried by Tenant pursuant to this Article 5 are adequate to protect Tenant. If Tenant believes that any of such insurance coverage is inadequate, Tenant will obtain such additional insurance coverage as Tenant deems adequate, at Tenant's sole expense.

ARTICLE 6 USE

6.1 The Premises will be used and occupied for the purpose of operating a "Retail marijuana store" as that term is defined in Article XVIII, § 16(n) of the Colorado Constitution. Tenant shall have the right to use a portion of the Premises as a restaurant. Tenant shall use the Leased Premises for no other purpose, except as otherwise approved in writing by Landlord in its reasonable discretion. Tenant will use the Premises in a careful, safe, and proper manner. Tenant's particular use of the Premises shall not be for any purpose or in any manner prohibited by any applicable local or state laws, regulations, ordinances, or codes, or in violation of any applicable federal law or regulation that does not directly conflict with the lawful sale of retail marijuana as recognized and permitted by the State of Colorado and by the Town of Parachute and Garfield County. Tenant, Landlord, and any other tenant or occupant will conduct their business and control their employees, agents, and invitees in such a manner as not to create any nuisance or interfere with, annoy, or disturb Tenant or any other tenant or occupant of the Project or Landlord in its operation of the Project.

For the purposes of this Section, "applicable laws" means all laws, statutes, ordinances and governmental rules, regulations, or requirements now in force or in force after the Effective Date, the requirements of any board of fire underwriters or other similar body constituted now or after the Effective Date, and any direction or permanent occupancy certificate issued pursuant to any law by any public officer or officers, as well as the provisions of all recorded documents affecting the Project, Building, or Premises. At its sole cost and expense, Tenant will promptly comply with applicable laws insofar as they relate to (a) Tenant's particular use, occupancy, or alteration of the Premises; (b) the condition of the Premises resulting from Tenant's particular use, occupancy, or alteration of the Premises; (c) alterations to the Premises required as a result of Tenant's particular status under applicable laws. Tenant will not be required to comply with applicable laws with respect to structural changes or changes outside the Premises unless related to (i) Tenant's use or occupancy of the Premises or (ii) improvements or alterations made by or for Tenant.

6.2 Hazardous Materials.

(a) Landlord will use commercially reasonable efforts to prevent the manufacture, storage, sale, use, disposal, release, or discharge of Hazardous Materials on or at the Project in any manner that violates Environmental Law or which causes there to be any liability under Environmental Law.

Tenant will not cause, or allow, any of Tenant's employees, agents, customers, visitors, invitees, licensees, contractors, assignees or subtenants to cause, use, or conduct operations on or at the Project, the Building, or the Leased Premises, or manufacture, store, sell, use, dispose of, release, or discharge or permit the manufacture, storage, sale, use, disposal, release, or discharge of Hazardous Materials or Hazardous Waste, as defined in federal, state, or local law, in any manner that violates, or that creates any liability under, any applicable statute, regulation, ordinance, or code related to the use, storage or disposal of Hazardous Materials or Hazardous Waste. Tenant will indemnify, defend, and hold Landlord and its officers, directors, employees, and agents harmless from any and all claims, suits, judgments, actions, proceedings, damages, penalties, fines, costs, expenses, liabilities, or losses, including reasonable attorneys' fees, consultant fees, and expert fees which arise during or after the Lease Term as a result of contamination by Hazardous Materials or Hazardous Waste due to the negligence or willful misconduct of Tenant or of Tenant's agents or contractors. This indemnification of Landlord by Tenant includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal, or restoration work required by any federal, state, or local governmental agency or political subdivision because of Hazardous Materials or Hazardous Waste present in the soil or groundwater on or under the Premises resulting from Tenant's occupancy and use of the Premises. Without limiting the foregoing, if the presence of any Hazardous Materials or Hazardous Waste on the Premises or the Project caused or permitted by the negligence or willful misconduct of Tenant or its agents or contractors results in any contamination of the Premises or the Project, Tenant will promptly take all actions at its sole expense as are necessary to return the Premises or the Project to the condition existing prior to the release of any such Hazardous Materials or Hazardous Waste, provided that Landlord's written approval of such actions will first be obtained, which approval will not be unreasonably withheld. Landlord shall have the right upon reasonable prior notice to enter the Leased Premises to inspect for Tenant's compliance with this Section. Tenant's obligations under this Section will survive the expiration or prior termination of this Lease.

(b) For purposes of this Lease, "Hazardous Materials" means any explosives, radioactive materials, petroleum products, hazardous wastes, or hazardous or toxic substances, including, without limitation, substances defined as "hazardous substances" or those substances, materials, and wastes listed in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601-9657; the Hazardous Materials Transportation Act of 1975, 49 U.S.C. § 1801-1812; the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901-6987; the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101); the United States Environmental Protection Agency Listing (40 CFR Part 302); or any other federal, state, or local statute, law, ordinance, code, rule, regulation, order, or decree regulating, relating to, or imposing liability or standards of conduct concerning hazardous materials, waste, or substances now or at any time hereafter in effect (collectively, "Environmental Law"). The terms "Hazardous Materials" and "Hazardous Materials" as used herein shall not include reasonable quantities of office supplies, printing materials, and other materials commonly and lawfully used in the sale of retail marijuana.

6.3 Certain Insurance Risks. Tenant shall not do or permit to be done any act or thing in its use of the Premises that will increase the cost of Landlord's insurance coverages applicable to the Premises.

ARTICLE 7
ASSIGNMENT AND SUBLETTING

7.1 General. Tenant, for itself, its heirs, distributees, executors, administrators, legal representatives, successors and assigns, shall not assign, mortgage, pledge, or encumber this Lease. Tenant shall have the right to sublease up to 75% of the Premises for use as a restaurant, with the prior written consent of Landlord, which consent shall not be unreasonably withheld. Landlord shall not be entitled to any additional rents, fees, charges, or penalties as a result of such sublease. If this Lease is assigned or subleased, Landlord may, after default by Tenant, collect rent from the assignee, subtenant or occupant, and apply the net amount collected to Rent. No assignment, sublease, occupancy or collection will be deemed a waiver of the provisions of this Section 7.1, the acceptance of the assignee, subtenant or occupant as tenant, or a release of Tenant from the further performance by Tenant of covenants on the part of Tenant contained in this Lease. The consent by Landlord to an assignment or sublease will not be construed to relieve Tenant from liability under this Lease, or obtaining Landlord's prior written consent in writing to any further assignment or sublease. No permitted subtenant may assign or encumber its sublease or further sublease all or any portion of its subleased space, or otherwise permit the subleased space or any part of its subleased space to be used or occupied by others, without Landlord's prior written consent in each instance.

7.2 Submission of Information. If Tenant requests Landlord's consent to a specific assignment or subletting, Tenant will submit in writing to Landlord (a) the name and address of the proposed assignee or subtenant; (b) the business terms of the proposed assignment or sublease; (c) reasonably satisfactory information as to the nature and character of the business of the proposed assignee or subtenant, and as to the nature of its proposed use of the space; (d) banking, financial, or other credit information reasonably sufficient to enable Landlord to determine the financial responsibility and character of the proposed assignee or subtenant; and (e) the proposed form of assignment or sublease. Approval or rejection of any proposed sublease or assignment shall be subject to Landlord's exclusive discretion.

Payments to Landlord. If Landlord consents to a proposed assignment or sublease to a restaurant, then Landlord agrees to ask for no additional rent, only the continued payment of all operating expenses.

ARTICLE 8
RULES AND REGULATIONS

Tenant and its employees, agents, licensees and visitors will at all times observe faithfully, and comply strictly with, the rules and regulations set forth on Exhibit B, Landlord may from time to time reasonably amend, delete or modify existing rules and regulations, or adopt reasonable new rules and regulations for the use, safety, cleanliness and care of the Premises, the Building, and the Project, and the comfort, quiet and convenience of occupants of the Project so long as such amendments, deletions, modifications, new rules and new regulations do not interfere with Tenant's ability to transact its business. Modifications or additions to the rules and regulations will be effective upon 30 days' prior written notice to Tenant from Landlord. In the event of any breach of any rules or regulations or any amendments or additions to such rules and regulations, Landlord will have all remedies which this Lease provides for default by Tenant, and will, in addition, have any remedies available at law or in equity, including the right to enjoin any breach of such rules and regulations. Landlord will not be liable to Tenant for violation of such rules and regulations by any other tenant, its employees, agents, visitors or licensees or any other person. In the event of any conflict between the provisions of this Lease and the rules and regulations, the provisions of

this Lease will govern. Landlord agrees to enforce such rules and regulations in a manner that does not discriminate against Tenant.

ARTICLE 9 MAINTENANCE AND REPAIRS

9.1 Landlord's Repair and Maintenance. Subject to the provisions of those paragraphs of this Lease addressing Operating Expenses, Use, Tenant's Obligations, and Damage and Destruction, Landlord, at its expense, shall maintain, in good condition and repair, the foundations, exterior walls, and roof (excluding skylights) of the Premises. Landlord shall not, however, be obligated to paint the exterior or interior surface of exterior walls, nor shall Landlord be required to maintain, repair or replace windows, doors, or plate glass of the Premises. Landlord shall have no obligation to make repairs under this paragraph 12.1 until a reasonable time after receipt of written notice from Tenant of the need for such repairs.

9.2 Tenant's Obligations. Tenant, at Tenant's expense, shall keep in good order, condition and repair, the Premises and every part thereof including, without limitation, structural integrity of the floors, all plumbing, HVAC systems, electrical and lighting facilities and equipment within the Premises, fixtures, interior walls and exterior walls, ceiling, windows, doors, plate glass located within the Premises as well as landscaping, fencing, signage, etc. on or about the Premises. Tenant shall be responsible for maintenance of all heating and air-conditioning equipment (HVAC systems) serving the Premises, which shall include entering into commercially reasonable service contracts at Tenant's expense. Landlord reserves the right to enter into commercially reasonable maintenance contracts at Tenant's expense should Tenant fail to maintain the Premises to Landlord's reasonable satisfaction.

9.3 Limitation on Liability. Landlord will not be in default under this Lease or be liable to Tenant or any other person, for direct or consequential damage, or otherwise, for any failure of any heat, air conditioning, lighting, security, or any surges or interruptions of electricity, or other utilities, unless caused by Landlord's gross negligence or willful misconduct. Landlord reserves the right temporarily to discontinue such services at such times as may be necessary by reason of accident, repairs, alterations or improvements, strikes, lockouts, riots, acts of nature, governmental preemption in connection with a national or local emergency, any rule, order or regulation of any governmental agency, conditions of supply and demand which make any product unavailable, Landlord's compliance with any mandatory governmental energy conservation or environmental protection program, or any voluntary governmental energy conservation program at the request of or with consent or acquiescence of Tenant, or any other happening beyond the control of Landlord. Landlord will not be liable to Tenant or any other person or entity for direct or consequential damages resulting from the admission to or exclusion from the Building or Project of any person. In the event of invasion, mob, riot, public excitement, strikes, lockouts, or other circumstances rendering such action advisable in Landlord's sole opinion, Landlord will have the right to prevent access to the Building or Project during the continuance of the same by such means as Landlord, in its sole discretion, may deem appropriate, including, without limitation, locking doors and closing parking areas and other common areas. Landlord will not be liable for damages to persons or property or for injury to, or interruption of, business nor will such temporary discontinuance in any way be construed as an eviction of Tenant or cause an abatement of Rent or operate to release Tenant from any of Tenant's obligations under this Lease.

Notwithstanding the foregoing, Landlord shall not, except in cases of life threatening emergency, when ordered to prohibit access to the Leased Premises by government authorities, or when Tenant is in breach of the obligation to pay Rent, prevent Tenant from entering the Leased Premises.

9.3.1 Maintenance—Removal of Garbage and Waste. Tenant shall not permit the accumulation of waste or refuse material and shall dispose of all garbage arising from the conduct of its business at such times and in such manner as may reasonably be prescribed by Landlord. Tenant agrees to make best efforts to keep all garbage retained in air-tight receptacles so as to avoid the escape of offensive or noxious odors, and to comply with all applicable governmental laws, regulations and orders. Tenant at its own cost and expense shall provide any and all safeguards so as to prevent the accumulation of such refuse and garbage. Tenant shall pay the cost of removal of any of Tenant's refuse from the building and Tenant shall contract independently for the removal of such refuse and garbage.

9.4 Odor Control. During the Term, Tenant shall take reasonable steps, to comply with applicable Town odor regulations and such other regulations as may be imposed by state and local licensing authorities as conditions to approval of necessary licenses. Tenant and Landlord shall cooperate in promptly responding to reasonable complaints regarding such odors. Tenant shall be responsible for any alterations necessary to reduce or eliminate odors in compliance with applicable regulations and license conditions.

ARTICLE 10 ALTERATIONS

10.1 General.

(a) During the Term, Tenant will not make or allow to be made any material or structure alterations, additions or improvements to or of the Premises or any part of the Premises, or attach any fixtures or equipment to the Premises, without first obtaining Landlord's written consent, which consent will not be unreasonably withheld. Landlord's consent to such alterations, additions, or improvements or Landlord's approval of the plans, specifications, and working drawings for such alterations, additions, or improvements will create no responsibility or liability on the part of Landlord for the completeness, design sufficiency, or compliance with all laws, rules, and regulations of governmental agencies or authorities with respect to such alterations, additions, or improvements. All such alterations, additions and improvements consented to by Landlord, and capital improvements which are required to be made to the Project as a result of the nature of Tenant's use of the Premises:

(1) Will be performed by contractors reasonably approved by Landlord and subject to conditions reasonably specified by Landlord (which may include requiring the posting of a mechanic's or materialmen's lien bond); and

(2) At Landlord's option with the written consent of the Tenant, will be made by Landlord for Tenant's account, and Tenant will reimburse Landlord for their cost within 10 days after receipt of a statement of such cost.

(b) Subject to Tenant's rights in Article 12, all permanent alterations, additions, fixtures and improvements, made in or upon the Premises either by Tenant or Landlord, will immediately become Landlord's property and, at the end of the Term will remain on the Premises

without compensation to Tenant, unless when consenting to such alterations, additions, fixtures, or improvements, Landlord has advised Tenant in writing that such alterations, additions, fixtures, or improvements must be removed at the expiration or other termination of this Lease. All trade fixtures and movable personal property placed, kept, or maintained on the Premises by Tenant shall remain the property of Tenant and shall be removed by Tenant upon expiration or termination of this lease.

10.2 Removal. If Landlord has required Tenant to remove any or all alterations, additions, fixtures and improvements, which are made in or upon the Leased Premises pursuant to this Article 10, prior to the Expiration Date, Tenant will remove such alterations, additions, fixtures and improvements at Tenant's sole cost and will restore the Leased Premises to the condition in which they were before such alterations, additions, fixtures, improvements and additions were made, reasonable wear and tear and casualty excepted.

ARTICLE 11 MECHANIC'S LIENS

Tenant will pay or cause to be paid all costs and charges for work (a) done by Tenant or caused to be done by Tenant, in or to the Premises, and (b) for all materials furnished for or in connection with such work. Tenant will indemnify Landlord against and hold Landlord, the Premises and the Project free, clear and harmless of and from all mechanic's liens and claims of liens, and all other liabilities, liens, claims and demands on account of such work by or on behalf of Tenant, other than work performed by Landlord pursuant to the Work Letter or otherwise. If any such lien, at any time, is filed against the Premises, or any part of the Project, Tenant will cause such lien to be discharged of record within 30 days after the filing of such lien, except that if Tenant desires to contest such lien, it will furnish Landlord or the Court, as applicable, within such 10-day period, security reasonably satisfactory to Landlord of at least 150% of the amount of the claim, plus estimated costs and interest or comply with such statutory procedures as may be available to release the lien. If a final judgment establishing the validity or existence of a lien for any amount is entered, Tenant will pay and satisfy the same at once. If Tenant fails to pay any charge for which a mechanic's lien has been filed, and has not given Landlord security as described above, or has not complied with such statutory procedures as may be available to release this lien, Landlord may, at its option, pay such charge and related costs and interest, and the amount so paid, together with reasonable attorneys' fees incurred in connection with such lien, will be immediately due from Tenant to Landlord as Additional Rent. Nothing contained in this Lease will be deemed the consent or agreement of Landlord to subject Landlord's interest in the Project to liability under any mechanic's or other lien law. If Tenant receives written notice that a lien has been or is about to be filed against the Premises or the Project or any action affecting title to the Project has been commenced on account of work done by or for or materials furnished to or for Tenant, it will immediately give Landlord written notice of such notice. At least 15 days prior to the commencement of any work (including, but not limited to, any maintenance, repairs, alterations, additions, improvements or installations) in or to the Premises, by or for Tenant, Tenant will give Landlord written notice of the proposed work and the names and addresses of the persons supplying labor and materials for the proposed work. Landlord will have the right to post notices of non-responsibility or similar written notices on the Premises in order to protect the Premises against any such liens.

**ARTICLE 12
END OF TERM**

At the end of this Lease, Tenant will promptly quit and surrender the Premises broom-clean, in good order and repair, ordinary wear and tear and casualty excepted. Tenant may remove from the Premises any trade fixtures, equipment and movable furniture placed in the Premises by Tenant, whether or not such trade fixtures or equipment are fastened to the Building; Tenant will not remove any trade fixtures or equipment without Landlord's prior written consent if such fixtures or equipment are used in the operation of the Building, or if the removal of such fixtures or equipment will result in impairing the structural strength of the Building. Tenant will remove such alterations, additions, improvements, trade fixtures, equipment and furniture as Landlord has requested in accordance with this Lease. Tenant will fully repair any damage occasioned by the removal of any trade fixtures, equipment, furniture, alterations, additions and improvements. All trade fixtures, equipment, furniture, inventory, effects, alterations, additions and improvements on the Premises after the end of the Term will be deemed conclusively to have been abandoned and may be appropriated, sold, stored, destroyed, or otherwise disposed of by Landlord without written notice to Tenant or any other person and without obligation to account for them. Tenant will pay Landlord for all expenses incurred in connection with the removal of such property, including, but not limited to, the cost of repairing any damage to the Building or Premises caused by the removal of such property. Tenant's obligation to observe and perform this covenant will survive the expiration or other termination of this Lease. Tenant shall also be responsible, at Tenant's sole expense, for assuring that the Leased Premises are reasonably free of residual odors related to Tenant's retail activities.

**ARTICLE 13
EMINENT DOMAIN**

If all of the Premises are taken by exercise of the power of eminent domain (or conveyed by Landlord in lieu of such exercise) this Lease will terminate on a date (the "termination date") which is the earlier of the date upon which the condemning authority takes possession of the Premises or the date on which title to the Premises is vested in the condemning authority. If more than 10% of the Rentable Area of the Premises is so taken, Tenant will have the right to cancel this Lease by written notice to Landlord given within 30 days after the termination date. If less than 10% of the Rentable Area of the Premises is so taken, or if the Tenant does not cancel this Lease according to the preceding sentence, the Monthly Rent will be abated in the proportion of the Rentable Area of the Premises so taken to the Rentable Area of the Premises immediately before such taking, and Tenant's Share will be appropriately recalculated. If 25% or more of the Building or the Project is so taken, Landlord may cancel this Lease by written notice to Tenant given within 30 days after the termination date. In the event of any such taking, the entire award will be paid to Landlord and Tenant will have no right or claim to any part of such award; however, Tenant will have the right to assert a claim against the condemning authority, so long as Landlord's award is not otherwise reduced by such claim, for (a) Tenant's moving expenses and (b) leasehold improvements and personal property owned by Tenant.

**ARTICLE 14
DAMAGE AND DESTRUCTION**

(a) If the Premises or the Building are damaged by fire or other insured casualty, Landlord will give Tenant written notice of the time which will be needed to repair such damage and

a written estimate of the cost of the repairs, as determined by Landlord in its reasonable discretion, and the election (if any) which Landlord has made according to this Article 14. Such notice will be given before the 30th day (the "Notice Date") after the fire or other insured casualty.

(b) If all or part of the Premises is damaged by fire or other insured casualty to an extent that, in Landlord's reasonable opinion, can be repaired within 120 days after the Notice Date, Landlord will promptly begin to repair the damage after the Notice Date and will diligently pursue the completion of such repair. In that event, this Lease will continue in full force and effect, except that Monthly Rent, including Additional Rent will be abated on a pro rata basis from the date of the damage until the date of the completion of such repairs (the "repair period") based on the proportion of the Rentable Area of the Premises which Tenant is unable to use during the repair period.

(c) If all or a substantial part of the Premises is damaged by fire or other insured casualty to an extent which may not be repaired within 120 days after the notice date, as reasonably determined by Landlord or if the damage shall occur in the last 12 months of the Term, then (i) Landlord may cancel this Lease as of the date of such damage by written notice given to Tenant on or before the notice date or (ii) Tenant may cancel this Lease as of the date of such damage by written notice given to Landlord within 30 days after the "Notice Date". If neither Landlord nor Tenant so elects to cancel this Lease, Landlord will diligently proceed to repair the Premises and Monthly Rent will be abated on a pro rata basis during the repair period based on the proportion of the Rentable Area of the Premises which Tenant is unable to use during the repair period.

(d) If all or a substantial part of the Building is damaged by fire or other insured casualty to such a material extent that in the reasonable opinion of Landlord the Building must be totally or partially demolished, whether or not to be reconstructed in whole or in part, Landlord may elect to terminate this Lease by written notice delivered to Tenant by the Notice Date.

(e) Notwithstanding the provisions of subparagraphs (a), (b), (c) and (d) above, if the Premises or the Building are damaged by uninsured casualty, or if the proceeds of insurance are insufficient to pay for the repair of any damage to the Premises or the Building, Landlord will have the option to repair such damage or cancel this Lease as of the date of such casualty by written notice to Tenant on or before the Notice Date.

ARTICLE 15 SUBORDINATION

15.1 General. This Lease and Tenant's rights under this Lease are subject and subordinate to any ground or underlying lease, mortgage, indenture, deed of trust or other lien encumbrance (each a "Superior Lien"), together with any renewals, extensions, modifications, consolidations and replacements of such Superior Lien, now or after the Commencement Date affecting or placed, charged or enforced against the Land, the Building, or all or any portion of the Project or any interest of Landlord in them or Landlord's interest in this Lease and the leasehold estate created by this Lease (except to the extent any such instrument will expressly provide that this Lease is superior to such instrument). This provision will be self-operative and no further instrument of subordination will be required in order to effect it. Notwithstanding the foregoing, Tenant will execute, acknowledge and deliver to Landlord, within 10 days

after written demand by Landlord, such documents as may be reasonably requested by Landlord or the holder of any Superior Lien to confirm or effect any such subordination.

15.2 Attornment and Non-Disturbance. Tenant agrees that in the event that any holder of a Superior Lien succeeds to Landlord's interest in the Premises, Tenant will pay to such holder all rents subsequently payable under this Lease. Further, Tenant agrees that in the event of the enforcement by the holder of a Superior Lien of the remedies provided for by law or by such Superior Lien, Tenant will, upon request of any person or party succeeding to the interest of Landlord as a result of such enforcement, automatically become the Tenant of and attorn to such successor-in-interest without change in the terms or provisions of this Lease, provided that such successor in interest executes a Nondisturbance Agreement agreeing to recognize this Lease. Such successor-in-interest will not be bound by (a) any payment of Rent for more than one month in advance, except prepayments in the nature of security for the performance by Tenant of its obligations under this Lease; (b) any amendment or modification of this Lease made without the written consent of such successor-in-interest (if such consent was required under the terms of such Superior Lien); (c) any claim against Landlord arising prior to the date on which such successor-in-interest succeeded to Landlord's interest; or (d) any claim or offset of Rent against the Landlord. Upon request by such successor-in-interest and without cost to Landlord or such successor-in-interest, Tenant will, within 10 days after written demand, execute, acknowledge and deliver an instrument or instruments confirming the attornment.

ARTICLE 16 ENTRY BY LANDLORD

Landlord, its agents, employees, and contractors may enter the Premises, subject to local and state laws and regulations, including those rules and regulations of the Marijuana Enforcement Division ("MED"), at any time in response to an emergency and otherwise with notice at reasonable hours to:

- (a) Inspect the Premises;
- (b) Exhibit the Premises to prospective purchasers, lenders or (during the last 6 months of the Term) tenants;
- (c) Determine whether Tenant is complying with all its obligations in this Lease;
- (d) Supply any service to be provided by Landlord to Tenant according to this Lease;
- (e) Post written notices of non-responsibility or similar notices; or
- (f) Make repairs required of Landlord under the terms of this Lease or repairs to any adjoining space or utility services or make repairs, alterations or improvements to any other portion of the Building; however, all such work will be done as promptly as reasonably possible and so as to cause as little interference to Tenant as reasonably possible
- (g) Tenant, by this Article 16, waives any claim against Landlord, its agents, employees or contractors for damages for any injury or inconvenience to or interference with Tenant's business, any loss of occupancy or quiet enjoyment of the Premises or any other loss occasioned by any entry in accordance with this Article 16, unless such damage is caused by the gross

negligence or deliberate tortious act of Landlord. Landlord will have the right to use any and all means which Landlord may deem proper to open doors in and to the Premises in an emergency in order to obtain entry to the Premises, provided that Landlord will provide continuous security upon the Premises during such entry and promptly repair any damages caused by any forced entry. Any entry to the Premises by Landlord in accordance with this Article 16 will not be construed or deemed to be a forcible or unlawful entry into or a detainer of the Premises or an eviction, actual or constructive, of Tenant from the Premises, or any portion of the Premises, nor will any such entry entitle Tenant to damages or an abatement of Monthly Rent, Additional Rent, or other charges which this Lease requires Tenant to pay. Landlord hereby agrees to exercise its rights hereunder in a manner that will not unreasonably interfere with Tenant's use and occupancy of the Premises.

(h) With the exception of emergency situations, Landlord will use its best efforts to provide Tenant with reasonable advance notice prior to entering the Premises.

ARTICLE 17 INDEMNIFICATION, WAIVER, AND RELEASE

(a) Tenant shall indemnify, defend, including the payment of reasonable attorney fees and costs, and hold Landlord and Landlord's agents, employees, partners, officers, directors, affiliates, attorneys, and successors in interest harmless from and against any and all claims, demands, suits, fines, losses, expenses and liabilities relating to Tenant's occupancy and use of the Leased Premises, except to the extent caused by Landlord's willful acts or omissions.

(b) Landlord shall indemnify, defend, including the payment of reasonable attorney fees and costs, and hold Tenant and Tenant's agents, employees, partners, officers, directors, affiliates, attorneys, and successors in interest harmless from and against any and all claims, demands, suits, fines, losses, expenses and liabilities relating to Landlord's development and use of the Project, except to the extent caused by Tenant's willful acts or omissions.

ARTICLE 18 SECURITY DEPOSIT

Tenant shall deposit \$15,000.00 with Landlord, upon execution of this Lease as security for Tenant's faithful performance of its obligations hereunder (the "Security Deposit").

If Tenant fails to pay Rent, or any other amount when due under this Lease, or fails to perform any other obligation hereunder, Landlord will notify Tenant of such failure in writing. If Tenant does not cure such failure within ten (10) days of receipt of such notice (five (5) days if the default is failure to pay any amounts due to Landlord), Landlord may use or apply all or any portion of the Security Deposit to cure such failure. If Landlord so uses any portion of the Security Deposit, Tenant shall restore the Security Deposit to the full amount originally deposited within ten (10) days after written demand by Landlord. Landlord shall not be required to keep the Security Deposit when converted to cash separate from its general accounts, and shall have no obligation or liability for payment of interest on the Security Deposit. Within thirty (30) days after the Term has expired, or Tenant has vacated the Premises, and all outstanding amounts owing to Landlord hereunder have been paid, and provided that Tenant is not then in default of any of its obligations hereunder, the Security Deposit, or so much thereof as had not theretofore been applied by Landlord, shall be returned to Tenant.

**ARTICLE 19
QUIET ENJOYMENT**

Landlord covenants and agrees with Tenant that, so long as Tenant pays the Rent, and observes and performs all the terms, covenants, and conditions of this Lease on Tenant's part to be observed and performed, and subject to changes in or enforcement of local, state, or federal laws, ordinances, regulations, or policies, Tenant may peaceably and quietly enjoy the Premises, subject, nevertheless, to the terms and conditions of this Lease, and Landlord will defend Tenant's quiet enjoyment of the Premises against disturbance by anyone claiming by, through, or under Landlord.

Landlord represents and warrants that it will not take any deliberate action that will intentionally jeopardize Tenant's right to use the Leased Premises for the purpose set forth in the Lease; and will indemnify and defend Tenant from any claims, losses and expenses relating to actions taken by Landlord that are inconsistent with such representation.

**ARTICLE 20
EFFECT OF SALE**

A sale, conveyance or assignment of Landlord's interest in the Building or the Project will operate to release Landlord from liability from and after the effective date of such sale, conveyance or assignment. After the effective date of such sale, conveyance or assignment, Tenant will look solely to Landlord's successor-in-interest in and to this Lease. This Lease will not be affected by any such sale, conveyance or assignment, and Tenant will attorn to Landlord's successor-in-interest to this Lease.

**ARTICLE 21
DEFAULT**

21.1 Events of Default. The following events are referred to, collectively, as "Events of Default" or, individually, as an "Event of Default":

(a) Tenant defaults in the due and punctual payment of Rent, and such default continues for five (5) working days after written notice from Landlord; however, Tenant will not be entitled to more than two (2) notices for monetary defaults during any twelve (12)-month period, and if after such written notice any Rent is not paid when due during the twelve (12) month period following the second notice when due, an Event of Default will be considered to have occurred without the requirement for a written notice to be given to Tenant;

(b) Tenant abandons the Premises and ceases to pay Rent;

(c) This Lease or the Premises or any part of the Premises are taken upon execution or by other process of law directed against Tenant, Landlord, or the Leased Premises, or are taken upon or subject to any attachment by any creditor of Tenant or claimant against Tenant, and said attachment is not discharged or disposed of within 15 days after its levy;

(d) Tenant files a petition in bankruptcy or insolvency or for reorganization or arrangement under the bankruptcy laws of the United States or under any insolvency act of any state,

or admits the material allegations of any such petition by answer or otherwise, or is dissolved or makes an assignment for the benefit of creditors;

(e) Involuntary proceedings under any such bankruptcy law or insolvency act or for the dissolution of Tenant are instituted against Tenant, or a receiver or trustee is appointed for all or substantially all of the property of Tenant, and such proceeding is not dismissed or such receivership or trusteeship vacated within 60 days after such institution or appointment; or

(f) Tenant breaches any of the agreements, terms, covenants or conditions which this Lease, together with Exhibit C, requires Tenant to perform, other than the obligation to timely pay Rent and Additional Rent, and such breach continues for a period of thirty (30) days after written notice from Landlord to Tenant or, if such breach cannot be cured reasonably within such thirty (30)-day period, if Tenant fails to diligently commence to cure such breach within thirty (30) days after written notice from Landlord and to complete such cure within an reasonable time thereafter.

21.2 Landlord's Remedies. If any one or more Events of Default set forth in Section 21.1 occurs then Landlord has the right, at its election:

(a) To give Tenant written notice of Landlord's intention to terminate this Lease on the earliest date permitted by law or on any later date specified in such notice, in which case Tenant's right to possession of the Premises will cease and this Lease will be terminated, except as to Tenant's liability, as if the expiration of the term fixed in such notice were the end of the Term;

(b) Subject to compliance with controlling local and state laws and regulations, including those rules and regulations of the MED, to, without further demand or notice, reenter and take possession of the Premises or any part of the Premises, repossess the same, expel Tenant and those claiming through or under Tenant, and remove the effects of both or either, using such force for such purposes as may be necessary, without being liable for prosecution, without being deemed guilty of any manner of trespass, and without prejudice to any remedies for arrears of Monthly Rent or other amounts payable under this Lease or as a result of any preceding breach of covenants or conditions;

Without further demand or notice to cure any Event of Default and to charge Tenant for the cost of effecting such cure, including, without limitation, reasonable attorneys' fees and interest on the amount so advanced at the Prime Rate, provided that Landlord will have no obligation to cure any such Event of Default of Tenant.

Should Landlord elect to reenter as provided in subsection (b), or should Landlord take possession pursuant to legal proceedings or pursuant to any notice provided by law, Landlord may, from time to time, without terminating this Lease, re-let the Premises or any part of the Premises in Landlord's or Tenant's name, but for the account of Tenant, for such term or terms (which may be greater or less than the period which would otherwise have constituted the balance of the Term) and on such conditions and upon such other terms (which may reasonably include concessions of free rent and alteration and repair of the Premises) as Landlord, in its reasonable discretion, may determine and Landlord may collect and receive the rent. Landlord will in no way be responsible or liable for any failure to re-let the Premises, or any part of the Premises, or for any failure to collect any rent due upon such re-letting. No such reentry or taking possession of the Premises by Landlord will be construed as an election on Landlord's part to terminate this Lease unless a written notice of such intention is given to Tenant. No written notice from

Landlord under this Section or under a forcible or unlawful entry and detainer statute or similar law will constitute an election by Landlord to terminate this Lease unless such notice specifically so states. Landlord reserves the right following any such reentry or re-letting to exercise its right to terminate this Lease by giving Tenant such written notice, in which event this Lease will terminate as specified in such notice.

21.3 Tenant's Termination Fee For Convenience. Tenant shall have the right to terminate this Lease for Tenant's convenience solely upon satisfying the following conditions:

(a) Providing Landlord not less than 90 days' advance, written notice of Tenant's intention to terminate the Lease, and

(b) In addition to all Rent and other amounts due to Landlord for the period prior to the Lease termination date, a lump sum payment in the amount of:

Term; (i) \$80,000 if Tenant gives notice of termination within the first year of the Lease

Term; (ii) \$70,000 if Tenant gives notice of termination within the second year of the Lease

Term; (iii) \$60,000 if Tenant gives notice of termination within the third year of the Lease

Term; and (iv) \$50,000 if Tenant gives notice of termination within the fourth year of the Lease

(v) \$40,000 in any subsequent year of the Lease Term.

Tenant shall make such termination payment, in full, to Landlord not less than 30 days prior to the Lease termination date.

21.4 Certain Damages. In the event that Landlord does not elect to terminate this Lease as permitted in Section (a), but on the contrary, elects to take possession as provided in Section (b), Tenant will pay to Landlord: (a) Monthly Rent and other sums as provided in this Lease, which would be payable under this Lease if such repossession had not occurred, less (b) the net proceeds, if any, of any re-letting of the Premises after deducting all of Landlord's reasonable expenses in connection with such re-letting, including, without limitation, all repossession costs, brokerage commissions, attorneys' fees, expenses of employees, alteration and repair costs and expenses of preparation for such re-letting. If, in connection with any re-letting, the new lease term extends beyond the existing Term, or the premises covered by such new lease include other premises not part of the Premises, a fair apportionment of the rent received from such re-letting as provided in this Section will be made in determining the net proceeds from such re-letting, and any rent concessions will be equally apportioned over the term of the new lease. Tenant will pay such rent and other sums to Landlord monthly on the day on which the Monthly Rent would have been

payable under this Lease if possession had not been retaken and Landlord will be entitled to receive such rent and other sums from Tenant on each such day.

21.5 Continuing Liability After Termination. If this Lease is terminated on account of the occurrence of an Event of Default, Tenant will remain liable to Landlord for damages in an amount equal to Monthly Rent and other amounts which would have been owing by Tenant for the balance of the Term, had this Lease not been terminated, less the net proceeds, if any, of any re-letting of the Premises by Landlord subsequent to such termination, after deducting all of Landlord's expenses in connection with such re-letting, including, without limitation, the expenses enumerated in Section 04. Landlord will be entitled to collect such damages from Tenant monthly on the day on which Monthly Rent and other amounts would have been payable under this Lease if this Lease had not been terminated, and Landlord will be entitled to receive such Monthly Rent and other amounts from Tenant on each such day. Alternatively, at the option of Landlord, in the event this Lease is so terminated, Landlord will be entitled to recover against Tenant as damages for loss of the bargain and not as a penalty:

(a) The worth at the time of award of the unpaid Rent which had been earned at the time of termination;

(b) The worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided by mitigating damages;

(c) The worth at the time of award of the amount by which the unpaid Rent for the balance of the Term of this Lease (had the same not been so terminated by Landlord) after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided;

(d) Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom.

The "worth at the time of award" of the amounts referred to in clauses (a) and (b) above is computed by adding interest at the Prime Rate on the date on which this Lease is terminated from the date of termination until the time of the award. The worth at the time of award of the amount referred to in clause (c) above is computed by discounting such amount at the discount rate of the Federal Reserve Bank of Kansas City, Missouri, at the time of award plus 1%.

21.6 Cumulative Remedies And Limitations. Any suit or suits for the recovery of the amounts and damages set forth in Sections 04 and 05 may be brought by Landlord, from time to time, at Landlord's election, and nothing in this Lease will be deemed to require Landlord to await the date upon which this Lease or the Term would have expired had there occurred no Event of Default. Each right and remedy provided for in this Lease is cumulative and is in addition to every other right or remedy provided for in this Lease or now or after the Date existing at law or in equity or by statute or otherwise, and the exercise or beginning of the exercise by Landlord of any one or more of the rights or remedies provided for in this Lease or now or after the Date existing at law or in equity or by statute or otherwise will not

preclude the simultaneous or later exercise by Landlord of any or all other rights or remedies provided for in this Lease or now or after the Date existing at law or in equity or by statute or otherwise. All costs incurred by Landlord in collecting any amounts and damages owing by Tenant pursuant to the provisions of this Lease or to enforce any provision of this Lease, including reasonable attorneys' fees from the date any such matter is turned over to an attorney, whether or not one or more actions are commenced by Landlord, will also be recoverable by Landlord from Tenant.

ARTICLE 22 MISCELLANEOUS

22.1 Signs. Tenant may install such signs as permitted by applicable governmental requirements, and as approved in advance by Landlord, subject to Landlord's reasonable discretion. All costs of installing the signs, securing permits for such signs, and removing the signs at the termination of this Lease shall be borne by the Tenant.

22.2 No Offer. This Lease is submitted to Tenant on the understanding that it will not be considered an offer and will not bind Landlord in any way until Tenant has duly executed and delivered duplicate originals to Landlord and Landlord has executed and delivered one of such originals to Tenant.

22.3 Joint and Several Liability. If Tenant is composed of more than one signatory to this Lease, each signatory will be jointly and severally liable with each other signatory for payment and performance according to this Lease. The act of, written notice to, written notice from, refund to, or signature of, any signatory to this Lease (including without limitation modifications of this Lease made by fewer than all such signatories) will bind every other signatory as though every other signatory had so acted, or received or given the written notice or refund, or signed.

22.4 Time is of the Essence. Time is of the essence of each and every provision of this Lease.

22.5 No Recordation. Tenant's recordation of this Lease or any memorandum or short form of it will be void and a default under this Lease.

22.6 No Waiver. The waiver by Landlord of any agreement, condition or provision contained in this Lease will not be deemed to be a waiver of any subsequent breach of the same or any other agreement, condition or provision contained in this Lease, nor will any custom or practice which may grow up between the parties in the administration of the terms of this Lease be construed to waive or to lessen the right of Landlord to insist upon the performance by Tenant in strict accordance with the terms of this Lease. The subsequent acceptance of Rent by Landlord will not be deemed to be a waiver of any preceding breach by Tenant of any agreement, condition or provision of this Lease, other than the failure of Tenant to pay the particular Rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such Rent.

22.7 Limitation on Recourse. Tenant specifically agrees to look solely to Landlord's interest in the Project for the recovery of any judgments from Landlord. It is agreed that Landlord (and its shareholders, venturers, and partners, and their shareholders, venturers and partners and all of their officers, directors and employees) will not be personally liable for any such judgments. The provisions contained in the preceding sentences are not intended to, and will not, limit any right that Tenant might otherwise have to obtain injunctive relief against Landlord or relief in any suit or action in connection with

enforcement or collection of amounts which may become owing or payable under or on account of insurance maintained by Landlord.

22.8 Estoppel Certificates. Within 10 days after prior written request by Landlord, Tenant will execute, acknowledge and deliver to Landlord a certificate certifying (a) that this Lease is unmodified and in full force and effect, or if there have been modifications, that this Lease is in full force and effect, as modified, and stating the date and nature of each modification; (b) the date, if any, to which Rent and other sums payable under this Lease have been paid; (c) that no written notice of any default has been delivered to Landlord which default has not been cured, except as to defaults specified in said certificate; (d) there is no Event of Default under this Lease or an event which, with notice or the passage of time, or both, would result in an Event of Default under this Lease, except for defaults specified in said certificate. Any such certificate may be relied upon by any prospective purchaser or existing or prospective mortgagee or beneficiary under any deed of trust of the Building or any part of the Project. In the event of any conflict between the terms of the estoppel and the terms of this Lease, this Lease shall govern and control. Tenant's failure to deliver such a certificate within such time will be conclusive evidence of the matters set forth in it.

22.9 No Merger. The voluntary or other surrender of this Lease by Tenant or the cancellation of this Lease by mutual agreement of Tenant and Landlord or the termination of this Lease on account of Tenant's default will not work a merger, and will, at Landlord's option, (a) terminate all or any subleases and subtenancies or (b) operate as an assignment to Landlord of all or any subleases or subtenancies. Landlord's option under this Section will be exercised by written notice to Tenant and all known sublessees or subtenants in the Premises or any part of the Premises.

22.10 Holding Over. Tenant will have no right to remain in possession of all or any part of the Premises after the expiration of the Term. If Tenant remains in possession of all or any part of the Premises after the expiration of the Term, with the express or implied consent of Landlord: (a) such tenancy will be deemed to be a periodic tenancy from month-month only; (b) such tenancy will not constitute a renewal or extension of this Lease for any further terms; and (c) such tenancy may be terminated by Landlord upon the earlier of thirty (30) days' prior written notice or the earliest date permitted by law. In such event, Monthly Rent will be increased to an amount equal to 150% of the Monthly Rent payable during the last month of the Term, and any other sums due under this Lease will be payable in the amount and at the times specified in this Lease. Such month-to-month tenancy will be subject to every other term, condition, and covenant contained in this Lease.

22.11 Notices. Any notice, request, demand, consent, approval or other communication required or permitted under this Lease must be in writing and will be deemed to have been given three (3) days after being deposited in any depository regularly maintained by the United States Postal Service, postage prepaid, certified mail, return receipt requested, or when personally delivered, sent by facsimile with receipt acknowledged, deposited with any nationally recognized overnight carrier which routinely issues receipts, addressed to the party for whom it is intended at its address set forth herein or at such other address as it directs. . Either Landlord or Tenant may add additional addresses or change its address for purposes of receipt of any such communication by giving ten (10) days' prior written notice of such change to the other party in the manner prescribed in this Section.

22.12 Severability. If any provision of this Lease proves to be illegal, invalid or unenforceable, the remainder of this Lease will not be affected by such finding, and in lieu of each

provision of this Lease that is illegal, invalid or unenforceable, a provision will be added as a part of this Lease as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

22.13 Written Amendment Required. No amendment, alteration, modification of or addition to the Lease will be valid or binding unless expressed in writing and signed by Landlord and Tenant. Tenant agrees to make any modifications of the terms and provisions of this Lease required or requested by any lending institution providing financing for the Building, or Project, as the case may be, provided that no such modifications will materially adversely affect Tenant's rights and obligations under this Lease.

22.14 Entire Agreement. This Lease, the Exhibits and Addenda, if any, contain the entire agreement between Landlord and Tenant. No promises or representations, except as contained in this Lease, have been made to Tenant respecting the condition or the manner of operating the Premises, the Building, or the Project.

22.15 Captions. The captions of the various Articles and Sections of this Lease are for convenience only and do not necessarily define, limit, describe or construe the contents of such Articles or Sections.

22.16 Notice of Landlord's Default. In the event of any alleged default in the obligation of Landlord under this Lease, Tenant will deliver to Landlord written notice listing the reasons for Landlord's default and Landlord will have thirty (30) days following receipt of such notice to cure such alleged default or, in the event the alleged default cannot reasonably be cured within a thirty (30)-day period, to commence action and proceed diligently to cure such alleged default.

22.17 Authority. Tenant and the party executing this Lease on behalf of Tenant represents to Landlord that such party is authorized to do so by requisite action of the board of directors, or partners, as the case may be, and agree upon request to deliver to Landlord a resolution or similar document to that effect.

22.18 Brokers. Landlord and Tenant respectively represent and warrant to each other that neither of them has consulted or negotiated with any broker or finder with regard to the Premises. Each of them will indemnify the other against and hold the other harmless from any claims for fees or commissions from anyone with whom either of them has consulted or negotiated with regard to the Premises.

22.19 Governing Law. This Lease will be governed by and construed pursuant to the laws of the State of Colorado. Jurisdiction and Venue shall be in the appropriate Court in Garfield County, Colorado.

22.20 Attorneys' Fees. In any action or proceeding hereunder, the prevailing party shall be entitled to recover from the other the prevailing party's reasonable costs and expenses of such action or proceeding, including reasonable attorneys' fees.

22.21 Late Payments. Any Rent which is not paid prior to the expiration of any applicable grace and cure periods hereunder will accrue interest at a late rate charge of the Prime Rate plus 5% per

annum (but in no event in an amount in excess of the maximum rate allowed by applicable law) from the date on which it was due until the date on which it is paid in full with accrued interest.

22.22 No Easements for Air or Light. Any diminution or shutting off of light, air or view by any structure which may be erected on lands adjacent to the Building will in no way affect this Lease or impose any liability on Landlord.

22.23 Tax Credits. Promptly after Landlord's demand, Landlord and Tenant will prepare a detailed list of the leasehold improvements and fixtures and their respective costs for which Landlord or Tenant has paid. Landlord will be entitled to all credits and depreciation for those items for which Landlord has paid by means of any tenant finish allowance or otherwise. Tenant will be entitled to any tax credits and depreciation for all items for which Tenant has paid with funds not provided by Landlord.

22.24 Landlord's Fees. Whenever Tenant requests Landlord to take any action or give any consent required or permitted under this Lease, Tenant will reimburse Landlord for all of Landlord's reasonable costs incurred in reviewing the proposed action or consent, including, without limitation, reasonable attorneys', engineers' or architects' fees, within ten (10) days after Landlord's delivery to Tenant of a statement of such costs, which costs shall not exceed \$500.00. Tenant will be obligated to make such reimbursement without regard to whether Landlord consents to any such proposed action. Tenant shall not be liable for such costs during the first six months following the Delivery of Possession as described in Section 3.2.1.

22.25 Binding Effect. The covenants, conditions and agreements contained in this Lease will bind and inure to the benefit of Landlord and Tenant and their respective heirs, distributees, executors, administrators, successors, and, except as otherwise provided in this Lease, their assigns.

22.26 Lease Contingency. This Lease is contingent upon Tenant receiving all necessary licenses and approvals for Tenant's proposed use from the State of Colorado, the Town of Parachute, Garfield County, and all other governmental and quasi-governmental entities having jurisdiction to issue such approvals.. Landlord acknowledges that such licenses are in part contingent upon review and approval of this Lease by local and state agencies, including the MED. In the event that Tenant is unable to obtain the necessary licenses and approvals required for Tenant's intended use from any governmental or regulatory agency, Tenant may terminate this lease upon seven day's written notice to Landlord without penalty or seek reasonable modification of this Lease if required to obtain the necessary licenses and approvals. If modification is so required, Landlord shall cooperate with Tenant as is reasonably necessary to gain licenses and approvals. In the event that the necessary licenses and approvals are not renewed or are revoked as a result of circumstances not caused by Tenant (i.e. a referendum banning the sale of retail marijuana in Parachute), Tenant may terminate this Lease upon seven day's written notice to Landlord without penalty. In the event that Tenant utilizes this provision to terminate the lease, the Parties' obligations to each other under the lease shall terminate seven days following receipt of the written notice of termination. In no event shall Tenant be entitled to a refund of any amounts accrued or paid in Rent or Additional Rent during the time of actual occupancy by Tenant.

Landlord and Tenant have executed this Lease as of the day and year first above written.

Signature page follows

STAGE STOP / PARACHUTE GREEN JOINT
No. 315 E 1st Street, Parachute, CO 81635 LEASE AGREEMENT

EXHIBIT A: Leased Premises

The legally described real estate in the County of 6/24/2015 9 Garfield, Colorado: 10 Section 12, Township 7, Range 96: Lots 1-7 Block 32 Park Addition; The South 66.8` of Lot 0 except part of I-70 right of way (Parcel 2409-121-14-003); and Beginning at a point Northerly of right of way of I-70, whence east 1/4 (Parcel 2409-121-00-029) 11 known as No. 315 E 1st Street Parachute CO 81635 (Property)

STAGE STOP / PARK RANGE
No. 315 E 1st Street, Parachute, CO 81635 LEASE AGREEMENT

EXHIBIT B: Additional Conditions

The Additional Provisions set forth in this Exhibit C shall be incorporated into and made a part of the Industrial Lease (the "Lease") entered into by and between Stage Stop 3, LLC ("Landlord") and Parachute Green Joint, LLC ("Tenant") with respect to a portion of the Building known as Parachute Dispensary located at No. 315 E 1st Street, Parachute, CO 81635.

Unless otherwise noted in this Exhibit, capitalized terms shall have the meaning given them in the Lease.

1. Landlord and Tenant acknowledge and agree that Tenant intends to use the Leased Premises for the operation of a facility authorized by the State of Colorado, the Town of Parachute and the County of Garfield to sell marijuana and marijuana related products and, potentially, operate a restaurant.

2. Tenant covenants, warrants, and represents as follows:

a. At all times during the Term of the Lease, Tenant, together with its members, managers, agents, officers, and employees, shall obtain and maintain, in good standing and without interruption or restriction, all licenses, permits, approvals, and certifications, of any kind whatsoever, required by any governmental or quasi-governmental entity for the lawful operation of a retail marijuana store.

b. At all times during the Term of the Lease, Tenant shall maintain strict compliance with all applicable laws, ordinances, and regulations, including, without limitation, the Colorado Retail Marijuana Code, C.R.S. § 12-43.4-101 , *et seq.*, and all other applicable laws and regulations of the State of Colorado and the town and county wherein the Leased Premises are located (collectively, the "Applicable Law").

c. Tenant shall not sell, barter, donate, transfer, trade, or convey by any means any marijuana grown at or on the Leased Premises except as permitted by the Code and all other applicable state or local laws, ordinances, and regulations.

d. Tenant shall not use, or permit the use of, the Leased Premises for the for the sale of marijuana in amounts exceeding those permitted by the Applicable Law and any other applicable state or local law, ordinance, or regulation.

e. Tenant shall not permit the consumption of marijuana in or on the Leased Premises.

3. Tenant shall, at its sole expense, provide for the physical security of the Leased Premises in accordance with all applicable state and local laws, ordinances, and regulations, and with Landlord's reasonable requests.

4. Tenant shall immediately inform Landlord of any contact Tenant has at or on the Leased Premises with local, state, or federal law enforcement officials or regulatory agents.

5. Notwithstanding any contrary or conflicting provision of the Lease, Landlord shall be entitled, but not required, to immediately terminate the Lease upon the occurrence of any of the following:

a. The adoption of any state or local law, ordinance, or regulation that makes the sale of retail marijuana unlawful or impractical in the Town of Parachute, Colorado or at the Leased Premises.

b. The adoption of any policy or practice by state or local law enforcement agencies with jurisdiction over the Project that is incompatible with the continued sale of retail marijuana in or on the Leased Premises.

c. Notice from any governmental or quasi-governmental agency with jurisdiction over the Project that it intends to imminently undertake enforcement of laws, ordinances, or regulations that restrict or prohibit the sale of retail marijuana.

d. Notice from any lender with an interest in the Project that the Lease constitutes a default under any promissory note, deed of trust, or other financing instrument applicable to the Project.

e. Landlord's inability to obtain policies of insurance protecting against property damage or personal injury at premium levels and with policy limits that are reasonably acceptable to Landlord and to Landlord's lender or lenders.

f. The adoption or enforcement of any land use restriction applicable to the Project that is incompatible with the continued sale of retail marijuana in or on the Leased Premises.

6. Upon such termination, Tenant shall immediately vacate the Leased Premises and shall promptly remove all marijuana, in any form, from the Leased Premises. With the exception of defense and indemnity provisions, and any other provision that expressly survives termination of the Lease, Tenant shall thereafter have no further obligation to Landlord under the Lease, including the continued payment of Rent except Rent that has already accrued and is properly owing to the Landlord at the time of termination.

7. Landlord and Tenant enter into this Lease in full recognition that the state of the law applicable to legal sale of retail marijuana is not yet settled. Landlord and Tenant therefore agree to cooperate in responding to applicable laws, ordinances, regulations, and governmental policies and practices adopted after the Effective Date. The Parties' cooperation shall include adopting such amendments to the Lease as are necessary to protect Landlord, Tenant, and the Leased Premises from adverse legal or regulatory action.

STAGE STOP / PARK RANGE
No. 315 E 1st Street, Parachute, CO 81635 LEASE AGREEMENT

EXHIBIT C: TENANT IMPROVEMENTS

All Tenant Improvements contemplated by this Exhibit require Landlord's advance approval, which shall not be unreasonably withheld.

1. **Outdoor Signage.** Subject to Section 22.1, Tenant will design, place, and maintain outdoor signage, either freestanding or attached to Premises, sufficient to identify the name and nature of the business(es).

2. **Kitchen Appliances.** Tenant or Tenant's sublessee may, as reasonably required, improve, place, or install appliances sufficient for the use and operate of a portion of the Premises as a restaurant, and for use, either personal or as may be incident to operations upon the Premises, by Tenant's agents, employees, or those of Tenant's sublessee.

3. **HVAC / Climate Control Systems.** Subject to Sections 4.1 and 9.2, Tenant may improve the current or install new HVAC systems necessary for Tenant's comfort and specific uses and operations upon the Premises.

4. **Restroom.** Tenant may improve or remodel restroom facilities, including any necessary plumbing and electrical systems incident thereto.

5. **Wall Removal and Additions in Customer Service Areas.** If Tenant determines it is necessary to meet Tenant's needs or regulatory standards, Tenant may remove or erect walls or barriers, in compliance with applicable building codes, throughout the Premises.

6. **New Ingress/Egress and Entrance/Exit in the Customer Service Area.** If necessary to Meet Tenant's needs or regulatory standards, and in compliance with applicable building codes, Tenant may add new points of ingress/egress upon the Premises and entrance/exit upon the building structure.

7. **New Flooring and/or Wall decor additions or modifications.** Tenant may add to, improve, or remodel interior fixtures, flooring, and walls for aesthetical or structural purposes.

8. **Security & Camera Systems.** Tenant may install, upon the interior and exterior of the Premises, such surveillance equipment to meet minimum standards required by state and local laws, rules, and regulations, and such other security equipment as Tenant deems reasonably necessary.

9. Aesthetical Alterations and Cleaning. Tenant may provide such other aesthetical improvements, such as paint, siding, substantial cleaning or clearing of debris, or other alterations to Premises, as Tenant so desires.

10. Deck Removal or Alteration. At Tenant's sole discretion, Tenant may improve, remove, or alter outdoor structures, including the attached deck.

11. Awning/Sunshade. Tenant may attach to the Premises awnings or sunshades.

12. Address/Unit Designation. Tenant may seek, through the appropriate local office, to designate additional, unique address(es) upon the Premises for demarcation of Tenant's operations and the operations of Tenant's restaurant-sublease.

13. Improvement of Basement. Upon Tenant's determination, the Premises basement may be improved for use as an office, employee lounge. Improvements may include such additional security measures as Tenant deems reasonably necessary to Tenant's operations.

14. Exterior Trees and Plants. Tenant may, from time to time, remove, plant, and trim plants, trees, and other foliage on the Premises.

15. Roof and Ventilation System. Tenant may improve, repair, alter, or replace the building roof and ventilation systems.

16. Improvements Required by Law. Tenant will provide such other improvements and alterations as Tenant determines are necessarily required by state or local laws, rules, and regulations.

17. Parking Lot. Tenant may cause the resurfacing and alteration to parking arrangement of the Premises' parking lot as is reasonably necessary for ingress/egress and use of the same by Tenant.

**BEFORE THE EXECUTIVE DIRECTOR, DEPARTMENT OF REVENUE
STATE LICENSING AUTHORITY
STATE OF COLORADO**

STIPULATION, AGREEMENT, AND ORDER

IN THE MATTER OF:

**Parachute Green Joint, LLC
Retail Marijuana Store License No. 402R-00518,**

**Cheryl Lynn Sullivan
Associated Key License No. M01118,**

**Daniel Lee Sullivan
Associated Key License No. M01119**

**Barbara Jo Paarz
Associated Key License No. M05673**

Respondents.

THIS STIPULATION, AGREEMENT, AND ORDER ("Order") between the State of Colorado, Marijuana Enforcement Division ("Division"), and Parachute Green Joint, LLC, Cheryl Lynn Sullivan, Daniel Lee Sullivan, and Barbara Jo Paarz ("Licensees") is offered for the purpose of settlement and to avoid the uncertainty and cost of future administrative action. The Division and the Licensees submit to and agree as follows:

- 1. The Executive Director of the Department of Revenue as the State Licensing Authority has jurisdiction over the Licensees and the subject matter herein pursuant to subsection 12-43.4-201(1), C.R.S.**
- 2. Licensees have been the subject of an investigation conducted by the Division. Agents of the Division allege violations of the Colorado Retail Marijuana Code, sections 12-43.4-101 *et seq.* ("Retail Code"), and rules promulgated pursuant to it. The state Licensing Authority served an Order to Show Cause on May 10, 2016, alleging statutory and rule violations attached hereto as Exhibit 1. These allegations concerned the following Retail Marijuana Store ("Store") and Associated Key Licenses:**

**Stipulation, Agreement, and Order
Parachute Green Joint, LLC**

- a. **Store License Number 402R-00518;**
 - b. **Cheryl Lynn Sullivan, Associated Key License Number M01118;**
 - c. **Daniel Lee Sullivan, Associated Key License Number M01119;**
 - d. **Barbara Jo Paarz, Associated Key License Number M05673;**
3. **The Division and Licensees, through their counsel, have discussed the merits of the investigations and allegations, and have come to a mutual agreement and understanding to jointly propose to the State Licensing Authority a resolution of the allegations in lieu of proceeding to hearing to determine the merits of such allegations on an Order to Show Cause. The terms and conditions of this Order are subject to approval by the State Licensing Authority.**
4. **Licensees agree, in lieu of proceeding with an administrative hearing and potential subsequent proceedings, to the following:**
- a. **Licensees admit to the following facts and violations:**
 - i. **Licensees violated subsection 12-43.4-901(4)(e), C.R.S., by selling or permitting the sale of retail marijuana or retail marijuana products to a person under 21 years of age.**
 - ii. **Licensees violated subsection 12-43.4-402(3)(b)(I), C.R.S., by failing to verify that a purchaser had a valid identification card showing the purchaser was twenty-one years of age or older prior to initiating a sale of retail marijuana.**
 - iii. **Licensees violated Rule R 402(B), 1 CCR 212-2, by selling, giving, or distributing retail marijuana or retail marijuana product to a person under 21 years of age.**
 - iv. **Licensees violated Rule R 402(C), 1 CCR 212-2, by failing to verify that the purchaser of retail marijuana or retail marijuana product had a valid government-issued photo identification showing that the purchaser was 21 years of age or older prior to initiating the sale of retail marijuana or retail marijuana product.**
 - v. **Licensees violated Rule R 403(B), 1 CCR 212-2, by failing to supervise the Restricted Access Area at all times to ensure that only persons who were 21 years of age or older were permitted to enter.**

**Stipulation, Agreement, and Order
Parachute Green Joint, LLC**

- vi. Licensees violated Rule R 404(A), 1 CCR 212-2, by failing to refuse the sale of retail marijuana or retail marijuana product to an individual who could not produce a form of valid identification of 21 years of age.
- b. Licensees agree to pay a **\$7,500 fine** within 30 days following service of the fully executed Order. Payment shall be made by certified check or money order made payable to the Colorado Department of Revenue, and be delivered to the Marijuana Enforcement Division, 455 Sherman Street, Suite 390, Denver, Colorado. Licensees shall contact Dominique Mendiola at the Marijuana Enforcement Division at 303-866-3293 to make an appointment for delivery and payment of the fine.
- c. Licensees agree to serve seven (7) days of suspension of Licensees' Retail Marijuana Store License No. 402R-00518, all days of the suspension to be held in abeyance for a period of one (1) year, from the date of approval of this agreement by the State Licensing Authority, pending no further license violations affecting public safety by the subject license (See Rule R 1307(A)(1), 1 CCR 212-2) of the Retail Code and the rules promulgated thereto during this period. If Retail Marijuana Store License No. 402R-00518 is subject to a Transfer of Ownership pursuant to Rule R 205, 1 CCR 212-2, the seven (7) days of suspension will continue to apply to License Number 402R-00518 until the expiration of the one-year abeyance period.
 - i. If during the term of this Order the State Licensing Authority finds that Licensees have committed a violation affecting public safety, the State Licensing Authority may issue a Notice of Suspension, setting forth the violation(s) for which the State Licensing Authority intends to impose the stayed seven (7) day suspension. Such suspension shall be effective and shall commence 14 days from the date of mailing of a Notice of Suspension to Licensees by first-class mail to their last address of record with the Division, unless within ten days of the date of such mailing, Licensees submit a written request to the Division for a public hearing as provided in the Medical Code and the Retail Code, and the rules promulgated thereunder, and the Administrative Procedure Act. The sole issue at any such hearing shall be limited to whether any of the violation(s) identified in the Notice of Suspension occurred. If any of the violation(s) identified in the Notice of Suspension is (are) found to have occurred at such hearing, the seven (7) day suspension shall be automatically and immediately imposed. Licensees

**Stipulation, Agreement, and Order
Parachute Green Joint, LLC**

have the responsibility to keep the Division informed of any change of address.

The parties agree that this procedure shall satisfy all entitlements Licensees have to due process of law with respect to the imposition of the stayed suspension.

- d. Licensees agree to complete an approved Responsible Vendor Training program, pursuant to Rule R 407, 1 CCR 212-2, for all owners, employees, and managers within 90 days of approval of this Order by the State Licensing Authority.**
- 5. Licensees certify that they will not recommit any of the violations related to the admissions in paragraph 4(a), and that Licensees will remain in compliance with the Medical Marijuana Code, sections 12-43.3-101 to -1102, C.R.S., ("Medical Code"), the Retail Code, and rules promulgated pursuant to the Medical and Retail Codes.**
- 6. This Order and related circumstance can and shall be admissible as evidence at any future hearing (Application Denial or Order to Show Cause) before the State Licensing Authority and may be used in connection with any future violations of the Licensees regarding any future actions with the Division. Any issues relating to the underlying complaint or investigations that formed the basis for this Order against Licensees (and any defenses that Licensees may have to such complaint and investigations) shall not be at issue in the proceeding against Licensees for failing to comply with the terms of this Order.**
- 7. Licensees agree that if they apply for or renew any license or registration pursuant to the Medical Code, the Retail Code, or any successor to such codes, the Division may consider the circumstances surrounding this Order.**
- 8. Licensees acknowledge receipt of sufficient notice, advisement of rights, and process of the proceedings and wish to resolve all issues which were the subject of the investigations or in any way related to the investigations, by entering into this Order.**
- 9. Upon execution by all parties, this Order shall have the same force and effect as an order entered after a formal hearing pursuant to section 12-43.4-601, C.R.S. except that it may not be appealed. Failure to comply with the terms of this Order may be sanctioned by the State Licensing Authority as set forth in the Medical Code.**
- 10. Licensees agree and acknowledge that Licensees have entered into this Order knowingly and voluntarily. Licensees acknowledge that the terms of this Order were mutually negotiated and agreed upon. After the opportunity to consult with**

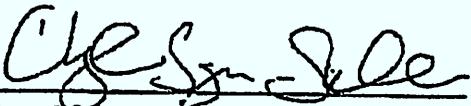
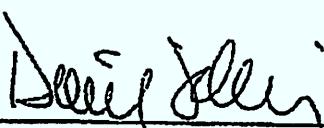
**Scipulation, Agreement, and Order
Parachute Green Joint, LLC**

legal counsel, Licensees affirm that Licensees have read this Order and fully understand its nature, meaning, and content. Licensees agree that upon execution of this Order, no subsequent action or assertion shall be maintained or pursued by Licensees asserting the invalidity in any manner of this Order.

11. Licensees further understand and knowingly and voluntarily waive the following rights:
 - a. The right to a formal disciplinary hearing on the merits of the matters forming the basis of this Order and the right to require the Division to meet its burden of proof in a formal hearing;
 - b. The right to cross-examine all witnesses against Licensees at a formal hearing;
 - c. The right to subpoena witnesses, present evidence and to testify on Licensees' own behalf at a formal hearing;
 - d. The right to engage in pre-hearing discovery of the Division's evidence; and
 - e. The right to appeal this Order.
12. By signing this Order, Licensees consent to the terms and conditions described herein and agree to waive the right to judicial review of this Order pursuant to section 24-4-106, C.R.S.
13. Upon execution by all parties, this Order shall represent the entire and final agreement of the parties. In the event that any provision of this Order is deemed unenforceable by a court of competent jurisdiction, such provision shall be severed, and the remainder of this Order shall be given full force and effect.
14. This Order shall be binding upon Licensees, individually or through an ownership interest in an entity, and shall inure to the benefit of the parties to this Order and their respective successors and assignees, and shall be construed in accordance with and governed by the laws of the State of Colorado.
15. Upon approval and order of the State Licensing Authority, this Order shall become a permanent part of the record, and shall be open to public inspection and published pursuant to the Division's standard policies and procedures or applicable law.
16. This Order may be executed by facsimile or e-mail, and any signatures delivered by either method will be deemed to be as valid as an original signature.

**Stipulation, Agreement, and Order
Parachute Green Joint, LLC**

17. All costs and expenses incurred by Licensees to comply with this Order shall be the sole responsibility of the Licensees, and shall not in any way be the obligation of the Division.
18. This Order shall be effective on the date approved and ordered by the Executive Director of the Department of Revenue, as the State Licensing Authority. Should the State Licensing Authority reject the terms hereof, Licensees' admissions herein shall be withdrawn, and the matter scheduled for a hearing after the issuance of Orders to Show Cause.
19. For the purpose of addressing any future violations of the Order, the Medical Code, the Retail Code, and the rules and regulations promulgated thereunder shall hereby include all later adopted codes, rules, or regulations that are in effect at the time of the violation.

 James Burack Director Marijuana Enforcement Division <u>July 1, 2016</u> Date	
 Cheryl Lynn Sullivan, Individually and as owner of Parachute Green Joint, LLC <u>6-27-16</u> Date	 Daniel Lee Sullivan, Individually and as owner of Parachute Green Joint, LLC <u>6-27-16</u> Date

BEFORE THE DIRECTOR, DEPARTMENT OF REVENUE, MARIJUANA ENFORCEMENT DIVISION
STATE OF COLORADO

AVC No. 2014-0063-01

 COPY

ASSURANCE OF VOLUNTARY COMPLIANCE

IN THE MATTER OF:

Green Medicine, LLC
Medical Marijuana Optional Premises Cultivation License No. 403-00849
Retail Marijuana Cultivation License No. 403R-00278

Cheryl Lynn Sullivan
Associated Key License No. M01118

Daniel Lee Sullivan
Associated Key License No. M01119

Licensees.

COME NOW, Green Medicine, LLC, Medical Marijuana Optional Premises Cultivation License No. 403-00849 and Retail Marijuana Cultivation License No. 403R-00278, Cheryl Lynn Sullivan, Associated Key License No. M01118, Daniel Lee Sullivan, Associated Key License No. M01119 (collectively, "Licensees"), and the Colorado Department of Revenue, Marijuana Enforcement Division ("Division"), and hereby agree to the terms of this Assurance of Voluntary Compliance pursuant to Rule M 1204, 1 C.C.R. 212-1 and Rule R 1204, 1 C.C.R. 212-2, promulgated by the Colorado Department of Revenue, State Licensing Authority for the Marijuana Enforcement Division.

On or about January 30, 2015, Licensees were the subject of an investigation conducted by the Division. Agents of the Division allege violations of the Colorado Medical Marijuana Code, sections 12-43.3-101 *et seq.*, C.R.S. ("Medical Code"), the Colorado Retail Marijuana Code, Sections 12-43.4-101 *et seq.*, C.R.S. ("Retail Code"), and the rules promulgated thereunder.

IT IS ALLEGED THAT:

1. Licensees violated Rules M 306(C)(1)-(2) and (4), 1 CCR 212-1 and Rules R 306(C)(1)(2)-(4), 1 CCR 212-2, by failing to have adequate camera coverage for Limited Access Areas, points of ingress and egress to Limited Access Areas, all areas where Medical Marijuana, Medical Marijuana-Infused Product, Retail Marijuana, or Retail Marijuana-Infused Product is displayed for sale, and/or all points of ingress/egress to the exterior of the Licensed Premises.
 - a. Licensees failed to have adequate camera coverage for exterior doors of the "North Flower" room, "South Flower" room, and "Veg" room on the Licensed Premises.
2. Licensees violated Rule M 304(B)(1), Rule M 309(E)(2), Rule M 309(G)(1), Rule M 503(A), 1 CCR 212-1 and Rule R 304(B)(1), Rule R 309(D)(2), Rule R 309(F)(1), Rule R 503(A), 1 CCR 212-2, by (1) failing to maintain adequate separation of the facilities, marijuana plants, and marijuana inventory to clearly distinguish the inventories and business transactions of the

Medical Marijuana Business and the Retail Marijuana Establishment; by (2) failing to ensure inventories were properly tagged there the Inventory Tracking System required RFID tag use; and (3) by failing to ensure inventories were identified and tracked from the point Medical Marijuana and Retail Marijuana is propagated from seed or cutting to the point when it is delivered to a Medical Marijuana Business or Retail Marijuana Establishment.

- a. Licensees failed to clearly distinguish some of their inventory as either Medical or Retail; Licensees possessed approximately 51 mature marijuana plants without RFID tagging;
3. Licensees violated Rule M 309(E)(1), 1 CCR 212-1 and Rule R 309(E)(1), 1 CCR 212-2, by failing to reconcile all on-premises and in-transit Retail Marijuana inventories each day in the Inventory Tracking System at the close of business.
 - a. Licensees accepted transfer(s) of Medical and/or Retail Marijuana without reporting it to the Inventory Tracking System by the close of business on September 25, 2014.
4. Licensees violated Rule M 306(D)(3), 1 CCR 212-1 and Rule R 306(D)(3), 1 CCR 212-2, by failing to keep or provide a current list of all authorized employees and service personnel who have access to the surveillance system and/or room on the Licensed Premises.
5. Licensees violated Rule M 501(E), 1 CCR 212-1, by failing to transport processed Medical Marijuana within 48 hours of packaging.

TERMS OF RESOLUTION:

Without admitting any violation of the above referenced provisions, Licensees, in order to resolve all issues brought forward by the Division, state, affirm, and assure that Licensees will henceforth voluntarily comply with the following requirements:

1. Licensees assure the Division that Licensees will affirmatively and actively, at all times hereafter, understand and comply with the Medical Code, the Retail Code, and rules promulgated thereunder. Additionally, Licensees assure the Division that Licensees will specifically correct all alleged noncompliance issues noted herein.
2. Proof of failure to comply with the Assurance of Voluntary Compliance is prima facie evidence of the violation of the Medical Code, the Retail Code, or the rules and regulations thereunder, alleged above.

The Licensees further stipulate and agree to pay a sum of \$5,000.00 by certified check or money order to the Colorado Department of Revenue as voluntary payment of the cost commensurate with the acts or practices alleged above, to include the investigation of the violations alleged, and an amount necessary to restore money or property which may have been acquired by Licensees because of such alleged acts or practices.

The Division must receive the payment within ten days of the date of acceptance of the terms of this Assurance of Voluntary Compliance by the Director of the Marijuana Enforcement Division. This payment shall be sent to the Colorado Department of Revenue, Marijuana Enforcement Division, 455 Sherman Street, Suite 390, Denver, Colorado 80203, Attention: Dominique Mendiola.

AGREED and ACCEPTED, this 24th day of SEPTEMBER, 2015.



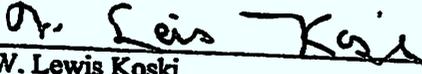
Cheryl Lynn Sullivan,
as owner of Green Medicine, LLC

AGREED and ACCEPTED, this 24th day of SEPTEMBER, 2015.



Daniel Lee Sullivan,
as owner of Green Medicine, LLC

APPROVED this 29 day of September, 2015.



W. Lewis Koski
Director
Marijuana Enforcement Division

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing **ASSURANCE OF VOLUNTARY COMPLIANCE** was duly placed in the United States Mail, first class postage prepaid and sent via electronic mail, this 29th day of September, 2015, addressed as follows.

Green Medicine, LLC 2187 10 th Street South Rifle, CO 81650	Green Medicine, LLC 1030 Grand Avenue Glenwood Springs, CO 81601
Cheryl Lynn Sullivan 609 Harmony Lane Carbondale, CO 81623	Daniel Lee Sullivan 609 Harmony Lane Carbondale, CO 81623

By: 
Dominique D. Mendiola

Town of Parachute
222 Grand Valley Way
PO Box 100
Parachute CO 81635 970-285-7630

Receipt No: 1.004122 Sep 27, 2016

PARACHUTE GREEN JOINT

Previous Balance:	.00
Tax / Licenses & Permits	
Marijuana Licensing	2,000.00
10-32-140	
MARIJUANA LICENSING	

Total:	2,000.00
	=====
Check / Money Orders	
Check No: 2882.	2,000.00
Total Applied:	2,000.00

Change Tendered:	.00
	=====

Duplicate Copy
09/27/2016 02:42PM

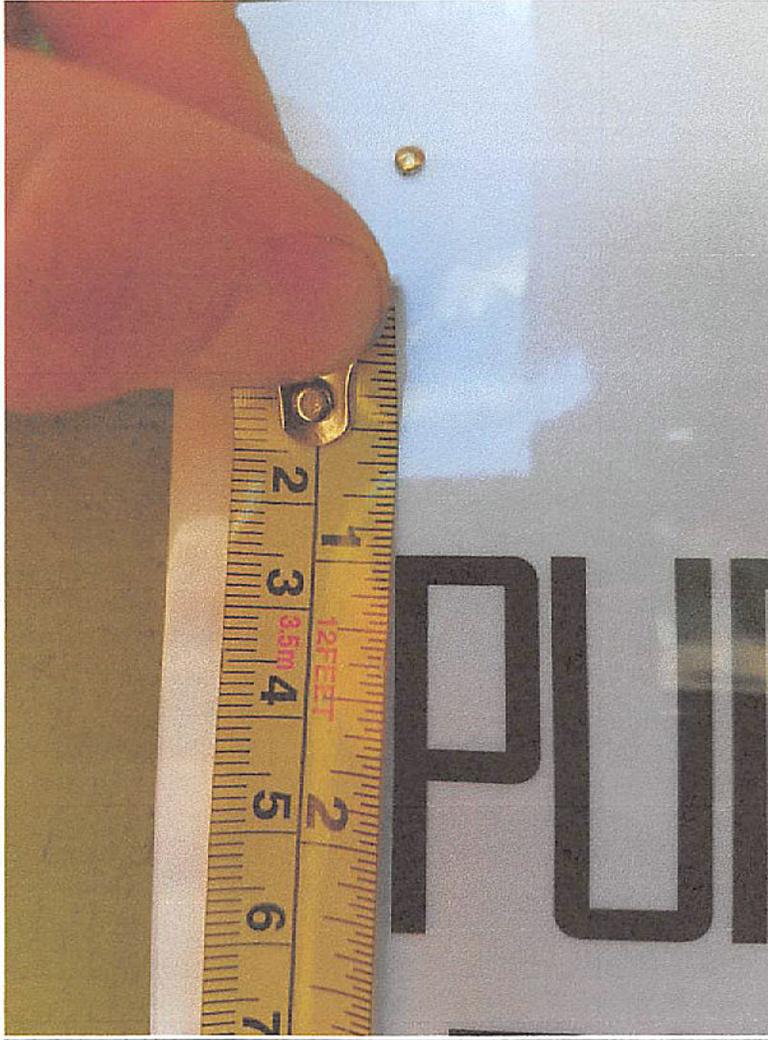
Poster Notice on Building View from the sidewalk



Close up of Sign...

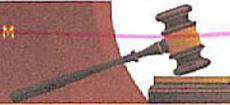
PUBLIC HEARING NOTICE
PURSUANT TO THE SECTION 611.00.D OF THE TOWN OF PARACHUTE, CO. **NOTICE IS HEREBY GIVEN** THAT AN APPLICATION HAS BEEN MADE TO THE LOCAL LICENSING AUTHORITY OF THE TOWN OF PARACHUTE, CO, FOR A LICENSE RENEWAL OF A RETAIL MARIJUANA STORE. THIS LICENSE PERMITS THE SALE OF RETAIL MARIJUANA PRODUCTS ON PREMISE. **APPLICANT:** PARACHUTE GREEN JOINT LLC **TRADE NAME:** THE GREEN JOINT **ADDRESS OF APPLICANT:** 315 E. 1ST STREET, SUITE A, PARACHUTE, CO 81635 **DATE OF APPLICATION:** SEPT. 25, 2016 **PUBLIC NOTICE IS HEREBY GIVEN** THAT A PUBLIC HEARING WILL BE HELD ON THIS APPLICATION THURSDAY OCTOBER 20, 2016 AT 6:30PM IN THE BOARD ROOM IN THE PARACHUTE TOWN HALL, 222 GRAND VALLEY WAY, PARACHUTE, CO 81635. ALL INTERESETED PERSONS MAY APPEAR AT SAID HEARING. BY **ORDER OF THE LOCAL LICENSING AUTHORITY, TOWN OF PARACHUTE BOARD OF TRUSTEES: P.O. BOX 100, PARACUTE, CO. 81635 (970) 285-7630**

Size of Lettering – Over 1 Inch



Legal Notices

MONDAY-FRIDAY 8:30AM TO 5:00PM
970-777-3172
PSCHULTZ@CMNM.ORG



PUBLIC NOTICE
Notice of Default
Demand for Payment and Notice of Sale
Pursuant to Colorado Law
Under C.R.S. 38-21.5-101. ET SEQ

#1 Tenants Name: Ramon Romero Munoz
Space #154
Address: 5033 CR 335 #214,
New Castle, CO 81647

Aandvark Storage, wishing to avail themselves of the provisions of C.R.S. 38-21.5-101 ET SEQ. Hereby give NOTICE of Default, Demand for payment and Notice of Sale under said Act. The property located in said Unit(s) listed above may be referred to hereinafter as "the Property" and is generally described as follows: boat with trailer.

THE PROPERTY WILL BE SOLD OR OTHERWISE DISPOSED OF AT A PUBLIC SALE TO BE HELD AT SAID UNITS AT 27653 HWY 6 AND 24, RIFLE, CO 81650 ON October 15, 2016 BEGINNING AT 9:20 am.
Dated this 26th day of September, 2016
Aandvark Storage
27653 Hwy 6 and 24 #100
Rifle, CO 81650
970-625-2053

Published in the Glenwood Springs Post Independent September 28, 2016 and October 5, 2016 (12401084)

PUBLIC NOTICE
Notice of Default
Demand for Payment and Notice of Sale
Pursuant to Colorado Law
Under C.R.S. 38-21.5-101. ET SEQ

#1 Tenants Name: Rocky Gray/Nicole Gruenefeldt Unit #110
Address: General Delivery, Rifle, CO 81647

#2 Tenants Name: Chrystal Mathews Unit #210
Address: 975 W. 24th St., Rifle, CO 81650

#3 Tenants Name: Melissa Johnson Unit #105
Address: 854 W. Battlement Pkwy Apt. K209, Parachute, CO 81635

#4 Tenants Name: Tim Copeland Unit #232
Address: 935 Hickory Drive, Rifle, CO 81650

#5 Tenants Name: Tina Andrie Unit #222
Address: 737 East Ave., Rifle, CO 81650

AGENDA
CITY OF GLENWOOD SPRINGS
REGULAR CITY COUNCIL MEETING
OCTOBER 5, 2016
101 W. 8TH STREET
1:00 P.M.

PRE-MEETING: 9:00 a.m.
1 GAB Update
2 Review of Regular Session Agenda Information Discussion
3 Future Agendas
4 City Manager Update
WORK SESSION: 5:30 p.m.
5 CLEAR Report & Discussion of 2017 Workplan and Budget Request
EXECUTIVE SESSION: 6:00 p.m.
6 To Conduct a Conference with the City Manager and City Attorney for the Purpose of Discussing the City's Purchase, Acquisition, Lease, Transfer or Sale of Real Property; Determining Positions Relative to Matters That May be Subject to Negotiations; Developing Strategy for Negotiations; and Instructing Negotiators and to Conduct a Conference with the City Attorney to Receive Legal Advice in Accordance with C.R.S. 24-6-402(4), (b) and (c) DDA Loan & Litigation Update
REGULAR SESSION: 7:00 p.m.
7 Roll Call
8 Pledge of Allegiance
9 GAB UPDATE
10 Citizens Appearing Before Council.
(For items NOT on Agenda - comments limited to 3 minutes)
11 Agenda Changes
12 Council Comments
13 Consent Agenda
A. Receipt of Minutes
B. FBI-Recommendation to Award Tourism & Recreational Grant Funds
C. Ordinance No. 24, Amending the 2016 Appropriation Ordinance to Reflect Reallocation of Funds for Construction of an Equipment Storage Building
D. Approval of Agreement with South Canyon Waste Systems, LLC to proceed with Phase 4 C&I A and B Construction at South Canyon Landfill
E. Award of the following Bids
• BID 2016-041, 2016 Dagger Derrick Truck
• BID 2016-042, Three Phase Pad Mounted Transformers
• BID 2016-043, Repair and Painting of Canyon Storage Tanks
14 Tourism Promotion Marketing Plan and Budget 2017
15 Lofis Trails Update
16 Red Mountain and South Canyon Soil Surface Trail Projects Update and Matchmaking Funding for South Canyon in 2017
17 Planning Item Continued:
a. #21-16 Consideration of an amendment to a Major Development, Major Subdivision and PUD Development Plan, Applicant: Peter Walker, Owner: Silver Sage Preserve LLC, Location: Lot 2 Kingdom Hill Subdivision, vicinity of Airport and Four Mile Roads, Zone: PUD
18 Resolution 2016-29, Approving the Emergency Procurement of Construction Services for Replacement of a Portion of the Existing 12 Inch Water Main near the Village Inn SGM Springs Buildings
19 Ordinance No. 25, Amending the 2016 Appropriation Ordinance to Reflect Reallocation of Funds for the Repair and Painting of Canyon Water Storage Tanks
20 Work Session: Budget 2017 (as time allows)
21 Report From City Administration:
A. City Manager
B. City Attorney
22 Adjournment

Published in the Glenwood Springs Post Independent October 2, 2016

#6 Tenants Name: Esterani Hoiguin Unit #185
Address: 4268 CR 233, Rifle, CO 81650

#7 Tenants Name: Nathan Gray Unit #184
Address: 596 A Roma Ct., Montrose, CO 81401

#8 Tenants Name: Renan Chavez Unit #59
Address: 22 Chair Bar Rd., Sit, CO 81652

#9 Tenants Name: Tony Gonzalez Unit #89
Address: 1400 East Valley Rd. Apt. 103, Basalt, CO 81621

#10 Tenants Name: Samuel de la Rosa Unit #201
Address: P.O. Box 269, Rifle, CO 81650

Conestoga Storage, wishing to avail themselves of the provisions of C.R.S. 38-21.5-101 ET SEQ. Hereby give NOTICE of Default, Demand for payment and Notice of Sale under said Act. The property located in said Unit(s) listed above may be referred to hereinafter as "the Property" and is generally described as follows: Household items, furniture, tools, bicycles, miscellaneous items and much more.

THE PROPERTY WILL BE SOLD OR OTHERWISE DISPOSED OF AT A PUBLIC SALE TO BE HELD AT SAID UNITS AT 27653 HWY 6 AND 24, RIFLE, CO 81650 ON October 15, 2016 BEGINNING AT 9:00 am.
Interested bidders- call the day before to confirm sale.
Dated this September 26, 2016
CONESTOGA STORAGE
27653 Hwy 6 and 24 #100
Rifle, CO 81650
970-625-2053

Published in the Glenwood Springs Post Independent September 28, 2016 and October 5, 2016 (12401035)

Public Notice
Notice of Hearing
Pursuant to Section 6.11.090 D of the Town of Parachute, Colorado

NOTICE IS HEREBY GIVEN that an application has been made to the Local Licensing Authority of the Town of Parachute, Colorado, for a Retail Marijuana Store License Renewal, which permits the sale of retail marijuana products on the premise.

APPLICANT: Parachute Green Joint LLC
TRADE NAME: The Green Joint

ADDRESS OF APPLICANT: 1030 Grand Avenue, Glenwood Springs CO 81601

ADDRESS OF PROPOSED LICENSED PREMISES: 315 E 1st Street, Suite A, Parachute CO 81635

DATE OF APPLICATION: September 25th, 2016

PUBLIC NOTICE IS HEREBY GIVEN that a Public Hearing will be held on this application, Thursday, October 20th, 2016 at 6:30 pm in the Board Room in the Parachute Town Hall, 222 Grand Valley Way, Parachute CO 81635.

All interested persons may appear at said hearing.
BY ORDER OF THE LOCAL LICENSING AUTHORITY

TOWN OF PARACHUTE BOARD OF TRUSTEES
P.O. BOX 100
PARACHUTE, CO 81635-0100
(970) 285-7630

Published in the Citizen Telegram and Post Independent October 5 and 6, 2016 (12414119)

Storage Mart #1510
115 Park Ave
Basalt, CO 81621
970-927-3133

According to the Lease by and between Unit #309 Neil Hamilton, Unit #399 Marilyn Jeffries, Unit #519 Michael Davis, Unit #534 Gabriel Tattenham, Unit #812 Robert Stark and TKG StorageMart and its related parties, assigns and aliases in order to perfect the Lien on the goods contained in their storage units, the Manager has cut the lock on their Unit(s) and upon cursory inspection the unit(s) were found to contain: Unit #309: Numerous Misc Boxes, 2 Lamps, 2 Pairs Mens Skis, Queen Bed, Mens Snowboard, 2 Skisboards, 2 Microwaves, 4 Wood Endtables, Wood Bedframe, Black Leather Couch, China Cabinet, Futon Mattress & Frame, Misc Framed Art, Desk, Suitcases, Exercise Equipment, Shoe Rack, Book Case; Unit #399: Numerous Pieces Metal Piping, Numerous Shingles, Wood Shelves, Armoire, Aluminum Ladder, 4 Tires, Misc Construction Materials, Art; Unit #519: Metal Hand Cart, 3 Buckets of Crack Sealer, Misc Tools, Shop Vacs, Assorted Tool Boxes, Misc Bags, Rims, Dartboard, Moving Blankets; Unit #534: Antique Wood Banquet Table & Matching Chairs, Upholstered Chair, Several Rugs, Misc Boxes, Wood Cabinet, Speakers, Lamp, Mirror, Art, Cowboy Boots, Space Heater, Wood Chair, Mens Clothing, Snowboard Boots; Unit #812: Cream Couch, Painting Supplies, Boxes & Bags of Clothing, Wooden Traps, Cooks, Misc Framed Art, Books, Desk, Vehicle Bike Rack, 4 Blue Adirondack Chairs, Misc Boxes & Toies, Toys, Autographed Rocky Memorial, Kids Piano, 2 Portable Electric Heaters, Crutches, Asian Room Divider, Cross Country Skis, Hats, Floor Lamp, Towels, Microwave, Metal Filing Cabinet, Spice Rack. Items will be sold or otherwise disposed of on October 15th, 2016 at 10:30am at the location listed below to satisfy owner's lien in accordance with state statutes. StorageMart #1510, 115 Park Ave. Basalt, Co 81621 Phone # 970-927-3133.

Published in the Glenwood Springs Post Independent September 28, 2016 and October 5, 2016 (12395319)

PUBLIC NOTICE
NOTICE OF HEARING
Pursuant to Section 6.11.100.D of the Town of Parachute, Colorado

NOTICE IS HEREBY GIVEN that an application has been made to the Local Licensing Authority of the Town of Parachute, Colorado, for license renewal of a Retail Marijuana Store which permits the sale of retail marijuana products on the premise.

APPLICANT:
The Cannabist Castle Supermarket & Dispensary Lounge, LLC

TRADE NAME: The Kind Castle
ADDRESS OF APPLICANT:

Realtors®



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Post Independent Real Estate Section

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POST INDEPENDENT

Come see this charming ranch house...

Hiking trails out the back door...

Affordably priced condo in the heart of town...

Find YOUR dream home here. 10-10-19

Find YOUR dream home here.

Find YOUR dream home here. Page 11 of 181

Ad Name: 12414119A
Customer: Green Medicine Wellness
Your account number is: 1462416

PROOF OF PUBLICATION
THE RIFLE
CITIZEN TELEGRAM

STATE OF COLORADO,
COUNTY OF GARFIELD

I, Randy Essex, 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 10/5/2016 and that the last publication of said notice was dated 10/6/2016 the issue of said newspaper.

In witness whereof, I have here unto set my hand this 10/10/2016.

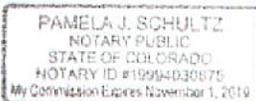
Randy Essex

Randy Essex, Publisher

Publisher Subscribed and sworn to before me, a notary public in and for the County of Garfield, State of Colorado this 10/10/2016.

Pamela J. Schultz

Pamela J. Schultz, Notary Public
My Commission expires:
November 1, 2019



Public Notice
Notice of Hearing

Pursuant to Section 6.11.090.D of the Town of Parachute, Colorado

NOTICE IS HEREBY GIVEN that an application has been made to the Local Licensing Authority of the Town of Parachute, Colorado, for a Retail Marijuana Store License Renewal, which permits the sale of retail marijuana products on the premise.

APPLICANT: Parachute Green Joint LLC

TRADE NAME: The Green Joint

ADDRESS OF APPLICANT: 1030 Grand Avenue, Glenwood Springs CO 81601

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DATE OF APPLICATION: September 25th, 2016

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All interested persons may appear at said hearing.

BY ORDER OF THE LOCAL LICENSING AUTHORITY

TOWN OF PARACHUTE BOARD OF TRUSTEES
P.O. BOX 100
PARACHUTE, CO 81635-0100
(970) 285-7630

Published in the Citizen Telegram and Post Independent October 5 and 6, 2016 (12414119)



Dan Sullivan <dan@thegreenjoint.com>

Repor

1 message

Robin Dalessandri <rdalessandri@garfield-county.com>
To: "dan@thegreenjoint.com" <dan@thegreenjoint.com>

Tue, Sep 27, 2016 at 4:39 PM

Dan,

Here is your report.

Robin Dalessandri

Property Assessment Administrator II

Garfield County Assessor Office

[970-945-9134](tel:970-945-9134)[970-945-3953](tel:970-945-3953) Faxrdalessandri@garfield-county.com**The Green Joint.xlsx**

13K

Account #	ParcelNo	OwnerName	Address 2	City	State	ZipCode	Situs House Number	Direction	Street Name	Designation	City	Zip Code	Dan's Description
R370361	240912113007	MENDOZA, LIDIA	1657 DOGWOOD DRIVE	RIFLE	CO	81650	248	E	1ST	ST	PARACHUTE	81635	Kind Castle / Vacant
R370449	240912114003	STAGESTOP3 LLC	34505 GOLDEN EAGLE DRIVE	STEAMBOAT SPRINGS	CO	80487	315	E	1ST	ST	PARACHUTE	81635	The Green Joint
R040459	240912107016	VANTEYLINGEN LAND INVESTMENTS	0940 COUNTY ROAD 323	RIFLE	CO	81650	314	E	1ST	ST	PARACHUTE	81635	Napa Auto Parts
R040459	240912107016	VANTEYLINGEN LAND INVESTMENTS	0940 COUNTY ROAD 323	RIFLE	CO	81650	316	E	1ST	ST	PARACHUTE	81635	Radio Shack / Napa
R040459	240912107016	VANTEYLINGEN LAND INVESTMENTS	0940 COUNTY ROAD 323	RIFLE	CO	81650	318	E	1ST	ST	PARACHUTE	81635	Subway
R040460	240912107017	RADEL, DOYLE L & EDITH M	PO BOX 374	PARACHUTE	CO	81635	312	E	1ST	ST	PARACHUTE	81635	Sinclair
R370297	240912113006	PARACHUTE, TOWN OF A HOME RULE MUNICIPALITY	PO BOX 100	PARACHUTE	CO	81635	232		1ST	ST	PARACHUTE	81635	Town of Parachute / Land?
R370298	240912115002	COLLINS PROPERTIES LP	PO BOX 429	TAYLORS	SC	29687	243		1ST	ST	PARACHUTE	81635	ReCycle Outlet
R370293	240912115003	COLLINS PROPERTIES LP	PO BOX 429	TAYLORS	SC	29687	237	E	1ST	ST	PARACHUTE	81635	Boarded Up / W. of ReCycle
R370330	240912115001	BLANCO, TEODORO WILFREDO & MARIA CARLOTA	550 ELM COURT	RIFLE	CO	81650	257	E	1ST	ST	PARACHUTE	81635	Nalini's Restaurant
R480100	240912100029	STAGESTOP3 LLC	34505 GOLDEN EAGLE DRIVE	STEAMBOAT SPRINGS	CO	80487	315	E	1ST	ST	PARACHUTE	81635	The Green Joint

7016 1370 0000 1634 8984

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TAYLORS, SC 29687

OFFICIAL USE

Certified Mail Fee	\$3.30	0538 21
Extra Services & Fees (check box, add fee as appropriate)	\$2.70	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	Postmark Here
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.47	09/30/2016
Total Postage and Fees	\$8.47	
Sent To	COLLINS PROPERTIES LP	
Street	P.O. Box 429	
City	TAYLORS, SC 29687	

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7016 1370 0000 1634 9042

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STEAMBOAT SPRINGS, CO 80487

OFFICIAL USE

Certified Mail Fee	\$3.30	0538 21
Extra Services & Fees (check box, add fee as appropriate)	\$2.70	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	Postmark Here
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.47	09/30/2016
Total Postage and Fees	\$6.47	
Sent To	STAGESTOP3 LLC	
Street	34505 GOLDEN EAGLE DR.	
City, St.	STEAMBOAT SPRINGS, CO 80487	

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7016 1370 0000 1634 8977

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TAYLORS, SC 29687

OFFICIAL USE

Certified Mail Fee	\$3.30	0538 21
Extra Services & Fees (check box, add fee as appropriate)	\$2.70	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	Postmark Here
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.47	09/30/2016
Total Postage and Fees	\$6.47	
Sent To	COLLINS PROPERTIES LP	
Street	P.O. Box 429	
City	TAYLORS, SC 29687	

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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RIFLE, CO 81650

OFFICIAL USE

Certified Mail Fee	\$3.30	0538 21
Extra Services & Fees (check box, add fee as appropriate)	\$2.70	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	Postmark Here
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.47	09/30/2016
Total Postage and Fees	\$6.47	
Sent To	VANTEYLINGEN LAND INVESTMENTS	
Street	0940 COUNTY RD. 323	
City	RIFLE, CO 81650	

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7016 1370 0000 1634 9035

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RIFLE, CO 81650

OFFICIAL USE

Certified Mail Fee	\$3.30	0538 21
Extra Services & Fees (check box, add fee as appropriate)	\$2.70	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	Postmark Here
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.47	09/30/2016
Total Postage and Fees	\$6.47	
Sent To	VANTEYLINGEN LAND INVESTMENTS	
Street	0940 COUNTY RD. 323	
City	RIFLE, CO 81650	

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7016 1370 0000 1634 8991

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PARACHUTE, CO 81635

OFFICIAL USE

Certified Mail Fee	\$3.30	0538
\$	\$2.70	21
Extra Services & Fees (check box, add fee as appropriate)		
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	Postmark Here
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.47	09/30/2016
Total Postage and Fees	\$6.47	
Sent To		
Street	STUART MCARTHUR	
City, St.	TOWN OF PARACHUTE	
	P.O. Box 100 PARACHUTE, CO 81635	

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7016 1370 0000 1634 9059

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RIFLE, CO 81650

OFFICIAL USE

Certified Mail Fee	\$3.30	0538
\$	\$2.70	21
Extra Services & Fees (check box, add fee as appropriate)		
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	Postmark Here
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.47	09/30/2016
Total Postage and Fees	\$6.47	
Sent To		
Street	LIDIA MENDOZA	
City, St.	1657 DOGWOOD DR.	
	RIFLE, CO 81650	

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7016 1370 0000 1634 9011

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RIFLE, CO 81650

OFFICIAL USE

Certified Mail Fee	\$3.30	0538
\$	\$2.70	21
Extra Services & Fees (check box, add fee as appropriate)		
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	Postmark Here
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.47	09/30/2016
Total Postage and Fees	\$6.47	
Sent To		
Street	VANTEYLINGEN LAND INVESTMENTS	
City, St.	0940 COUNTY Rd. 323	
	RIFLE, CO 81650	

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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PARACHUTE, CO 81635

OFFICIAL USE

Certified Mail Fee	\$3.30	0538
\$	\$2.70	21
Extra Services & Fees (check box, add fee as appropriate)		
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	Postmark Here
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.47	09/30/2016
Total Postage and Fees	\$6.47	
Sent To		
Street	DOYLE L & EDITH M RADEL	
City, St.	P.O. Box 374	
	PARACHUTE, CO 81635	

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7016 1370 0000 1634 8960

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RIFLE, CO 81650

OFFICIAL USE

Certified Mail Fee	\$3.30	0538
\$	\$2.70	21
Extra Services & Fees (check box, add fee as appropriate)		
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	Postmark Here
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.47	09/30/2016
Total Postage and Fees	\$6.47	
Sent To		
Street	TOEDORO WILFREDO &	
City, St.	MARIA CARLETO BLANCO	
	550 ELM Ct. RIFLE, CO 81650	

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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GLENWOOD SPRINGS
113 9TH ST
GLENWOOD SPRINGS
CO
81601-9998
0737080538
09/30/2016 (800)275-8777 5:21 PM

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Product Description	Sale Qty	Final Price
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First-Class Mail Letter (Domestic) (PARACHUTE, CO 81635) (Weight:0 Lb 0.70 Oz) (Expected Delivery Day) (Monday 10/03/2016)	1	\$0.47
Certified (USPS Certified Mail #) (70161370000016348991)	1	\$3.30
Return Receipt (USPS Return Receipt #) (9590940222076193680145)	1	\$2.70
First-Class Mail Letter (Domestic) (RIFLE, CO 81650) (Weight:0 Lb 0.70 Oz) (Expected Delivery Day) (Monday 10/03/2016)	1	\$0.47
Certified (USPS Certified Mail #) (70161370000016348960)	1	\$3.30
Return Receipt (USPS Return Receipt #) (9590940222076193680176)	1	\$2.70
First-Class Mail Letter (Domestic) (STEAMBOAT SPRINGS, CO 80487) (Weight:0 Lb 0.70 Oz) (Expected Delivery Day) (Monday 10/03/2016)	1	\$0.47
Certified (USPS Certified Mail #) (70161370000016349042)	1	\$3.30
Return Receipt (USPS Return Receipt #) (9590940222076193680091)	1	\$2.70

First-Class Mail Letter (Domestic) (RIFLE, CO 81650) (Weight:0 Lb 0.70 Oz) (Expected Delivery Day) (Monday 10/03/2016)	1	\$0.47
Certified (USPS Certified Mail #) (70161370000016349011)	1	\$3.30
Return Receipt (USPS Return Receipt #) (9590940222076193680121)	1	\$2.70
First-Class Mail Letter (Domestic) (RIFLE, CO 81650) (Weight:0 Lb 0.70 Oz) (Expected Delivery Day) (Monday 10/03/2016)	1	\$0.47
Certified (USPS Certified Mail #) (70161370000016349035)	1	\$3.30
Return Receipt (USPS Return Receipt #) (9590940222076193680107)	1	\$2.70
First-Class Mail Letter (Domestic) (TAYLORS, SC 29687) (Weight:0 Lb 0.70 Oz) (Expected Delivery Day) (Tuesday 10/04/2016)	1	\$0.47
Certified (USPS Certified Mail #) (70161370000016348984)	1	\$3.30
Return Receipt (USPS Return Receipt #) (9590940222076193680169)	1	\$2.70
First-Class Mail Letter (Domestic) (TAYLORS, SC 29687) (Weight:0 Lb 0.70 Oz) (Expected Delivery Day) (Tuesday 10/04/2016)	1	\$0.47
Certified (USPS Certified Mail #) (70161370000016348977)	1	\$3.30
Return Receipt (USPS Return Receipt #) (9590940222076193680152)	1	\$2.70

2016-10-19

First-Class Mail Letter (Domestic) (PARACHUTE, CO 81635) (Weight:0 Lb 0.70 Oz) (Expected Delivery Day) (Monday 10/03/2016)	1	\$0.47
Certified (USPS Certified Mail #) (70161370000016349004)	1	\$3.30
Return Receipt (USPS Return Receipt #) (9590940222076193680138)	1	\$2.70
First-Class Mail Letter (Domestic) (RIFLE, CO 81650) (Weight:0 Lb 0.70 Oz) (Expected Delivery Day) (Monday 10/03/2016)	1	\$0.47
Certified (USPS Certified Mail #) (70161370000016349028)	1	\$3.30
Return Receipt (USPS Return Receipt #) (9590940222076193680114)	1	\$2.70
First-Class Mail Letter (Domestic) (RIFLE, CO 81650) (Weight:0 Lb 0.50 Oz) (Expected Delivery Day) (Monday 10/03/2016)	1	\$0.47
Certified (USPS Certified Mail #) (70161370000016349059)	1	\$3.30
Return Receipt (USPS Return Receipt #) (9590940222076193680084)	1	\$2.70

← LINDA MENDOZA

Total	\$64.70
Credit Card Remitd (Card Name:VISA) (Account #:XXXXXXXXXX6170) (Approval #:09053B) (Transaction #:077)	\$64.70



Retail Marijuana Establishment Business License Application and Checklist

SEP 21 2016 15:03

Application Checklist

Application Form Fully Completed

Type or clearly print an answer to every question. If a question does not apply to you, indicate so with an N/A. If the available space is insufficient, continue on a separate sheet and precede each answer by stating the question. A **separate application is required for EACH license type.**

All Forms Signed & Attached

The following accompanying forms must be signed by each owner of the Applicant as required by the Town's Retail Marijuana Establishments ordinance and be provided with the Application as a condition of acceptance:

- Affirmation & Consent
- Investigation Authorization/Authorization to Release

Copy of Conditional State License or Proof of State License Application Attached

Proof of state license application shall be submitted when a conditional state license has not been issued. Proof of a state license consists of a copy of the complete State Retail Marijuana License Application and supporting documents, and all Associated Key Marijuana License Applications and supporting documents submitted in connection with the Retail Marijuana License Application. These items may be submitted as a supplement to the other application materials.

All Requested Information Attached (Other forms may be made available and may be required at time of application)

The following supporting information requested in the Town of Parachute's Retail Marijuana Establishments ordinance and in this application (as applicable) must be attached:

- Proof of ownership, lease, rental agreement, or other arrangement for legal possession of the proposed licensed premises described in this application form.
- Operating plan described in the Town's Retail Marijuana Establishments ordinance of the proposed licensed premises.
- Floor plan described in the Town's Retail Marijuana Establishments ordinance of the proposed licensed premises.
- Sign, security and lighting plans indicating how the proposed licensed premises will comply with the requirements of the Colorado Retail Marijuana Code and the Town's Retail Marijuana Establishments ordinance.
- An area map of the proposed licensed premises as described in the Town's Retail Marijuana Establishments ordinance. **The area map must clearly show the proximity of the proposed licensed premises to any public or private school located 500 feet or less from the proposed licensed premises, and to any other licensed premises located 150 feet or less from the proposed licensed premises as measured pursuant to the Town's Retail Marijuana Establishments ordinance.**
- Proof that the proposed licenses premises will be located in a location that is compliant with the Town's zoning and land use laws, or that the necessary land use application(s) has been made.

Note: The Town of Parachute reserves the right to request additional information and documentation throughout the course of the background investigation.

Application Fees

Application fees as required by the Town's Retail Marijuana Establishments ordinance. Application fees are non-refundable and must be paid via a certified check or money order.

Retail Marijuana Establishment Business License Application

New License Application Annual License Renewal

License Sought - Attach a copy of the conditional State License or proof of application for a State License.
 A separate license application must be filed for each type of desired license or proposed licensed premises.

Retail Marijuana Store Retail Marijuana Testing Facility
 Retail Marijuana Cultivation Facility Retail Marijuana Products Manufacturing Facility

*A Cultivation Facility license requires a public hearing before the Planning and Zoning Commission for Special Review Use approval.

Applicant's Legal Business Name (Please Print)
 Buds, Ltd.

Trade Name (DBA) (Provide Trade Name Registration) N/A	Website Address www.budsitd.com
---	------------------------------------

Location and Contact Information – Proposed Licensed Premises

Street Address and Assessor Parcel No. of Proposed Premises 104 Cardinal Way Suite A Pld#240912400013	City Parachute	State CO	ZIP 81635
--	-------------------	-------------	--------------

Business Phone Number (970) 285-9307	Business Fax Number (970) 285-9307	Email Address Contact@budsitd.com
---	---------------------------------------	--------------------------------------

Does the applicant have legal possession of the proposed licensed premises by virtue of ownership, lease or other arrangement?

Yes No Legal Basis for possession: Ownership Lease
 Other Explanation: _____

Submit all documentation (e.g. deed, title commitment/report, title, sale or lease agreements etc.) showing legal right to possession. If premises are leased, attach written consent by the property owner to licensing of the premises for a retail marijuana establishment.

Is the proposed licensed premises in compliance with applicable zoning and land use laws? Yes No
 If not, has the applicant submitted the necessary land use application? Yes No Attach any submitted application.

Applicants' Contact and Related Information

Address 2536 Rimrock Ave. Suite 400-280	City Grand Junction	State CO	Zip 81505
Primary Contact Person for Business Mark Gerhard	Title Owner	Primary Contact Phone Number [REDACTED]	
Primary Contact Address (city, state, Zip) 2536 Rimrock Ave. Suite 400-280 Grand Junction CO 81505		Primary Contact Fax Number 970-285-9307	

Federal Taxpayer ID [REDACTED]	Colorado Sales Tax License # [REDACTED]	Email Address contact@budsitd.com
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Business Entity Details

Sole Proprietorship Partnership Limited Liability Company C Corporation (Closely Held)
 Trust Limited Partnership S Corporation C Corporation (Publicly Traded)

Other Explanation: _____

State of Incorporation or Creation of Business Entity CO	Date of Incorp./Creation 08-21-2015
---	--

Date Qualified to Conduct Business in Colorado (Provide Certificate of Good Standing from the Colorado Secretary of State's Office)
 08-21-2015

If a Corporation, Limited Liability Company, or Limited Partnership, List all States Where the Corporation is Authorized to Conduct Business
 Colorado

List all Trade Names used by the Business Entity In Addition to Formal Name
 N/A

Has the applicant (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation) or manager ever (in Colorado or any other state);

- Been denied a privileged license (i.e.; Liquor, Gaming, Racing and Marijuana)? Yes No
- Had a privileged license (i.e.; Liquor, Gaming, Racing and Marijuana) suspended or revoked? Yes No
- Had interest in another entity that had a privileged (i.e.; Liquor, Gaming, Racing and Marijuana) license denied, suspended or revoked? Yes No

If you answered yes to any of the above questions, explain the denial, suspension, or revocation in detail on a separate sheet.

Ownership Structure

List all persons and/or entities with any ownership interest in the applicant/proposed licensee, and all officers and directors, regardless of whether they have an ownership interest in the applicant/proposed licensee. If an entity (corporation, partnership, LLC, etc.) has an ownership interest in the applicant/proposed licensee, list all persons having an ownership interest in such entity, their percentage of ownership of the entity, and their effective ownership of applicant/proposed licensee if ownership in applicant is through ownership of a parent or holding entity (an Ownership Entity). Submit additional sheets if necessary.

Name Mark Gerhard	Title Owner	SSN/FEIN [REDACTED]	Date of Birth [REDACTED]
Address [REDACTED]	City [REDACTED]	State [REDACTED]	ZIP [REDACTED]
Ownership Entity (if applicable) Buds, Ltd.		% Ownership of Ownership Entity 100	Effective Own. % in Applicant 100
Name	Title	SSN/FEIN	Date of Birth
Address	City	State	ZIP
Ownership Entity (if applicable)		% Ownership of Ownership Entity	Effective Own. % in Applicant
Name	Title	SSN/FEIN	Date of Birth
Address	City	State	ZIP
Ownership Entity (if applicable)		% Ownership of Ownership Entity	Effective Own. % in Applicant
Name	Title	SSN/FEIN	Date of Birth
Address	City	State	ZIP
Ownership Entity (if applicable)		% Ownership of Ownership Entity	Effective Own. % in Applicant
Name	Title	SSN/FEIN	Date of Birth
Address	City	State	ZIP
Ownership Entity (if applicable)		% Ownership of Ownership Entity	Effective Own. % in Applicant
Name	Title	SSN/FEIN	Date of Birth
Address	City	State	ZIP
Ownership Entity (if applicable)		% Ownership of Ownership Entity	Effective Own. % in Applicant
Name	Title	SSN/FEIN	Date of Birth
Address	City	State	ZIP
Ownership Entity (if applicable)		% Ownership of Ownership Entity	Effective Own. % in Applicant

Who, besides the owners of the applicant/proposed licensee listed above (including persons, firms, partnerships, corporations, limited liability companies, trusts), will loan or give money, inventory, furniture or equipment to or for use in this business; or who will receive money or profits from this business. Submit a separate sheet if necessary.

Name	Date of Birth	FEIN OR SSN	Interest
N/A			

Has the applicant or an ownership entity listed above (if applicable) ever applied for a marijuana license (retail or medical) in this or any other jurisdiction, foreign or domestic, whether or not the license was ever issued? If YES, provide details on a separate sheet, including jurisdiction, type of license, license number, and dates license held or applied for. Yes No

Has the applicant or an ownership entity listed above ever been denied a marijuana license (retail or medical), withdrawn a marijuana license or had any disciplinary action taken against any marijuana license that they have held in this or any other jurisdiction, Colorado or otherwise? If YES, provide details on a separate sheet, including jurisdiction, type of action, and date of action. Yes No

In the last ten years, has the applicant or any partner, member, officer, director, or stockholder of the applicant ever been arrested, charged, or convicted of a crime or offense in a federal, state or other court? If YES, please provide details on a separate sheet, including jurisdiction, the crime or offense arrested for and whether charged with or convicted, and date of action. Yes No

Maintenance of Books and Records

Name of Person who maintains Applicant's business records
 [Redacted] Title
 Owner

Address
 [Redacted] Phone Number
 [Redacted]

Person who prepares Applicant's tax returns, government forms & reports
 N/A Title

Address
 N/A Phone Number

Location of financial books and records for Applicant's business
 [Redacted]

Managers

Name of Manager of proposed licensed premises. Submit a separate sheet, if necessary. Date of Birth SSN

See attached

Owner's Affirmation & Consent

I, Mark Gerhard

, as an owner of and authorized agent for the applicant, state under penalty for offering a false instrument for recording pursuant to 18-5-114 C.R.S. that the entire foregoing Retail Marijuana Establishment Business License Application, statements, attachments, and supporting schedules are true and correct to the best of my knowledge and belief, and that this statement is executed with the knowledge that misrepresentation or failure to reveal information requested may be deemed sufficient cause for Local Licensing Authority to refuse to issuance of a the desired retail marijuana establishment license. I am aware that later discovery of an omission or misrepresentation made in the above statements may be grounds for the denial or revocation of the license. I am voluntarily submitting this application to the Local Licensing Authority of the Town of Parachute, Colorado under oath with full knowledge that I may be charged with perjury or other crimes for intentional omissions and misrepresentations pursuant to Colorado law or for offering a false instrument for recording pursuant to 18-5-114 C.R.S. I further consent to any background investigation necessary to determine my present and continuing suitability and that this consent continues as long as applicant holds a retail marijuana establishment license, and for 90 days following the expiration or surrender of such marijuana license.

Print Full Owner/Legal Agent Name:

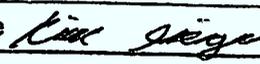
Applicant's Name Buds, Ltd.		Trade Name (DBA) N/A	
Owner/Legal Agent Last Name (Please Print) Gerhard	Owner/Legal Agent First Name Mark	Owner/Legal Agent Middle Name Robert	
Legal Agent Title N/A	Signature (Must be signed in front of one witness) <i>Mark Gerhard</i>		
Date (MM/DD/YY) 09-19-16	City Parachute	State CO	
Witness 1 Signature <i>Kim Gray</i>			

Owner's Authorization to Investigate and Release Information

I, Mark Gerhard, as an owner of and authorized agent for the applicant, hereby authorize the Town of Parachute, Colorado and any Application review authorities selected by it (hereafter, the Investigatory Agencies) to conduct a complete investigation into this Application, using whatever legal means they deem appropriate. I hereby authorize any person or entity contacted by the Investigatory Agencies to provide any and all such information deemed necessary by the Investigatory Agencies. I hereby waive any rights of confidentiality in this regard. I understand that by signing this authorization, a financial record check may be performed. I authorize any financial institution to surrender to the Town of Parachute, Colorado and Investigatory Agencies a complete and accurate record of such transactions that may have occurred with that institution, including, but not limited to, internal banking memoranda, past and present loan applications, financial statements and any other documents relating to financial records in whatever form and wherever located. I understand that by signing this authorization, a financial record check of the applicant/proposed licensee's tax filing and tax obligation status may be performed. I authorize the Town of Parachute, Colorado to surrender to the Investigatory Agencies a complete and accurate record of any and all tax information or records relating to applicant. I authorize the Investigatory Agencies to obtain, receive, review, copy, discuss and use any such tax information or documents relating to applicant. I authorize the release of this type of information, even though such information may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws.

The Town of Parachute, Colorado and Investigatory Agencies reserve the right to investigate all relevant information and facts to their satisfaction. I understand that the Investigatory Agencies may conduct a complete and comprehensive investigation to determine the accuracy of all information gathered. However, the Investigatory Agencies, their agents or employees shall not be held liable for the receipt, use, or dissemination of inaccurate information. I, on behalf of the applicant, its legal representatives, and assigns, hereby release, waive, discharge, and agree to hold harmless, and otherwise waive liability as to the Town of Parachute, Colorado, Investigatory Agencies, and any of those entities' agents or employees for any damages resulting from any use, disclosure, or publication in any manner, other than a willfully unlawful disclosure or publication, of any material or information acquired during inquiries, investigations, or hearings, and hereby authorize the lawful use, disclosure, or publication of this material or information. Any information contained within this Application, any financial or personnel record, or otherwise found, obtained, or maintained by the Town of Parachute, Colorado or Investigatory Agencies, shall be accessible to law enforcement agents of this or any other state, the government of the United States, or any foreign country.

Print Full Owner/Legal Agent Name:

Applicant's Name Buds, Ltd.		Trade Name (DBA) N/A	
Owner/Legal Agent Last Name (Please Print) Gerhard	Owner/Legal Agent First Name Mark	Owner/Legal Agent Middle Name Robert	Agent
Signature 		Date 9-19-16	
Applicant's Business Name Buds, Ltd.		Trade Name (DBA) N/A	
Legal Agent Title N/A	Signature (Must be signed in front of one witness)		
Date (MM/DD/YY) 09-19-16	City Parachute	State CO	
Witness 1 Signature 			

Attachments to Application

Application: page 3 question 1

- A) Parachute, CO
- B) Retail Marijuana
- C) 000528
- D) Current and expires 11/24/16

Application: page 3 question 3

- 1. 4-13-15 Grand Junction, CO: disorderly conduct, no contest deferred judgement
- 2. 09-23-08 Kettering, OH: fail to control/weaving, dismissed
09-23-08 Kettering, OH: Physical control, guilty
09-23-08 Kettering, OH: OVI/refusal, dismissed

Chapter 6.11.090 (J) 1, 2, Statement

- 1. No
- 2. No

Buds, Ltd. 402R-00528
2536 Rimrock Ave. Suite 400-280
Grand Junction, CO 81505

DOR-MED
455 Sherman St. #390
Denver, CO 80203

Dear MED,

This letter is a formal update to the Manager(s) on file. Please add the following people as Managers.

1. Casandra Verley, Badge # M43459
2. Kirk Geiger, Badge # M37146
3. Kevin Janicek. Badge # M44000

Please retain for your records.

Sincerely,



Mark Gerhard, Owner Badge # M35658

LEASE

THIS LEASE is made as of October 1, 2015, between West Run, Inc., a Colorado Corporation ("Landlord"), whose address is [REDACTED] and Buds, Ltd, a Colorado limited liability company ("Tenant"), whose address is 104 Cardinal Way, Parachute, Colorado 81635.

Section 1. LEASED PREMISES. Landlord leases to Tenant, and Tenant leases from Landlord, on the terms and conditions set forth in this Lease, the following property (the "Leased Premises"): (i) the warehouse building (the "Building") and all related fixtures and appurtenances (the "Land") located in the real property commonly known as 104 Cardinal Way, Parachute, Colorado 81635, Garfield County, Colorado (the "Property"), the Land and Building being depicted in the drawing attached to the Lease in Exhibit A, and (ii) the right of ingress and egress to and from the parking area to the Building and all other rights and easements appurtenant to the Building (all of the property rights described in the foregoing clauses (i) through (ii), collectively, the "Leased Premises"). The Leased Premises are leased to Tenant in their condition as of the date of this Lease "AS IS," "WHERE IS," with no representation or warranty by Landlord.

Section 2. TERM.

2.1 The term of this Lease shall be sixty (60) months commencing October 1, 2015 (the "Commencement Date") and ending on October 31, 2020 (the "Primary Term").

2.2 Tenant shall have the option to renew this Lease for two (2) additional renewal term of five (5) years (the "Renewal Term") upon the same terms and conditions that apply during the Primary Term except for the amount of rent, which shall be as set forth in Section 3 below, and except that there shall be no further renewal upon the expiration of the Renewal Term. Tenant shall exercise each renewal option, if at all, by giving Landlord written notice at least one hundred eighty (180) days before the expiration of the Primary Term. The exercise of this renewal option shall not be effective if Tenant is in default under this Lease either at the time of exercise or at the commencement of the Renewal Term. The phrases "term of this Lease," "Lease term," or any other similar phrases used in this Lease, shall be deemed to include, where appropriate, the Primary Term and the Renewal Term, if exercised and in effect.

2.3 Before entering the Leased Premises, Tenant shall deliver to Landlord certificates evidencing that the insurance coverage that Tenant is required to maintain pursuant to Section 6 is in place.

Section 34. CAPTIONS. The captions of the various sections and subsections of this lease are inserted for convenience of reference only and shall not be considered in the interpretation or construction of this Lease.

Section 35. HOLDING OVER. Any holding over beyond the expiration of the term of this Lease shall be construed to be a tenancy from month to month at 150% of the monthly rental rate that was paid during the last month of the Lease term, and shall otherwise be on the same terms and conditions as provided in this Lease. Nothing set forth in this Lease shall be deemed to grant permission to Tenant to hold over. Tenant shall be responsible for all damages suffered by Landlord by reason of any holding over by Tenant.

Section 36. JURY WAIVER. LANDLORD AND TENANT EACH WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THEM AGAINST THE OTHER ON ANY MATTER ARISING OUT OF OR IN CONNECTION WITH THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE LEASED PREMISES AND/OR ANY CLAIM OF INJURY OR DAMAGE.

Section 37. ATTORNEY'S FEES. If either Landlord or Tenant brings an action against the other party to enforce this Lease, or any of the terms and conditions of this Lease, the prevailing party in such action shall, in addition to any other right or remedy to which it may be entitled under this Lease or applicable law, be entitled to collect its reasonable attorney's fees incurred in prosecuting or defending such action from the other party.

SIGNED as of the day and year first above written.

LANDLORD:

WestRun, Inc., a Colorado Corporation

By: Mark Gerhard, President
Mark Gerhard, President

TENANT:

Buds, Ltd., a Colorado Limited Liability Company

By: Mark Gerhard, General Manager
Mark Gerhard, General Manager

PUBLIC NOTICE

NOTICE OF HEARING

Pursuant to Section 6.11.090.D of the Town of Parachute, Colorado

NOTICE IS HEREBY GIVEN that an application has been made to the Local Licensing Authority of the Town of Parachute, Colorado, for a Retail Marijuana Store which permits the sale of retail marijuana products on the premise.

APPLICANT: Buds, LTD

TRADE NAME: Buds, LTD

ADDRESS OF APPLICANT: 2536 Rimrock Avenue, Suite 400-280
Grand Junction, CO 81505

ADDRESS OF PROPOSED LICENSED PREMISES: 104 Cardinal Way suite A
Parachute, Colorado 81635

DATE OF APPLICATION: September 24, 2016

PUBLIC NOTICE IS HEREBY GIVEN that a Public Hearing will be held on this application **Thursday, October 20th, 2016 at 6:30 p.m.** in the Board Room in the Parachute Town Hall, 222 Grand Valley Way, Parachute, CO 81635.

All interested persons may appear at said hearing.

BY ORDER OF THE LOCAL LICENSING AUTHORITY

TOWN OF PARACHUTE

BOARD OF TRUSTEES

P.O. BOX 100

PARACHUTE, CO. 81635-0100

(970) 285-7630

TOWN OF PARACHUTE, COLORADO

Stuart S. McArthur, Town Manager

9275 DTES 0000 034E 5702

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GRAND JUNCTION, CO 81507 OFFICIAL USE

Certified Mail Fee	\$3.30
Extra Services & Fees (check box, add fee as appropriate)	\$2.70
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00
Postage	\$0.47
Total Postage and Fees	\$6.47

0520 86
Postmark Here
SEP 19 2016
CLIFTON CO. COLORADO
09/19/2016

Sent To: JOY Wagner
Street and Apt. No., or PO Box No. 2015 E 14 Rd PO Box No. 81507
City, State, ZIP+4® Grand Junction CO 81503

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

1945 DTES 0000 034E 5461

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TULSA, OK 74101 OFFICIAL USE

Certified Mail Fee	\$3.30
Extra Services & Fees (check box, add fee as appropriate)	\$2.70
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00
<input type="checkbox"/> Return Receipt (electronic)	\$0.00
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00
<input type="checkbox"/> Adult Signature Required	\$0.00
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00
Postage	\$0.47
Total Postage and Fees	\$6.47

0520 06
Postmark Here
SEP 19 2016
CLIFTON CO. COLORADO
09/19/2016

Sent To: WY Energy Services LLC
Street and Apt. No., or PO Box No. PO Box 3102
City, State, ZIP+4® Tulsa OK 74101

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7016 0750 0000 9045 2206

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WHITEMATER, CO 81527

Certified Mail Fee	\$3.30	0583 06
Extra Services & Fees (check box, add fee as appropriate)	\$2.70	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	Postmark Here SEP 23 2016
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.47	09/23/2016
Total Postage and Fees	\$6.47	

Sent To *Knight + Dunner Properties*
 Street and Apt. No., or PO Box No.
P.O. Box 43
 City, State, ZIP+4®
Whitemater CO 81527
 PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7016 0750 0000 9045 2220

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PARACHUTE, CO 81635

Certified Mail Fee	\$3.30	0583 06
Extra Services & Fees (check box, add fee as appropriate)	\$2.70	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	Postmark Here SEP 23 2016
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.47	09/23/2016
Total Postage and Fees	\$6.47	

Sent To *Joanne Fowkes*
 Street and Apt. No., or PO Box No.
105 Cardinal Way
 City, State, ZIP+4®
Parachute CO 81635
 PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7016 0750 0000 9045 2244

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SILT, CO 81652

Certified Mail Fee	\$3.30	0583 06
Extra Services & Fees (check box, add fee as appropriate)	\$2.70	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	Postmark Here SEP 23 2016
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.47	09/23/2016
Total Postage and Fees	\$6.47	

Sent To *Mr. James Legg*
 Street and Apt. No., or PO Box No.
302 Home Ave.
 City, State, ZIP+4®
Silt CO 81652
 PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7016 0750 0000 9045 2169

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MESA, CO 81643

Certified Mail Fee	\$3.30	0583 06
Extra Services & Fees (check box, add fee as appropriate)	\$2.70	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	Postmark Here SEP 23 2016
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.47	09/23/2016
Total Postage and Fees	\$6.47	

Sent To *Patrick Hisel*
 Street and Apt. No., or PO Box No.
P.O. Box 221
 City, State, ZIP+4®
Mesa CO 81643
 PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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PARACHUTE, CO 81635

Certified Mail Fee	\$3.30	0583 06
Extra Services & Fees (check box, add fee as appropriate)	\$2.70	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	Postmark Here SEP 23 2016
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.47	09/23/2016
Total Postage and Fees	\$6.47	

Sent To *John Waite*
 Street and Apt. No., or PO Box No.
P.O. Box 237
 City, State, ZIP+4®
Parachute CO 81635
 PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7016 0750 0000 9045 2213

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PARACHUTE, CO 81635

Certified Mail Fee	\$3.30	0583 06
Extra Services & Fees (check box, add fee as appropriate)	\$2.70	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	Postmark Here SEP 23 2016
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.47	09/23/2016
Total Postage and Fees	\$6.47	

Sent To *J+J Carnahan Trust*
 Street and Apt. No., or PO Box No.
600 Cardinal Way
 City, State, ZIP+4®
Parachute CO 81635
 PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7016 0750 0000 9045 2237

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PARACHUTE, CO 81635

OFFICIAL USE

Certified Mail Fee	\$3.30	0583 06
Extra Services & Fees (check box, add fee as appropriate)	\$2.70	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	Postmark Here SEP 23 2016
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.47	09/23/2016
Total Postage and Fees	\$6.47	

Sent To: Mr + Mrs Austin
 Street and Apt. No., or PO Box No.: 103 Cardinal Way
 City, State, ZIP+4®: Parachute CO 81635

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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PARACHUTE, CO 81635

OFFICIAL USE

Certified Mail Fee	\$3.30	0583 06
Extra Services & Fees (check box, add fee as appropriate)	\$0.00	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	Postmark Here SEP 23 2016
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.47	09/23/2016
Total Postage and Fees	\$3.77	

Sent To: Home space storage
 Street and Apt. No., or PO Box No.: 158 Cardinal Way
 City, State, ZIP+4®: Parachute CO 81635

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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RIFLE, CO 81650

OFFICIAL USE

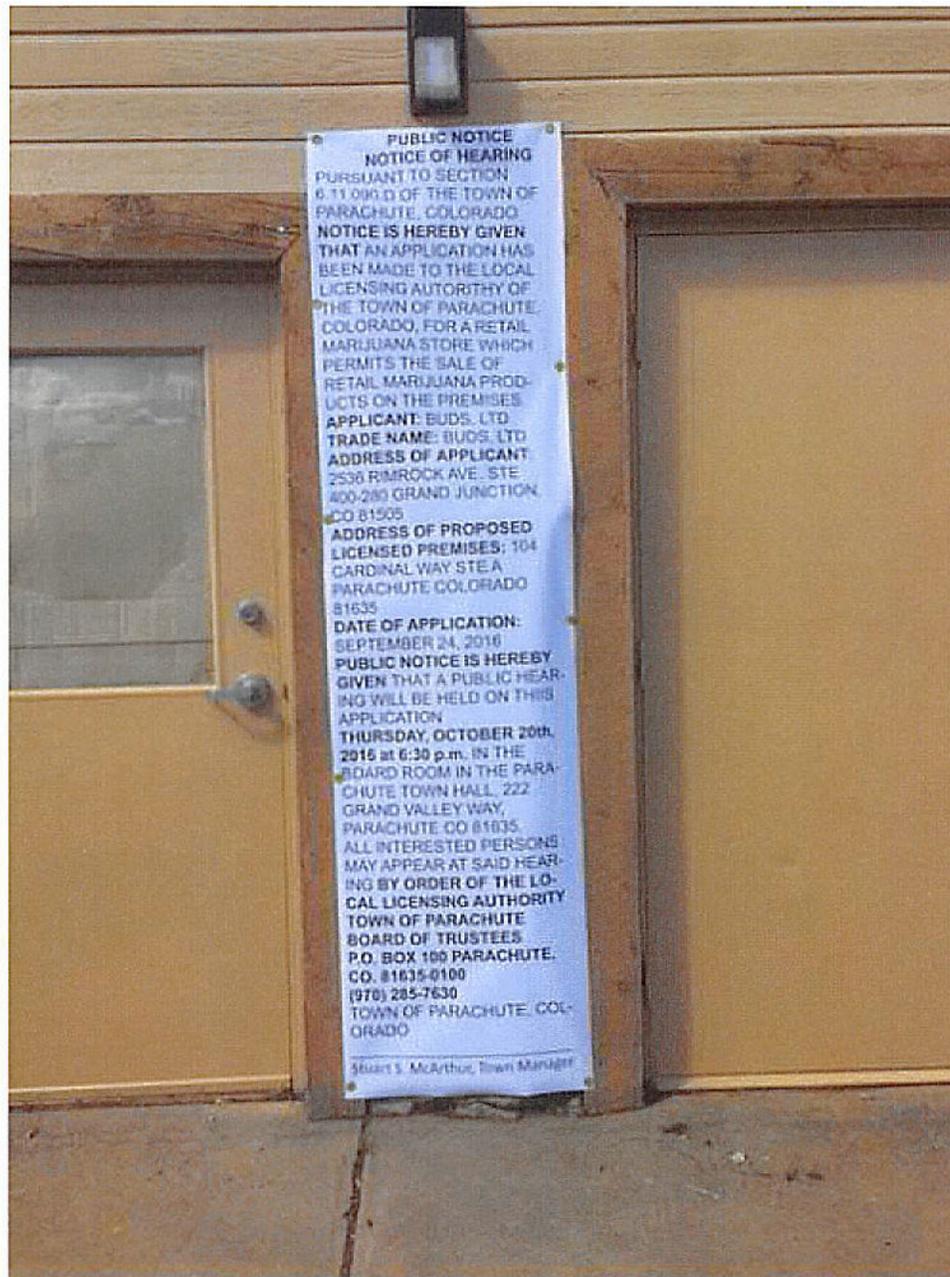
Certified Mail Fee	\$3.30	0583 06
Extra Services & Fees (check box, add fee as appropriate)	\$0.00	
<input type="checkbox"/> Return Receipt (hardcopy)	\$0.00	Postmark Here SEP 23 2016
<input type="checkbox"/> Return Receipt (electronic)	\$0.00	
<input type="checkbox"/> Certified Mail Restricted Delivery	\$0.00	
<input type="checkbox"/> Adult Signature Required	\$0.00	
<input type="checkbox"/> Adult Signature Restricted Delivery	\$0.00	
Postage	\$0.47	09/23/2016
Total Postage and Fees	\$3.77	

Sent To: m+m ventures Inc.
 Street and Apt. No., or PO Box No.: 120 E Third St Suite A
 City, State, ZIP+4®: Rifle CO 81650

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

Garfield County Land Explorer

Parcel	Physical Address	Owner	Account Num	Mailing Address
240912400010	101 CARDINAL WAY PARACHUTE	KNIGHT & DURMAS PROPERTIES LLC	R370100	PO BOX 43 WHITEWATER CO 81527
240912400011	127 CARDINAL WAY PARACHUTE	WAITE, JOHN A & RUPP, MARJORIE HOLLY	R370141	PO BOX 232 PARACHUTE CO 81635 2015 F 1/4 ROAD
240912400013	104 CARDINAL WAY PARACHUTE	WAGNER, JOY A	R370279	GRAND JUNCTION CO 81503
240912400015	259 CARDINAL WAY PARACHUTE	PARACHUTE, TOWN OF	R370103	PO BOX 100 PARACHUTE CO 81635
240912400017	311 CARDINAL WAY PARACHUTE	LEGG, JAMES A	R370134	302 HOME AVENUE SILT CO 81652
240912400026	302 CARDINAL WAY PARACHUTE	HISEL, PATRICK C & CAROL J	R370053	PO BOX 221 MESA CO 81643
240912400033	128 CARDINAL WAY PARACHUTE	M & M VENTURES INC	R370032	120 EAST 3RD STREET SUITE A RIFLE CO 81650
240912400045	103 CARDINAL WAY PARACHUTE	AUSTIN, J ARNOLD & ELIZABETH ANN	R370081	103 CARDINAL WAY PARACHUTE CO 81635-0454
240912400057	CARDINAL WAY PARACHUTE	CARNAHAN, JAMES F REVOCABLE TRUST DATED 2/12/2009	R480016	600 CARDINAL WAY PARACHUTE CO 81635
240912400061	105 CARDINAL WAY PARACHUTE	FOWKES, JOANNE	R045795	105 CARDINAL WAY PARACHUTE CO 81635-9612
240912400166	PARACHUTE	PARACHUTE, TOWN OF	R480127	PO BOX 100 PARACHUTE CO 81635
240912439003	160 CARDINAL WAY PARACHUTE LLC	HOME SPACE STORAGE	R480110	158 CARDINAL WAY PARACHUTE CO 81635
240912439004	136 CARDINAL WAY PARACHUTE LLC	HOME SPACE STORAGE	R480111	158 CARDINAL WAY PARACHUTE CO 81635
240912441001	301 CARDINAL WAY PARACHUTE	PARACHUTE, TOWN OF	R008212	PO BOX 100 PARACHUTE CO 81635
240912441002	303 CARDINAL WAY PARACHUTE	PARACHUTE, TOWN OF	R008213	PO BOX 100 PARACHUTE CO 81635



**PUBLIC NOTICE
NOTICE OF HEARING**
 PURSUANT TO SECTION
 6-11-095 D OF THE TOWN OF
 PARACHUTE, COLORADO,
NOTICE IS HEREBY GIVEN
 THAT AN APPLICATION HAS
 BEEN MADE TO THE LOCAL
 LICENSING AUTHORITY OF
 THE TOWN OF PARACHUTE,
 COLORADO, FOR A RETAIL
 MARIJUANA STORE WHICH
 PERMITS THE SALE OF
 RETAIL MARIJUANA PROD-
 UCTS ON THE PREMISES.
APPLICANT: BUDS, LTD.
TRADE NAME: BUDS, LTD.
ADDRESS OF APPLICANT:
 2536 RIMROCK AVE., STE
 400-280 GRAND JUNCTION,
 CO 81505
**ADDRESS OF PROPOSED
 LICENSED PREMISES:** 104
 CARDINAL WAY STE A
 PARACHUTE COLORADO
 81635
DATE OF APPLICATION:
 SEPTEMBER 24, 2016
**PUBLIC NOTICE IS HEREBY
 GIVEN THAT A PUBLIC HEAR-
 ING WILL BE HELD ON THIS
 APPLICATION**
THURSDAY, OCTOBER 20th,
2016 at 6:30 p.m. IN THE
**BOARD ROOM IN THE PARA-
 CHUTE TOWN HALL, 222**
GRAND VALLEY WAY,
PARACHUTE, CO 81635.
 ALL INTERESTED PERSONS
 MAY APPEAR AT SAID HEAR-
 ING BY ORDER OF THE LO-
 CAL LICENSING AUTHORITY
 TOWN OF PARACHUTE
 BOARD OF TRUSTEES
 P.O. BOX 100 PARACHUTE,
 CO. 81635-0100
 (970) 285-7630
 TOWN OF PARACHUTE, COL-
 ORADO

Shirley S. McArthur, Town Manager



Town of Parachute, CO
 222 Grand Valley Way
 P.O. Box 100
 Parachute, CO 81635

Retail Marijuana Establishment Business License Application and Checklist

DCT 01201607:02

Application Checklist

<input checked="" type="checkbox"/> Application Form Fully Completed Type or clearly print an answer to every question. If a question does not apply to you, indicate so with an N/A. If the available space is insufficient, continue on a separate sheet and precede each answer by stating the question. A separate application is required for EACH license type.
<input checked="" type="checkbox"/> All Forms Signed & Attached The following accompanying forms must be signed by each owner of the Applicant as required by the Town's Retail Marijuana Establishments ordinance and be provided with the Application as a condition of acceptance: <input checked="" type="checkbox"/> Affirmation & Consent (COMPLETED - SEE ATTACHED) <input checked="" type="checkbox"/> Investigation Authorization/Authorization to Release (COMPLETED - SEE ATTACHED)
<input checked="" type="checkbox"/> Copy of Conditional State License or Proof of State License Application Attached Proof of state license application shall be submitted when a conditional state license has not been issued. Proof of a state license consists of a copy of the complete State Retail Marijuana License Application and supporting documents, and all Associated Key Marijuana License Applications and supporting documents submitted in connection with the Retail Marijuana License Application. These items may be submitted as a supplement to the other application materials. (STATE LICENSE APPLICATION ATTACHED)
<input checked="" type="checkbox"/> All Requested Information Attached (Other forms may be made available and may be required at time of application) The following supporting information requested in the Town of Parachute's Retail Marijuana Establishments ordinance and in this application (as applicable) must be attached: <input checked="" type="checkbox"/> Proof of ownership, lease, rental agreement, or other arrangement for legal possession of the proposed licensed premises described in this application form. (SEE LEASE ATTACHED) <input checked="" type="checkbox"/> Operating plan described in the Town's Retail Marijuana Establishments ordinance of the proposed licensed premises. (SEE "OPERATING PLAN" ATTACHED, SEE "OPERATIONAL PLAN GUIDE" FOR MORE DETAILS) <input checked="" type="checkbox"/> Floor plan described in the Town's Retail Marijuana Establishments ordinance of the proposed licensed premises. (SEE "FLOOR PLAN" ATTACHED) <input checked="" type="checkbox"/> Sign, security and lighting plans indicating how the proposed licensed premises will comply with the requirements of the Colorado Retail Marijuana Code and the Town's Retail Marijuana Establishments ordinance. (SEE SIGN, SECURITY AND LIGHTING PLANS IN "OPERATING PLAN" AND "OPERATIONAL PLAN GUIDE") <input checked="" type="checkbox"/> An area map of the proposed licensed premises as described in the Town's Retail Marijuana Establishments ordinance. The area map must clearly show the proximity of the proposed licensed premises to any public or private school located 500 feet or less from the proposed licensed premises, and to any other licensed premises located 150 feet or less from the proposed licensed premises as measured pursuant to the Town's Retail Marijuana Establishments ordinance. <input checked="" type="checkbox"/> Proof that the proposed licenses premises will be located in a location that is compliant with the Town's zoning and land use laws, or that the necessary land use application(s) has been made. (SEE "AREA MAP" ATTACHMENTS FOR PROOF OF ZONING/SEPARATION TO SCHOOLS/ESTABLISHMENTS) Note: The Town of Parachute reserves the right to request additional information and documentation throughout the course of the background investigation.
<input checked="" type="checkbox"/> Application Fees Application fees as required by the Town's Retail Marijuana Establishments ordinance. Application fees are non-refundable and must be paid via a certified check or money order. (PAYMENT OF \$2,000 ATTACHED)

Retail Marijuana Establishment Business License Application

New License Application Annual License Renewal

License Sought - Attach a copy of the conditional State License or proof of application for a State License.

A separate license application must be filed for each type of desired license or proposed licensed premises.

Retail Marijuana Store Retail Marijuana Testing Facility
 Retail Marijuana Cultivation Facility Retail Marijuana Products Manufacturing Facility

*A Cultivation Facility license requires a public hearing before the Planning and Zoning Commission for Special Review Use approval.

Applicant's Legal Business Name (Please Print)
 THE CANNABIST CASTLE SUPERMARKET & DISPENSARY LOUNGE LLC

Trade Name (DBA) (Provide Trade Name Registration) THE KIND CASTLE	Website Address WWW.CANNABISTCASTLE.COM
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Location and Contact Information – Proposed Licensed Premises

Street Address and Assessor Parcel No. of Proposed Premises 248 EAST FIRST STREET (ASSESSOR PARCEL NO. 240912113007)	City PARACHUTE	State CO	ZIP 81635
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Business Phone Number 1(844)MJ-CASTLE (970-652-2785)	Business Fax Number (888)701-4269	Email Address EMAIL@CANNABISTCASTLE.COM
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Does the applicant have legal possession of the proposed licensed premises by virtue of ownership, lease or other arrangement?

Yes No Legal Basis for possession: Ownership Lease
 Other Explanation: N/A

Submit all documentation (e.g. deed, title commitment/report, title, sale or lease agreements etc.) showing legal right to possession. If premises are leased, attach written consent by the property owner to licensing of the premises for a retail marijuana establishment.

Is the proposed licensed premises in compliance with applicable zoning and land use laws? Yes No (SEE ATTACHED AREA MAPS)
 If not, has the applicant submitted the necessary land use application? Yes No Attach any submitted application. N/A

Applicants' Contact and Related Information

Address 248 EAST FIRST STREET	City PARACHUTE	State CO	Zip 81635
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Primary Contact Person for Business RAYMOND JOSEPH STRICKOFF JR	Title MEMBER	Primary Contact Phone Number (970)316-2795
--	-----------------	---

Primary Contact Address (city, state, Zip) P.O. BOX 687, GLENWOOD SPRINGS, CO 81602	Primary Contact Fax Number (888)701-4269
--	---

Federal Taxpayer ID [REDACTED]	Colorado Sales Tax License # [REDACTED]	Email Address EMAIL@CANNABISTCASTLE.COM
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Business Entity Details

Sole Proprietorship Partnership Limited Liability Company C Corporation (Closely Held)
 Trust Limited Partnership S Corporation C Corporation (Publicly Traded)

Other Explanation:

State of Incorporation or Creation of Business Entity COLORADO (SEE ATTACHED ARTICLES OF ORGANIZATION)	Date of Incorp./Creation 03/21/2015
---	--

Date Qualified to Conduct Business in Colorado (Provide Certificate of Good Standing from the Colorado Secretary of State's Office)
 03/21/2015 (SEE ATTACHED CERTIFICATE OF GOOD STANDING)

If a Corporation, Limited Liability Company, or Limited Partnership, List all States Where the Corporation is Authorized to Conduct Business
 COLORADO

List all Trade Names used by the Business Entity In Addition to Formal Name
 THE KIND CASTLE

Has the applicant (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation) or manager ever (in Colorado or any other state);

- Been denied a privileged license (i.e. - Liquor, Gaming, Racing and Marijuana)? Yes No
- Had a privileged license (i.e. - Liquor, Gaming, Racing and Marijuana) suspended or revoked? Yes No
- Had interest in another entity that had a privileged (i.e. - Liquor, Gaming, Racing and Marijuana) license denied, suspended or revoked? Yes No

If you answered yes to any of the above questions, explain the denial, suspension, or revocation in detail on a separate sheet.

Ownership Structure

List all persons and/or entities with any ownership interest in the applicant/proposed licensee, and all officers and directors, regardless of whether they have an ownership interest in the applicant/proposed licensee. If an entity (corporation, partnership, LLC, etc.) has an ownership interest the applicant/proposed licensee, list all persons having an ownership interest in such entity, their percentage of ownership of the entity, and their effective ownership of applicant/proposed licensee if ownership in applicant is through ownership of a parent or holding entity (an Ownership Entity). Submit additional sheets if necessary.

Name	Title	SSN/FEIN	Date of Birth	
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	
Address	City	State	ZIP	Phone Number
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Ownership Entity (if applicable)	% Ownership of Ownership Entity		Effective Applicant	Own. % in
THE CANNABIST CASTLE SUPERMARKET & DISPENSARY LOUNGE LLC	100%		100%	
Name	Title	SSN/FEIN	Date of Birth	
N/A	N/A	N/A	N/A	
Address	City	State	ZIP	Phone Number
N/A	N/A	N/A	N/A	N/A
Ownership Entity (if applicable)	% Ownership of Ownership Entity		Effective Applicant	Own. % in
N/A	N/A			N/A
Name	Title	SSN/FEIN	Date of Birth	
N/A	N/A	N/A	N/A	
Address	City	State	ZIP	Phone Number
N/A	N/A	N/A	N/A	N/A
Ownership Entity (if applicable)	% Ownership of Ownership Entity		Effective Applicant	Own. % in
N/A	N/A			N/A
Name	Title	SSN/FEIN	Date of Birth	
N/A	N/A	N/A	N/A	
Address	City	State	ZIP	Phone Number
N/A	N/A	N/A	N/A	N/A
Ownership Entity (if applicable)	% Ownership of Ownership Entity		Effective Applicant	Own. % in
N/A	N/A			N/A
Name	Title	SSN/FEIN	Date of Birth	
N/A	N/A	N/A	N/A	
Address	City	State	ZIP	Phone Number
N/A	N/A	N/A	N/A	N/A
Ownership Entity (if applicable)	% Ownership of Ownership Entity		Effective Applicant	Own. % in
N/A	N/A			N/A
Name	Title	SSN/FEIN	Date of Birth	
N/A	N/A	N/A	N/A	
Address	City	State	ZIP	Phone Number
N/A	N/A	N/A	N/A	N/A
Ownership Entity (if applicable)	% Ownership of Ownership Entity		Effective Applicant	Own. % in
N/A	N/A			N/A

Trevor H. McGarvey, Attorney at Law

P.O. Box 1486
Golden, CO 80402
Phone. 720.343.9896
Fax. 720.554.7844
thmcgarvey@verizon.net

October 3, 2016

Colorado Department of Revenue
Marijuana Enforcement Division
455 Sherman St.
Denver, CO 80203

Re: MED Renewal Application, Question #1 and 2
Retail Marijuana Dispensary License
License # 402R-004723 – Cannabist Castle Supermarket & Dispensary Lounge LLC

Please be advised that I represent Cannabist Castle Supermarket & Dispensary Lounge LLC d/b/a the Kind Castle (“Kind Castle”). This letter is in response to the Application for Renewal, questions #2 and #3.

The Kind Castle applied for a retail marijuana dispensary license at 818 Grande Ave in Glenwood Springs, Colorado. The City’s retail marijuana application process required applying to the MED first, and upon state approval, to the city. After applying with the MED, The Kind Castle was granted a conditional retail marijuana dispensary license, license number 402R-004723. The Kind Castle then applied to the City of Glenwood Springs. A public hearing was held in front of Hearing Officer Angela Roff on September 9, 2015.

During the hearing, many residents testified in opposition due to the proposed location in the “downtown corridor.” Others testified in favor. In a written decision dated October 9, 2015, Roff approved the application and granted the Kind Castle a license for a retail marijuana dispensary.

Several residents then appealed the Hearing Officer’s approval to the Glenwood Springs City Council. A public hearing regarding the appeal took place at the City Council meeting held on November 5, 2015. After the hearing, the City Council voted to overturn the Hearing Officer’s decision and deny the Kind Castle’s application. The Council directed Roff to reverse her decision and deny the application, which she did in a final written decision dated November 12, 2015 and attached to this explanation. The Kind Castle appealed the City Council’s decision to the District Court of Garfield County, but eventually dropped the suit in early 2016. As a result of the denial, the Kind Castle was forced to surrender the state MED license. If you have any additional questions or concerns, please contact me via email at thmcgarvey@verizon.net or by phone at (720) 343-9896.

Sincerely,

Trevor H. McGarvey
Counsel for The Kind Castle

BEFORE THE CITY OF GLENWOOD SPRINGS, COLORADO
LOCAL LICENSING AUTHORITY HEARING OFFICER

In the Matter of the Application of:)
Cannabist Castle Supermarket &)
Dispensary Lounge, LLC) FINAL DECISION
for a)
Retail Marijuana Permit)

THIS MATTER came before the Glenwood Springs City Council as an appeal of this hearing officer's decision to approve the pending application of Cannabist Castle Supermarket & Dispensary Lounge, LLC, for a Retail Marijuana Permit at 818 Grand Avenue.

The appeal was heard on November 5, 2015. The City Council, based on the testimony, the record, and written materials, denied the application (and overturned the approval of the Marijuana Hearing Officer) based upon the reasonable requirements of the neighborhood for the class of license being considered and the desires of the adult inhabitants within Glenwood Springs.

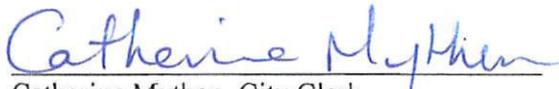
The City Council therefore OVERTURNED this hearing officer's decision to approve the application. This hearing officer therefore directs the Office of the City Clerk to forward this opinion to the State Licensing Authority for action.

ACCORDINGLY, the application of Cannabist Castle Supermarket & Dispensary Lounge, LLC, for a Retail Marijuana Permit at 818 Grand Avenue, Glenwood Springs, Colorado 81601 is hereby DENIED.

Dated this 12th day of November, 2015.

By: 
Angela M. Roff, Hearing Officer

ATTEST:


Catherine Mythen, City Clerk

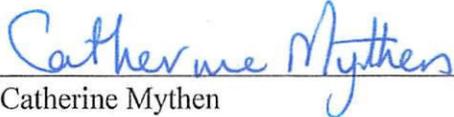
Certificate of Service

I hereby certify that a true and correct copy of the foregoing **Final Decision** was mailed by USPS to the parties whose names are listed below on this 13th day of November, 2015.

VIA FIRST-CLASS MAIL

Raymond Strickoff Jr.
10163 Granite Hill Drive
Parker, CO 80134

Karl Hanlon
City Attorney
Karp, Neu, Hanlon
201 14th St.
Glenwood Springs, CO 81601


Catherine Mythen

Who, besides the owners of the applicant/proposed licensee listed above (including persons, firms, partnerships, corporations, limited liability companies, trusts), will loan or give money, inventory, furniture or equipment to or for use in this business; or who will receive money or profits from this business. Submit a separate sheet if necessary.

Name	Date of Birth	FEIN OR SSN	Interest
ENERGY CHOICE CENTER, INC.	N/A	[REDACTED]	0%
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A

Has the applicant or an ownership entity listed above (if applicable) ever applied for a marijuana license (retail or medical) in this or any other jurisdiction, foreign or domestic, whether or not the license was ever issued? If YES, provide details on a separate sheet, including jurisdiction, type of license, license number, and dates license held or applied for. (SEE ATTACHED "Details of Applicant's Other Retail Marijuana Business Licenses" DOCUMENT) Yes No

Has the applicant or an ownership entity listed above ever been denied a marijuana license (retail or medical), withdrawn a marijuana license or had any disciplinary action taken against any marijuana license that they have held in this or any other jurisdiction, Colorado or otherwise? If YES, provide details on a separate sheet, including jurisdiction, type of action, and date of action. Yes No

In the last ten years, has the applicant or any partner, member, officer, director, or stockholder of the applicant ever been arrested, charged, or convicted of a crime or offense in a federal, state or other court? If YES, please provide details on a separate sheet, including jurisdiction, the crime or offense arrested for and whether charged with or convicted, and date of action. Yes No

Maintenance of Books and Records

Name of Person who maintains Applicant's business records Title
 [REDACTED]

Address Phone Number
 [REDACTED]

Person who prepares Applicant's tax returns, government forms & reports Title
 [REDACTED]

Address Phone Number
 [REDACTED]

Location of financial books and records for Applicant's business
 [REDACTED]

Managers

Name of Manager of proposed licensed premises. Submit a separate sheet if necessary. Date of Birth SSN
 RAYMOND JOSEPH STRICKOFF JR. [REDACTED] [REDACTED]

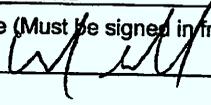
Details of Applicant's Other Retail Marijuana Business Licenses

The applicant, The Cannabist Castle Supermarket & Dispensary Lounge LLC doing business as The Kind Castle, has previously applied for and was approved for a State Conditional License by the Marijuana Enforcement Division (License # 402R-00473) to operate a Retail Marijuana Establishment located in the jurisdiction of the City of Glenwood Springs. The license is assigned to the business location of 818 Grand Avenue, Glenwood Springs CO 81601. The license was held and effective on the date of June 19, 2015 and shall be valid through 06/19/2016. This is strictly a retail establishment; no medical marijuana sales, no product manufacturing, and no cultivation.

Owner's Affirmation & Consent

I, RAYMOND JOSEPH STRICKOFF JR., as an owner of and authorized agent for the applicant, state under penalty for offering a false instrument for recording pursuant to 18-5-114 C.R.S. that the entire foregoing Retail Marijuana Establishment Business License Application, statements, attachments, and supporting schedules are true and correct to the best of my knowledge and belief, and that this statement is executed with the knowledge that misrepresentation or failure to reveal information requested may be deemed sufficient cause for Local Licensing Authority to refuse to issuance of a the desired retail marijuana establishment license. I am aware that later discovery of an omission or misrepresentation made in the above statements may be grounds for the denial or revocation of the license. I am voluntarily submitting this application to the Local Licensing Authority of the Town of Parachute, Colorado under oath with full knowledge that I may be charged with perjury or other crimes for intentional omissions and misrepresentations pursuant to Colorado law or for offering a false instrument for recording pursuant to 18-5-114 C.R.S. I further consent to any background investigation necessary to determine my present and continuing suitability and that this consent continues as long as applicant holds a retail marijuana establishment license, and for 90 days following the expiration or surrender of such marijuana license.

Print Full Owner/Legal Agent Name: RAYMOND JOSEPH STRICKOFF JR.

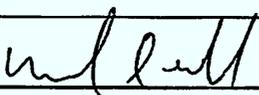
Applicant's Name THE CANNABIST CASTLE SUPERMARKET & DISPENSARY LOUNGE LLC		Trade Name (DBA) THE KIND CASTLE	
Owner/Legal Agent Last Name (Please Print) STRICKOFF	Owner/Legal Agent First Name RAYMOND	Owner/Legal Middle Name JOSEPH	Agent
Legal Agent Title MEMBER	Signature (Must be signed in front of one witness) 		
Date (MM/DD/YY) 09/18/2016	City PARACHUTE	State COLORADO	
Witness 1 Signature 			

Owner's Authorization to Investigate and Release Information

I, RAYMOND JOSEPH STRICKOFF JR., as an owner of and authorized agent for the applicant, hereby authorize the Town of Parachute, Colorado and any Application review authorities selected by it (hereafter, the Investigatory Agencies) to conduct a complete investigation into this Application, using whatever legal means they deem appropriate. I hereby authorize any person or entity contacted by the Investigatory Agencies to provide any and all such information deemed necessary by the Investigatory Agencies. I hereby waive any rights of confidentiality in this regard. I understand that by signing this authorization, a financial record check may be performed. I authorize any financial institution to surrender to the Town of Parachute, Colorado and Investigatory Agencies a complete and accurate record of such transactions that may have occurred with that institution, including, but not limited to, internal banking memoranda, past and present loan applications, financial statements and any other documents relating to financial records in whatever form and wherever located. I understand that by signing this authorization, a financial record check of the applicant/proposed licensee's tax filing and tax obligation status may be performed. I authorize the Town of Parachute, Colorado to surrender to the Investigatory Agencies a complete and accurate record of any and all tax information or records relating to applicant. I authorize the Investigatory Agencies to obtain, receive, review, copy, discuss and use any such tax information or documents relating to applicant. I authorize the release of this type of information, even though such information may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws.

The Town of Parachute, Colorado and Investigatory Agencies reserve the right to investigate all relevant information and facts to their satisfaction. I understand that the Investigatory Agencies may conduct a complete and comprehensive investigation to determine the accuracy of all information gathered. However, the Investigatory Agencies, their agents or employees shall not be held liable for the receipt, use, or dissemination of inaccurate information. I, on behalf of the applicant, its legal representatives, and assigns, hereby release, waive, discharge, and agree to hold harmless, and otherwise waive liability as to the Town of Parachute, Colorado, Investigatory Agencies, and any of those entities' agents or employees for any damages resulting from any use, disclosure, or publication in any manner, other than a willfully unlawful disclosure or publication, of any material or information acquired during inquiries, investigations, or hearings, and hereby authorize the lawful use, disclosure, or publication of this material or information. Any information contained within this Application, any financial or personnel record, or otherwise found, obtained, or maintained by the Town of Parachute, Colorado or Investigatory Agencies, shall be accessible to law enforcement agents of this or any other state, the government of the United States, or any foreign country.

Print Full Owner/Legal Agent Name: RAYMOND JOSEPH STRICKOFF JR.

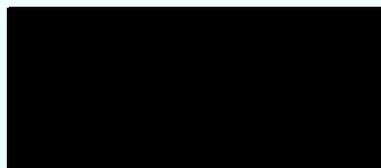
Applicant's Name THE CANNABIST CASTLE SUPERMARKET & DISPENSARY LOUNGE LLC		Trade Name (DBA) THE KIND CASTLE	
Owner/Legal Agent Last Name (Please Print) STRICKOFF	Owner/Legal Agent First Name RAYMOND	Owner/Legal Middle Name JOSEPH	Agent
Signature 		Date 09/18/2016	
Applicant's Business Name THE CANNABIST CASTLE SUPERMARKET & DISPENSARY LOUNGE LLC		Trade Name (DBA) THE KIND CASTLE	
Legal Agent Title MEMBER	Signature (Must be signed in front of one witness)		
Date (MM/DD/YY) 09/18/2016	City PARACHUTE	State COLORADO	
Witness 1 Signature 			

SUBLEASE AGREEMENT

This SUBLEASE AGREEMENT ("Sublease"), entered into this 1st day of August, 2015, is made between Glenwood Canyon Properties, a Colorado limited liability company, whose address is PO Box 2507, Glenwood Springs, CO 81602 ("Sublessor"), and The Cannabist Castle Supermarket & Dispensary Lounge, a Colorado limited liability company, whose address is 248 East First Street, Parachute, CO 81635 ("Sublessee") (individually referred to as "Party" and collectively as the "Parties") for the period beginning August 1st 2015 and ending July 31st 2020, pursuant to that certain Lease Agreement between Landlord and Lessee (hereinafter the "Master Lease"), incorporated via Appendix A below, and any renewals, amendments or extensions of the Master Lease or as otherwise provided herein (the "Sublease Term") for the real property located at 248 East First Street, Parachute, CO 81635 (the "Premises").

The Parties and the Landlord agree:

- 1. **Rent.** Sublessee shall take full lawful possession of the Premises for the remaining term of the Master Lease and shall pay as rent for the initial Sublease Term to Sublessor, for Sublessor's sole use, the total sum of one thousand seven hundred dollars [REDACTED] per calendar month, due directly to the Sublessor on or before the first day of each month at the following address:



- 2. **Security Deposit.** Sublessee shall pay a security deposit of \$ [REDACTED] (the "Security Deposit") to Sublessor, due and payable at time of execution of this Sublease. The Security Deposit shall be used by Sublessor to use at Sublessor's sole discretion.

- 3. **Additional Obligations and Agreements.** The Parties agree to the following obligations and payment of expenses as they relate solely to the Premises:

- A. Sublessee agrees to remain responsible for the monthly cost of electricity, air conditioning, and all other utility costs for the Premises.
- B. Sublessee shall be required to cover all expenses for all retrofit and upgrade costs for the premises, including but not limited to: (i) Architect fees; (ii) Construction expenses; (iii) License and permitting fees; (iv) Utilities; and (v) Equipment.
- C. Sublessee shall, at its sole expense and option, perform updates to the premises including the following:

- a. Replacements/Updates of business signs provided such signs meet the City's Signage Code.
- b. Upgrade windows and add privacy tint, as deemed necessary by Tenant.
- c. Remove/replace carpet, install hardwood flooring.
- d. Install additional lighting, as deemed necessary by Tenant.
- e. Replace the front door and locks.
- f. Paint the business suite.
- g. Install security system, cameras, and such devices.

- D. Landlord agrees that no Tenant or resident on the premises shall hold any key whatsoever, or be granted access, to the Tenant's premises, unless put in writing and signed by Tenant.
 - E. This Agreement is subject and subordinate to the Master Lease. This Sublease shall comply and be subject to any and all of the covenants, warrants, and obligations contained herein.
4. **Sublease Term.** Notwithstanding anything contained in the Master Lease to the contrary, this Sublease shall be binding on the Parties until July 31st, 2020 and for any valid renewal periods thereafter. The initial term of this Sublease shall be for five (5) years. Should the Master Lease be extended by Sublessor pursuant to an option to extend, the terms of this Sublease shall remain in effect. If at any point the Master Lease converts to a month to month lease, this Sublease shall continue in effect for that extended period of time until such time as the Parties end their relationship. There shall be no new, changed, altered, alternative, or additional lease between Landlord and Sublessee at any time, without the prior written consent of Sublessor.
 5. **No Assignment.** Sublessee shall not, without Sublessor's prior written consent, sublet, assign, or otherwise encumber any interest under this Sublease. Any transfer made without Sublessor's prior written consent shall, at Sublessor's option, be void.
 6. **Termination of Lease.** Sublessor may terminate this Sublease at any time with one (1) month's written notice given to Sublessee.
 7. **Limitation of Liability.** In no event shall Sublessor be liable for any consequential, indirect, exemplary, special or incidental damages, including any lost profits, arising from or relating to this Sublease. Sublessor's total cumulative liability in connection with any default under this Sublease, whether in contract, tort, or otherwise, will not exceed the amount of the rent paid by Sublessee under this Sublease. Sublessee acknowledges that any anticipated or realized monetary obligation incurred by Sublessor under the Sublease shall reflect the allocation of risk amongst the parties and that Sublessor would not enter into this agreement without this limitation on liability.
 8. **Original Lease.** The Parties and the Landlord, as defined in the Master Lease, acknowledge and agree that Sublessee shall be bound by all of the terms and conditions of the Master Lease or any modification or amendment thereof, except for the provisions of the Master Lease as it relates to rent and deposit provided therein or any other provision that directly conflicts with a provision of this Sublease, in which case the provisions of this Sublease shall control. The Sublessee shall be jointly and severally liable with Sublessor for all the obligations in the Master Lease.
 9. **Landlord Consent.** Landlord, by signing below, consents to this Sublease and agrees that the Parties shall not be evicted for reason of breach of this Sublease agreement by the Sublessor. Sublessee acknowledges and agrees that the Landlord's consent is a condition of Sublessor's obligations under this Sublease.

10. Use for Medical or Retail Marijuana. Notwithstanding anything contained in the Master Lease or the Sublease to the contrary, the Landlord and Sublessor and Sublessor and Sublessee acknowledge, agree and understand that the Sublessee is or shall be an applicant for a license under the Colorado Medical Marijuana Code, C.R.S. § 12-43.3-101, *et seq.*, and/or the Colorado Retail Marijuana Code, C.R.S. § 12-43.4-101, *et seq.*, and the Town of Parachute Retail Marijuana Ordinances (collectively hereinafter the "Codes"), and/or may be currently licensed or licensed in the future under the Codes as a medical and/or recreational (retail) marijuana establishment (as any of these terms may be defined under the Codes) and entitled to possess, sell, distribute, transport, and/or acquire medical/retail marijuana under state and local law. Sublessee shall maintain appropriate licensing in good standing as required by applicable state and local law and at all times remain within the limits allowed by applicable law with regard to the possession, cultivation, sale, distribution, acquisition, transportation, or use of marijuana. Any material violation of any statute or rule under any applicable Colorado state or local law regarding marijuana resulting in the loss of the applicable license or the denial of the applicable license application by the Sublessee shall provide the Sublessor a right to terminate the Sublease immediately upon notice of such loss or material violation. If a change in State law or Federal enforcement priorities makes the intended use of the property illegal under State law or poses an imminent risk of law enforcement action, Federal or otherwise, Sublessee and/or Sublessor may terminate this Sublease upon written notice of such change or action to the other party. Such termination shall be effective as of the date such notice is received by the other party, and the Parties shall be released from their obligations under this Sublease.

11. Inability to Secure Local or State License or Change in Federal Enforcement Priorities. Notwithstanding anything contained herein or in the Master Lease to the contrary, should the Sublessee not be granted or otherwise fail to obtain a local and state license for the activities contemplated herein, or if there is a change in federal enforcement priorities related to the use of the Premise as contemplated herein, Sublessee and/or Sublessor may terminate this Sublease by written notice to the other party. Such termination shall be effective as of the date such notice is received by the other party, and the Parties shall be released from their obligations under this Sublease.

12. Default and Termination.

a. **Event of Default by Sublessee.** If Sublessee materially breaches any of the covenants of this Sublease or if the Parties cannot come to terms on the management of the Premise by Sublessor, in Sublessor's sole discretion, Sublessee shall be determined to be in default of this Lease ("Event of Default by Sublessee"). During any Event of Default by Sublessee, subject to any State of Colorado or local statute, ordinance or law to the contrary, and upon Sublessor serving a written fourteen (14) days' notice upon Sublessee specifying the nature of said default and upon the expiration of said fourteen (14) days, if Sublessee does not cure a default of which he has been notified, or if the default cannot be completely cured or remedied in fourteen (14) days, Sublessor may: (i) cure such default and add the cost of such cure to Sublessee's financial obligations under the Sublease; (ii) declare Sublessee in default and terminate the Sublease and/or terminate possession of the Premises, in addition to any other remedies available to Sublessor at law or equity; (iii) use the security deposit to offset any damages including payment of rent under the Sublease; and/or (iv) take any other action available in the Sublease in terms of default. All remedies herein shall be cumulative and in addition to any other remedy available in law or equity.

13. JURY TRIAL WAIVER. LANDLORD, SUBLESSOR, AND SUBLESSEE WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES HI-RETO AGAINST THE OTHER OR THEIR SUCCESSORS IN RESPECT OF ANY MATTER ARISING OUT OF OR IN CONNECTION WITH THIS

RS

SUBLEASE, THE RELATIONSHIP OF THE PARTIES, THE PARTIES' USE OR OCCUPANCY OF THE PREMISES, AND/OR ANY CLAIM FOR INJURY OR DAMAGE, OR ANY EMERGENCY OR STATUTORY REMEDY.

- 14. **Sole Agreement.** Notwithstanding anything contained in the Master Lease or Sublease to the contrary, the parties agree that this Sublease contains the entire agreement between the parties related to leasing the Premise. This Sublease cannot be modified or amended in any way except through a written amendment signed by the parties hereto. No oral agreements or amendments are binding unless reduced to writing.
- 15. **Governing Law/Prevailing Party/Attorney's Fees.** This Sublease shall be governed by the laws of the State of Colorado and the Parties consent to jurisdiction in Garfield County District Court. The prevailing party in any litigation arising from this agreement shall be awarded attorneys' fees and costs, including expert witness fees, paid by the non-prevailing party.
- 16. **Successors and Assigns.** The rights and obligations of either Party shall not be transferable without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. All obligations of the Parties herein shall be binding upon their respective successors or assigns.
- 17. **Waiver.** No waiver or breach of any term or condition of this Agreement shall operate as a waiver of any other breach of such term or condition, or of any other term or condition, nor shall any failure to enforce any provisions hereunder operate as a waiver of such provision or any other provision hereunder.
- 18. **Severability.** In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, except in those instances where removal or elimination of such invalid, illegal, or unenforceable provision or provisions would result in a failure of consideration under this Agreement, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provisions had never been contained herein.
- 19. **Notices.** All notices hereunder shall be in writing and shall be deemed to have been duly given if delivered personally, one day after delivery to a nationally recognized overnight delivery service, charges prepaid, three days after being sent by registered or certified mail, postage prepaid, to the parties at their respective addresses set forth above or to such other address as any party shall have specified by notice to the other in accordance with this Section. Purchase orders, forecasts and other routine business forms (and any notices not sent in accordance with the foregoing) shall be effective only upon receipt.
- 20. **Employees, Independent Contractors, and Service Providers.** Sublessee understands and fully agrees that all employees, visitors, volunteers, independent contractors, and service provider vendor(s) shall be subject to approval in writing (email shall suffice) from Sublessor before entering or occupying the premises for any period of time. Any change in the Sublessee's establishment manager must be agreed to in writing by Sublessor prior to any such change.
- 21. **Landlord has no participation.** Landlord specifically acknowledges and states that Landlord has no participation, express or implied, in any marijuana-related operations of Tenant. Notwithstanding anything to the contrary contained herein, the term "property" when used herein shall specifically exclude any fixtures used directly in the sale of Medical or Retail Marijuana or Medical or Retail Marijuana Product (each as defined in Rules M 103 and R 103 promulgated under Title 12, Articles 43.3 and 43.4, C.R.S. (2013)), and related equipment and inventory.
- 22. **Retail Marijuana Establishment Business License Application.** The Town of Parachute's "Agreement for Payment of Land Use Application Fees" and other reasonably requested

documentation relating to the Sublessee's "Retail Marijuana Establishment Business License Application", shall be executed and re-executed, if necessary, by Landlord, in connection with Sublessee's attempts to secure licensing for the intended use, as may be requested by Sublessee.

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23. Acknowledgement of risk. The Parties understand and acknowledge that marijuana activities are illegal under federal law.

24. Contingent on MED and Local Approval. The Parties and Landlord hereto acknowledge and agree that the terms of this Sublease are subject to the approval of the Colorado Department of Revenue's Marijuana Enforcement Division ("MED") and the applicable Local Licensing Authority (LLA), and the parties agree to negotiate in good faith to conform with any guidance provided by the MED and LLA relating to this Sublease. In the event the Parties cannot reach an agreement within one hundred and eighty (180) days of notice by the MED or LLA that the Sublease must be reformed, either Party may terminate this Sublease and the Parties shall have no further obligation to the other hereunder. Such termination shall be effective as of the date such notice is received by the other party.

IN WITNESS WHEREOF, the parties hereto set their hands the day and year as hereinafter set forth by their duly authorized representatives.

SUBLESSOR: Glenwood Canyon Properties, a Colorado limited liability company

M. B. S. E.

By: _____

SUBLESSEE: The Cannabist Castle Supermarket & Dispensary Lounge, a Colorado limited liability company

[Signature]

By: _____

LANDLORD: *[Signature]*

By: *[Signature]*

WITNESSES:

SUBLESSEE'S REPRESENTATIVE

Landlord *[Signature]* SUBLESSOR

Sublessee

LEASE AGREEMENT

THIS LEASE AGREEMENT (hereinafter "Lease") is made and entered into this 1ST day of August, 2015, by and between LIDIA MENDOZA, (hereinafter "Landlord") whose address is 9 E Main St Farmington AR, 72730 ATTN: Lidia Mendoza, _____, _____, Colorado _____ and Glenwood Canyon Properties LLC (hereinafter "Tenant") whose address is 248 East First Street, Parachute, Colorado 81635.

WITNESSETH

1. LEASED PREMISES. In consideration of the mutual covenants and agreements set forth herein, Landlord does hereby lease to Tenant and Tenant does hereby lease from the Landlord, the property known and numbered as 248 East First Street located in Parachute, CO under the following terms and conditions (the "Leased Premises").

2. TERM. The term of this Lease shall be for a period of 60 months, to commence on August 1, 2015, and to end on July 31, 2020.

A. Option to Renew: Tenant shall have the right to extend the term of this Lease for two (2) successive periods of sixty (60) months provided:

(1) No default by Tenant is existing or continuing in the performance of any of the terms of this Lease at the time of the exercise by Tenant of option to extend the term and so long as no material default has occurred in the Tenant's duties pursuant to this Lease Agreement during the previous term;

(2) The extended term shall be on the same terms, covenants and conditions as provided in this Lease, and;

(3) Tenant shall have exercised Tenant's right to extend the term by giving written notice of Tenant's exercise of such right at least ninety (90) days prior to the date the present term of this Lease Agreement terminates.

3. GROSS RENT. Tenant shall pay to the Landlord, as rent for the Leased Premises, payable to _____, in advance without demand and without deduction, the total sum of _____ in equal monthly installments in the amount of _____ all inclusive. Tenant shall make payment to Landlord at lease execution for the first month's rent and security deposit (equal to one month's rent amount). Landlord shall allow Tenant access to the Leased Premises upon execution of this Lease Agreement and payment of first month's rent and security deposit.

4. ADDITIONAL RENT.



In order to be entitled to these payments, Landlord must give written notice to Tenant and Tenant must then be given five (5) days from receipt of such notice to cure.

5. TENANT DEFAULT CONSEQUENCES. In the event Tenant defaults on any of its obligations under the Lease, including the failure to pay rent when due, Tenant agrees to pay any and all costs of collection, including any court costs and reasonable attorney's fees. If Tenant shall abandon premises and default on this lease for a minimum period of thirty (30) days, Landlord shall provide written notice to Tenant via certified mail, and email, and ten (10) days following the time-stamp date of the mailed written notice to Tenant, Landlord shall have the following remedies:

A. Without cancelling the Lease, Landlord may re-enter and re-let the premises or any part thereof, in accordance with applicable law. Landlord will use diligence to find a new tenant and will not unreasonably withhold its consent of any proposed new tenant. Parties agree that acceptance of a new tenant does not operate as a cancellation of this lease nor does it release Tenant's obligations under this lease.

B. Landlord may cancel this lease and all rights of Tenant under the lease in which event all payments and all other obligations under this lease up to the date of cancellation shall be paid and performed by Tenant. Parties shall be entitled to

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damages at law for breach of this Lease.

c. Parties shall also have all rights and remedies provided by law.

In the event of default by either party, the prevailing party shall be due any court costs and attorney fees expended in any suit against the other in regards to this Lease.

6. SECURITY DEPOSIT. LAST MONTH RENT. Upon Tenant's signing of this Lease, Tenant shall deliver to Landlord the Security Deposit in the amount of one (1) dollar (\$1.00), to be held by Landlord without interest as security for the performance by Tenant of Tenant's covenants and obligations under this Lease, it being expressly understood that such deposit is not an advance payment of rental or a measure of Landlord's damages in case of default by Tenant. If any time during the term of this Lease any of the rental herein reserved shall be overdue and unpaid, or any other sum payable by Tenant to Landlord hereunder shall be overdue and unpaid, then Landlord may at the option of Landlord (but Landlord shall not be required to) appropriate and apply any portion of the Security Deposit to the payment of any such overdue rental or other sum. In the event of the failure of Tenant to keep and perform any of the terms, covenants and conditions of this Lease to be kept and performed by Tenant, then Landlord at its option may appropriate and apply the Security Deposit, or so much thereof as may be necessary, to compensate Landlord for loss or damage sustained or suffered by Landlord due to such breach on the part of Tenant. Should the Security Deposit or any portion thereof be appropriated and applied by Landlord for the payment of overdue rental or other sums due and payable to Landlord by Tenant hereunder, or for a breach on the part of Tenant, the Tenant shall, within five days after the written demand of Landlord, forthwith remit to Landlord a sufficient amount in cash to restore the Security Deposit to the original sum deposited. Landlord shall have the right to commingle the Security Deposit with other funds of Landlord. Subject to Tenant compliance with all of the terms, conditions and covenants of this Lease and the payment of all amounts due, and all other sums payable by Tenant to Landlord hereunder, the Security Deposit shall be returned to tenant in full within thirty (30) days after the expiration or termination of this Lease. No last month's rent is held for this lease.

7. TENANT / LANDLORD - UTILITIES, USE AND CARE OF LEASED PREMISES

A. Tenant shall utilize the Leased Premises as a commercial retail establishment(s), as permitted by state and local laws. Landlord consents to Tenant's use of the Leased Premises for any retail use, to be determined in Tenant's sole discretion, including the retail sale of marijuana, in accordance with applicable state and local laws. Landlord shall provide any information and execute any documentation that may be required or requested by any state or local authorities including, but not limited to, information and documentation regarding: (i) Tenant or any subtenant's possession of the premises; (ii) Landlord's consent to the use thereof; (iii) any form of affidavit(s) to be executed and/or re-executed by the property owner(s), as may be requested by Tenant; and (iv) obtaining any applicable license(s) and permit(s) ("Government Approvals") necessary for Tenant or any subtenants to conduct a retail establishment, including a licensed retail marijuana business.

B. Tenant will not use, occupy, or permit the Leased Premises or any part thereof for purposes deemed to be hazardous. In the event of any seizure of any property belonging to the owner of the property or the Landlord, Tenant shall be responsible to reimburse the property

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owner or landlord the fair market value thereof. In addition, in the event of any civil or criminal enforcement action, including but not limited to civil forfeiture actions, by law enforcement, prosecution or other lawful authority, the Tenant agrees to defend, indemnify and hold harmless the other and the property owner. Parties shall not perform any act or carry on any practices which may injure the Building of which the Leased Premises form a part or disturb or be a nuisance to or endanger customers of the Building.

C. Tenant shall not do or permit anything to be done in or about the Leased Premises or bring or keep anything therein which will in any way increase the rate of fire insurance upon the Building wherein the Leased Premises are situated. Tenant shall, at its sole cost and expense, comply with any and all requirements of any insurance company necessary for the maintenance of reasonable fire and public liability insurance covering the Building and/or the Leased Premises. Tenant shall promptly comply with all laws, rules, ordinances, orders, directions, regulations and requirements of state, county and municipal authorities now in force or which may hereafter be in force, which shall impose any duty upon Landlord or Tenant with respect to the use, occupation, cleanliness, safety or alteration of the Leased Premises, including the installation of such additional facilities as may be required for the conduct and continuance of Tenant's business on the Leased Premises, all at Tenant's sole cost and expense. No fire, auction, going out of business or bankruptcy sales may be conducted on the Leased Premises without Landlord's prior written consent.

D. Tenant shall at all times and at its expense keep the Leased Premises and every aspect thereof in a good, safe, clean and attractive condition, and in fair judgment free from dirt, rubbish, snow, ice, obstructions, and unsightly or hazardous conditions. Tenant shall not use any electrical equipment, which, in the Landlord's reasonable opinion, will overload the wiring installations or interfere with the reasonable use thereof by the Landlord.

E. Utilities and Services – Tenant.

Tenant shall apply for and pay monthly costs for electricity (lights and air conditioning unit), trash removal, and any telephone, television, or communication or security service or any other service required for its business operation. Tenant shall also pay insurance as addressed in Article 19 of this lease. In addition, during winter months, the Tenant shall clean and remove snow and provide salt or sand as needed to the sidewalk in front of the premises.

F. Utilities And Services – Landlord. Landlord shall pay property tax, property insurance, and water/sewer charges. Landlord shall be responsible for the sprinkler system repair/maintenance and start up and shut down.

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expiration or sooner termination of this Lease or any extended term hereof, promptly surrender and deliver the Leased premises to the Landlord without demand thereof and in good condition, except for ordinary wear and tear.

Unless Tenant elects to renew this Lease, Landlord shall have the right to show the Leased Premises during the ninety (90) day period prior to Term expiration or ten (10) days after notice to vacate is received, whichever occurs first, subject to applicable law.. Tenant shall not remove any of its property from the Leased Premises upon termination of the Lease without prior written approval of The Landlord, except during Landlord's normal working hours, in accordance with applicable law. In the event Landlord consents to Tenant's removal of personal property of the Tenant's, before or after normal business hours, any expenses incurred by Landlord as a result thereof, including but not limited to expenses for personnel, security, utilities, and the like, shall be paid by the Tenant. Landlord agrees and understands this Lease is contingent upon any subtenant obtaining acceptable license(s) from the State of Colorado and the local licensing authority to conduct the type of business specified in the sublease agreement. At the written request of Tenant, this lease is null and void in the event valid aforementioned retail business licenses are not obtained or possessed by Tenant's subtenant(s) for the Leased Premises, or the federal government's enforcement priorities change, all at the sole option of the Tenant, effective thirty (30) days after providing written notice to Landlord.

9. **NOTICES.** Wherever any notice is required or permitted hereunder, such notice shall be in writing, directed to the respective parties at their addresses as listed herein below, or to such other address as Landlord or Tenant may hereafter specify by written notice to the other.

LANDLORD:

9 E main st
Furmington AR, 72730
ATTN: Lidia Mendoza

TENANT:

Glenwood Canyon Properties LLC
PO Box 2507
Glenwood Springs, CO 81602

cc: Jessica Scardina, Esq.
Vicente Sederberg, LLC
1244 Grant Street, Denver, CO 80203

10. **REPAIRS, MAINTENANCE, ALTERATIONS AND IMPROVEMENTS**

A. **Landlord's Covenants.** Landlord shall keep in good order, condition and repair, the foundation, structure, sidewalks, exterior walls and windows (except the interior faces thereof and the interior of all windows and doors within the Leased Premises), downspouts, gutters and roof of the Building. The Landlord shall also maintain the building's mechanical systems including heating, air conditioning, plumbing, and facilities outside the Leased Premises and outside other leasable spaces in the Building. The Landlord shall not be required to make any repairs occasioned by the

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negligence or willful acts of Tenant, its agents, employees, contractors, licensees, invitees or customers, which repairs shall be made by Tenant. Landlord shall make necessary repairs within a reasonable period of time after receipt of written notice from Tenant as to the need thereof. Landlord also agrees to maintain in a good and attractive condition the common exterior walls, roof, grass and sidewalk in the summer, grass sprinkler system maintenance, alley clean up, and to remove ice and snow from alley and roof as necessary. Provided, that if such maintenance is necessitated by the negligence or willful act of Tenant or such tenant's agents, employees, contractors, licensees, invitees or customers, such maintenance shall be performed by the responsible tenant at its cost.

- B. Tenant's Covenants.** Throughout the entire term of this Lease, Tenant agrees to keep and maintain the Leased Premises and each and every aspect thereof, including without limitation non-structural elements, including interior walls, floors, ceilings, utility systems and components, glass, windows, doors, fixtures, leasehold improvements and equipment, in a clean, safe and attractive condition and in good working order and repair, at Tenant's sole cost and expense. Tenant agrees that any repairs or replacements to or of properties of any kind within or upon the Leased Premises shall be at least equal in quality to the original properties repaired or replaced. Upon the expiration or other termination of this Lease, Tenant shall deliver up the Leased Premises to Landlord in good order and condition, wear and tear from the reasonable use thereof excepted.

11. TENANT ALTERATIONS, IMPROVEMENTS OR ADDITIONS. Tenant may make necessary alterations, improvements, and/or additions to the Leased Premises or the exterior of the Building or the surrounding property with Landlord's written consent, such consent shall not be unreasonably withheld, conditioned or delayed by the Landlord. All approved changes shall be accomplished by Tenant in a good and workmanlike manner, in compliance with all applicable governmental requirements, and at Tenant's sole cost and expense.

12. LANDLORD NOT LIABLE FOR DAMAGES. Landlord shall not be liable to Tenant or to any other person whatsoever for any damages arising from the breakage, leakage, overrunning, obstruction, interruption, failure or discontinuance of all or any part of any utility or utility system in or about the Leased Premises or the Building, or from water being upon or coming through the roof or vents, due to causes other than the gross negligence or willful misconduct of Landlord, nor for any damages arising from any acts or neglect of co-tenants or other occupants of the Building or of adjacent property, or the public. As used herein, the term "damages" shall include lost profits.

13. ACCESS TO PREMISES. Landlord shall have the right to enter upon the Leased Premises, with reasonable advance notice to Tenant, to inspect the same, to make repairs, additions or alterations to the Leased Premises and/or the adjoining premises or the Building, and for any other lawful purpose, in accordance with applicable law. Landlord shall put forth sufficient effort to arrange for Tenant to be present at all times Landlord desires to enter upon the premises. Landlord agrees to never allow any person or party into the Leased Premises, unless supervised at all times and provided Tenant has agreed in writing (email shall suffice) to allow any such person or party access to the Leased Premises. For a period commencing ninety (90) days prior to the end of the Lease term, unless Tenant elects to renew this Lease, Landlord may have reasonable access to the Leased Premises for the purpose of exhibiting the same to prospective tenants and to post "For Lease" signs upon the Leased Premises, in accordance with applicable law.

14. ASSIGNMENT AND SUBLETTING. Tenant may assign or transfer this Lease, or sublet the Leased Premises or any part thereof, or grant any license, concession or other right

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to occupy any portion of the Leased Premises with prior written notice to Landlord. No prior written consent from Landlord to assign or sublet is required. In the event Tenant, at its sole discretion and option, requests any such consent from Landlord, such consent shall not be unreasonably withheld by the Landlord.

15. DAMAGE OR DESTRUCTION. In case the Leased Premises shall be partially or totally destroyed by fire or other casualty insured under the Landlord's fire and extended coverage risk insurance, the same shall be repaired as speedily as possible at the expense of Landlord, unless Landlord shall elect not to rebuild as hereinafter provided.

A. If fifty percent (50%) or more of the Building shall be damaged or destroyed, or if the Building is damaged or destroyed to the extent of at least thirty three and one third percent (33 $\frac{1}{3}$ %) of the replacement cost thereof, or in the event the Leased Premises shall be partially or totally destroyed by a cause or casualty other than those covered by Landlord's fire and extended coverage risk insurance, then in any such event, Landlord may, if it so elects, rebuild or put the Building in good condition and fit for occupancy within a reasonable time after such destruction or damage, or may within sixty (60) days after such occurrence give Tenant notice in writing terminating this Lease as of the date of such occurrence. If Landlord elects to repair or rebuild the Building, it shall, within sixty (60) days after such occurrence, give Tenant notice of its intention to repair and then proceed with reasonable speed to make such repairs. Unless Landlord elects to terminate this Lease, this Lease shall remain in full force and effect, and rentals shall continue to be paid as provided in Article 3 of this Lease, except as otherwise provided in this Lease.

B. Tenant agrees that during any period of reconstruction or repair of the Leased Premises or the Building it will continue the operation of its business within the Leased Premises to the extent reasonably possible. During the period from the occurrence of the casualty until Landlord's repairs are completed, the fixed minimum rental and other charges and additional rental shall be reduced to such extent as may be fair and reasonable under the circumstances. Finally, in no event shall Tenant be entitled to any rent abatement if the fire or other casualty shall be the result of carelessness or negligence of Tenant or Tenant's agents, officers, directors, employees, or licensees. In such case, Tenant's liability for the payment of rent and the performance of its other Lease obligations shall continue and Tenant shall be liable to Landlord for all damage and loss suffered by Landlord in connection therewith.

C. Landlord agrees that if the Leased Premises are so damaged by a cause other than the carelessness or negligence of the Tenant to be unusable by Tenant or any subtenant for its intended purposes, and if the Leased Premises cannot be restored to a usable condition within sixty (60) days following the date the damage occurred, then Tenant shall have the right to terminate the Lease by giving written notice to Landlord effective as of the date of the occurrence. If Landlord and Tenant cannot agree as to whether restoration can be accomplished within said sixty (60) day period, then they shall select an independent local contractor to make the determination, which determination shall be binding on the parties. Tenant's notice of termination must be given within ten (10) days following the mutual determination by Landlord and Tenant or the

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termination by the independent contractor, as the case may be. If Tenant does not give timely notice of termination, then Tenant shall be deemed to have waived its right to terminate the Lease under this provision.

16. **LANDLORD HAS NO PARTICIPATION.** Tenant and Landlord specifically agree and acknowledge that Landlord has no participation, express or implied, in any marijuana related operations of the Tenant or Tenant subtenant(s), nor any interest in the business or equipment of Tenant or any subtenant.

17. **SIGNAGE.** Any sign or door lettering is to be designed, produced and installed by Tenant (or Tenant's agent), at the sole expense of Tenant. All exterior signs must be consistent with any local laws or ordinances governing such signs or lettering.

18. **GOVERNING LAW AND JURISDICTION.** The laws of the State of Colorado shall govern the interpretation, validity, performance and enforcement of this Lease. Tenant understands and agrees that the State courts located in the State of Colorado shall have subject matter jurisdiction to entertain any action brought to enforce this Lease and, by execution hereof, voluntarily submits to the personal jurisdiction of such courts.

19. **INSURANCE.** Tenant and/or any subtenants of Tenant shall carry, at its sole option and expense, any and all desired insurance, insuring Tenant's or any subtenant's interests in its improvements, personal effects, and other property owned, Leased, held, or possessed by Tenant and/or any subtenant and contained therein.

In addition, Tenant or any subtenant of Tenant shall carry and maintain on the leased premises general fire, casualty, and extended coverage insurance for the general liability insurance with an insurer and in an amount no less than One Million Dollars (\$1,000,000.00). This insurance coverage shall include water damage and sprinkler leakage, legal liability and plate glass insurance coverage. All such insurance shall specifically insure the performance by the Tenant of the indemnity agreement as to liability set forth in paragraph 21 hereof. Such liability policy shall name the Landlord, Tenant and/or any subtenant as co-insured's.

20. **ENTIRE AGREEMENT.** This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors, and assigns when permitted by this agreement. This agreement shall be construed under and in accordance with the laws of the State of Colorado. This agreement constitutes the sole and only agreement of the parties thereto and supersedes any prior understanding or written or oral agreements between the parties respecting the subject matter within it. There are no other agreements other than those which are specifically expressed in this agreement. This Lease cannot be modified or amended in any way except through a written amendment signed by the parties hereto. No oral agreements or amendments are binding unless reduced to writing. LM

21. **INDEMNITY.** The Tenant shall indemnify and hold harmless the Landlord against all expenses, liabilities, and claim of every kind, including reasonable attorney's fees, by or on behalf of any person or entity arising out of:

- 2016-10-19 Page 164 of 181
- A. Any injury, damage, wrongful death, property damage, or related claims

happening on or about the lease premises;

- b. Any mechanic's lien or security interest filed against the Leased Premises for alteration, fixtures, or improvement thereon, or for any other reason arising out of work done by or on behalf of the Tenant;
- c. Any failure by Tenant to perform any of the terms and conditions of this lease.

22. **LOITERING.** Tenant will monitor patrons of its retail establishment and will not allow any loitering or "hanging out" anywhere outside the building or ally.

23. **MISCELLANEOUS.** Tenant may, at its sole option and expense, perform updates to the premises including the following:

- Replacements/Updates of business signs, provided such signs meet the City's Signage Code.
- Upgrade windows and add privacy tint, as deemed necessary by Tenant.
- Remove/replace carpet, install hardwood flooring.
- Install additional lighting, as deemed necessary by Tenant.
- Replace the front door and locks.
- Paint the business suite.
- Install security system, cameras, and such devices.

Landlord agrees that no Tenant or resident on the premises shall hold any key whatsoever, or be granted access, to the Tenant's premises, unless put in writing and signed by Tenant.

24. **LEASE CONTINGENT ON MED AND LLA APPROVAL.** The Parties hereto acknowledge and agree that the terms of this Lease are subject to the approval of the Colorado Department of Revenue's Marijuana Enforcement Division ("MED") and the applicable Local Licensing Authority (LLA), and the parties agree to negotiate in good faith to conform with any guidance provided by the MED and LLA relating to this Lease. In the event the Parties cannot reach an agreement within one hundred and eighty (180) days of notice by the MED or LLA that the Lease must be reformed, either Party may terminate this Lease and the Parties shall have no further obligation to the other hereunder.

25. **JURY TRIAL WAIVER.** LANDLORD AND TENANT WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER OR THEIR SUCCESSORS IN RESPECT OF ANY MATTER ARISING OUT OF OR IN CONNECTION WITH THIS LEASE, THE RELATIONSHIP OF THE PARTIES, THE PARTIES' USE OR OCCUPANCY OF THE PREMISES, AND/OR ANY CLAIM FOR INJURY OR DAMAGE, OR ANY EMERGENCY OR STATUTORY REMEDY.

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In Witness Whereof, the undersigned Landlord and Tenant hereto execute this agreement on the date first above written.

LANDLORD

Lidia Mendoza

TENANT

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Print name:

Lidia Mendoza

Print Name:

MIRIAM LESSA

Landlord LM Tenant M

STATE OF COLORADO

DEPARTMENT OF REVENUE



Marijuana Enforcement Division



Retail Marijuana Conditional License

THE CANNABIST CASTLE SUPERMARKET & DISPENSARY LOUNGE, LLC

THE KIND CASTLE

248 East First Street, Parachute, CO 81635

Retail Marijuana Store - 402R-00526

Effective Date of License: November 30, 2015

License Valid Through: 11/30/2016

This license is conditioned upon Local Authority approval, pursuant to section 12-43.4-304(1) C.R.S.

This conditional license is issued subject to the laws of the State of Colorado and especially under the provisions of Title 12, Article 43.4, as amended. A licensee shall not exercise any of the rights or privileges of this license until such time as all such Medical Marijuana and Medical Marijuana-Infused Product are fully transferred and declared in the MITS system as Retail Marijuana and Retail Marijuana Product, pursuant to Rule R211 & R309. This conditional license is nontransferable and shall be conspicuously posted in the place above described. This conditional license is only valid through the expiration date shown above. Any questions concerning this conditional license should be addressed to: Colorado Marijuana Enforcement Division, 455 Sherman Street, Suite 390, Denver, CO 80203. In testimony whereof, I have hereunto set my hand.

W. Lewis Koski

W. Lewis Koski
Division Director

Barbara J. Brohl

Barbara J. Brohl, Executive Director

7016 0750 0000 9045 1865

Return Receipt (electronic) \$ 30.00
 Certified Mail Restricted Delivery \$ 0.00
 Adult Signature Required \$ 0.00
 Adult Signature Restricted Delivery \$

Postage \$0.47
 Total Postage and Fees \$3.77

Postmark Here 10/04/2016

Sent To **CANN, ZARO, Linda C**
 Street and Apt. No., or PO Box No.
 PO Box 64 Parachute CO 81635-0641
 City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7016 0750 0000 9045 1865

Return Receipt (electronic) \$ 30.00
 Certified Mail Restricted Delivery \$ 0.00
 Adult Signature Required \$ 0.00
 Adult Signature Restricted Delivery \$

Postage \$0.47
 Total Postage and Fees \$3.77

Postmark Here 10/04/2016

Sent To **Town of Parachute**
 Street and Apt. No., or PO Box No.
 PO Box 100 Parachute CO 81635-0100
 City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

U.S. Postal Service™
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RIFLE, CO 81650

OFFICIAL USE

Certified Mail Fee \$3.30
 Extra Services & Fees (check box, add fee as appropriate)
 Return Receipt (hardcopy) \$ 0.00
 Return Receipt (electronic) \$ 0.00
 Certified Mail Restricted Delivery \$ 0.00
 Adult Signature Required \$ 0.00
 Adult Signature Restricted Delivery \$

Postage \$0.47
 Total Postage and Fees \$3.77

0583 04
 Postmark Here 10/04/2016

Sent To **Life Inter Faith Team on unemployment**
 Street and Apt. No., or PO Box No.
 PO Box 1928 Rifle Co 81650
 City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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GRAND JUNCTION, CO 81506

OFFICIAL USE

Certified Mail Fee \$3.30
 Extra Services & Fees (check box, add fee as appropriate)
 Return Receipt (hardcopy) \$ 0.00
 Return Receipt (electronic) \$ 0.00
 Certified Mail Restricted Delivery \$ 0.00
 Adult Signature Required \$ 0.00
 Adult Signature Restricted Delivery \$

Postage \$0.47
 Total Postage and Fees \$3.77

0583 04
 Postmark Here 10/04/2016

Sent To **Holland, Samuel L + E Joyce Trust**
 Street and Apt. No., or PO Box No.
 815 Mazatlan Dr. Grand Junction
 City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7016 0750 0000 9045 1858

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 Domestic Mail Only

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PARACHUTE, CO 81635

OFFICIAL USE

Certified Mail Fee \$3.30
 Extra Services & Fees (check box, add fee as appropriate)
 Return Receipt (hardcopy) \$ 0.00
 Return Receipt (electronic) \$ 0.00
 Certified Mail Restricted Delivery \$ 0.00
 Adult Signature Required \$ 0.00
 Adult Signature Restricted Delivery \$

Postage \$0.47
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 City, State, ZIP+4®

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DENVER, CO 80210

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 Adult Signature Required \$ 0.00
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Postage \$0.47
 Total Postage and Fees \$3.77

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 Street and Apt. No., or PO Box No.
 1300 S Steele Street Denver CO 80210
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 Adult Signature Required \$ 0.00
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Postage \$0.47
 Total Postage and Fees \$3.77

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Sent To **Mitchel, Jack R + Judith A**
 Street and Apt. No., or PO Box No.
 PO Box 258 Parachute CO 81635
 City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

016 0750 0000 9045 1940

Return Receipt (electronic) \$ 0.00
 Certified Mail Restricted Delivery \$ 0.00
 Adult Signature Required \$ 0.00
 Adult Signature Restricted Delivery \$

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Postage \$0.47
Total Postage and Fees \$3.77

10/04/2016

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Street and Apt. No., or PO Box No.
PO Box 123 Parachute CO 81635
City, State, ZIP+4®

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016 0750 0000 9045 1933

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 Adult Signature Required \$ 0.00
 Adult Signature Restricted Delivery \$

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10/04/2016

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Street and Apt. No., or PO Box No.
34505 Golden Eagle Drive Steamboat Springs
City, State, ZIP+4®

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 Certified Mail Restricted Delivery \$ 0.00
 Adult Signature Required \$ 0.00
 Adult Signature Restricted Delivery \$

0583 04

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Postage \$0.47
Total Postage and Fees \$3.77

10/04/2016

Sent To: Radel, Doyle L + Edith M
Street and Apt. No., or PO Box No.
PO Box 374 Parachute CO 81635
City, State, ZIP+4®

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 Certified Mail Restricted Delivery \$ 0.00
 Adult Signature Required \$ 0.00
 Adult Signature Restricted Delivery \$

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10/04/2016

Sent To: Blanco, Tendaro Wilfredo + Maria Carlon
Street and Apt. No., or PO Box No.
550 Elm court rifle CO 81650
City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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City, State, ZIP+4®

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City, State, ZIP+4®

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Total Postage and Fees \$3.77

10/04/2016

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PO Box 1099 Taylors SC 29687-0008
City, State, ZIP+4®

016 0750 0000 9045 1896

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PARACHUTE, CO 81635

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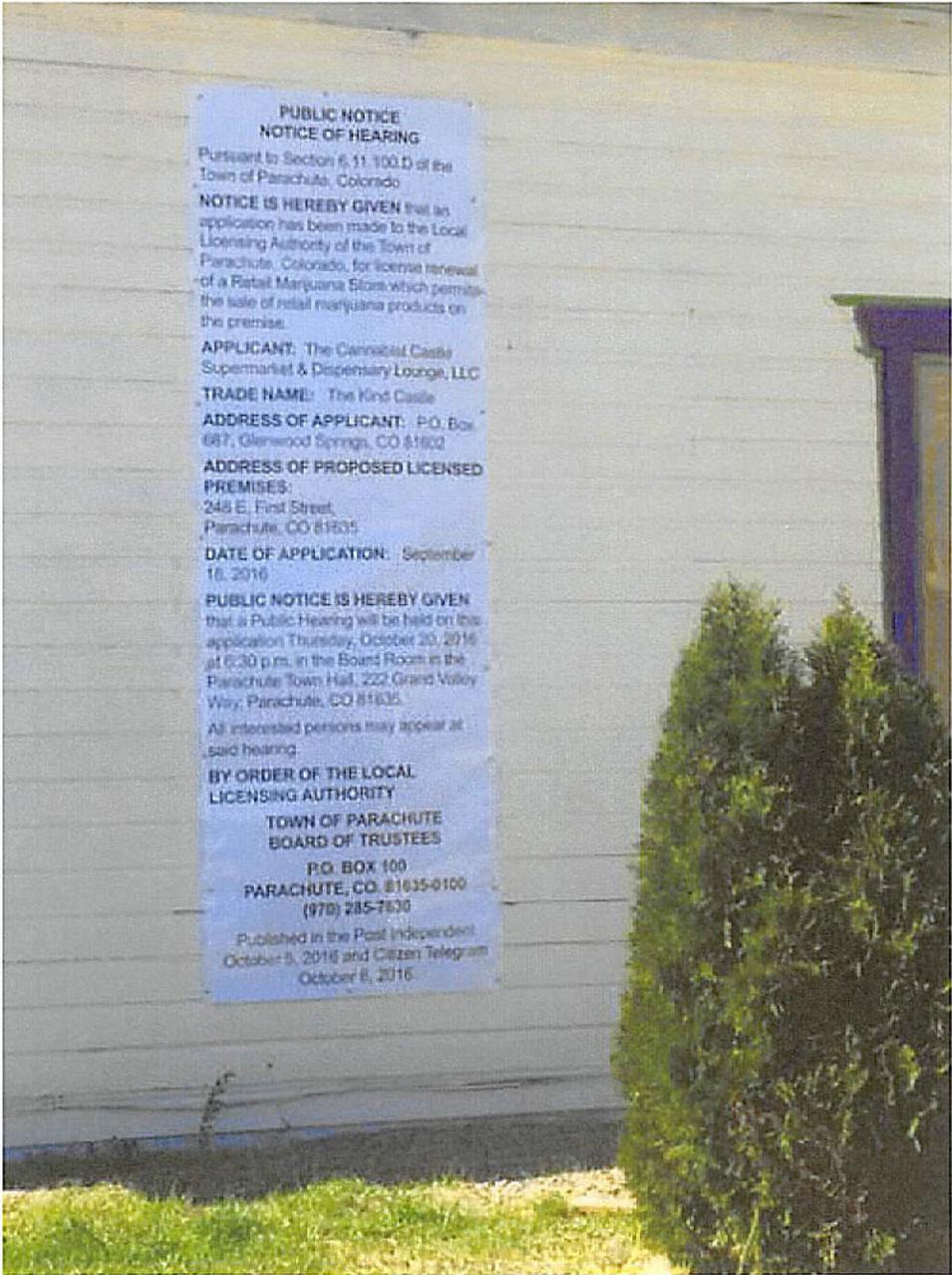
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10/04/2016

Sent To: Parachute Town of a home rule municipality
Street and Apt. No., or PO Box No.
PO Box 100 Parachute CO 81635
City, State, ZIP+4®



**PUBLIC NOTICE
NOTICE OF HEARING**

Pursuant to Section 6, 11, 100.D of the
Town of Parachute, Colorado

NOTICE IS HEREBY GIVEN that an
application has been made to the Local
Licensing Authority of the Town of
Parachute, Colorado, for license renewal
of a Retail Marijuana Store, which permits
the sale of retail marijuana products on
the premise.

APPLICANT: The Cannibal Castle
Supermarket & Dispensary Lounge, LLC

TRADE NAME: The Kind Castle

ADDRESS OF APPLICANT: P.O. Box
687, Glenwood Springs, CO 81602

**ADDRESS OF PROPOSED LICENSED
PREMISES:**

248 E. First Street,
Parachute, CO 81635

DATE OF APPLICATION: September
16, 2016

PUBLIC NOTICE IS HEREBY GIVEN
that a Public Hearing will be held on this
application Thursday, October 20, 2016
at 6:30 p.m. in the Board Room in the
Parachute Town Hall, 222 Grand Valley
Way, Parachute, CO 81635.

All interested persons may appear at
said hearing.

**BY ORDER OF THE LOCAL
LICENSING AUTHORITY**

**TOWN OF PARACHUTE
BOARD OF TRUSTEES**

P.O. BOX 100
PARACHUTE, CO. 81635-0100
(970) 285-7630

Published in the Post Independent
October 5, 2016 and Citizen Telegraph
October 6, 2016

**TOWN OF PARACHUTE
ORDINANCE NO. 708-2016**

AN ORDINANCE OF THE TOWN OF PARACHUTE, COLORADO, AMENDING CHAPTER 6.11 OF THE PARACHUTE MUNICIPAL CODE REGARDING MARIJUANA LICENSE RENEWAL.

WHEREAS, the Town of Parachute (the “Town”) is a Colorado home rule municipality organized pursuant to Article XX of the Colorado Constitution and under the Parachute Home Rule Charter;

WHEREAS, Title 12, Articles 43.3 and 43.4, C.R.S., authorize the Town to provide for the local licensing and regulation of medical and retail marijuana businesses within the Town;

WHEREAS, by Ordinance No. 683-2015, as amended, the Parachute Board of Trustees adopted Chapter 6.11 of the Parachute Town Code to provide for local control of marijuana businesses, including the licensing, regulation, and renewal thereof; and

WHEREAS, the Town Board desires to amend Chapter 6.11, regarding the marijuana business license renewal process.

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

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

Section 2. Section 6.11.160 is hereby amended to read as follows, with **bold, underlined text added** and ~~strike through language deleted~~.

6.11.160 Renewal of license.

~~A. At any time from sixty (60) to thirty (30) days prior to the expiration of the current license, a licensee may make application for license renewal for the succeeding year and pay the required fees. Unless otherwise provided by this chapter, if a renewal application is made and no punitive action has been taken or is pending against the licensee, such license may continue as valid until the renewal application is reviewed by the authority.~~

All applications for renewal of medical marijuana licenses and retail marijuana licenses shall be on forms provided by the state licensing authority and the local licensing authority, and must be submitted to the Town Clerk not less than thirty (30) days prior to the license expiration date, together with the required renewal application fee, as established by the Town.

B. ~~The Town Manager or its designee shall send the license renewal application to all applicable Town departments and other referral agencies for review and comment.~~

Upon receiving the renewal application, the Town Clerk shall assemble the applicant's file containing reports from staff regarding the applicant or the premises for the preceding year. Unless there is evidence to the contrary in the applicant's file or otherwise, it will be presumed that the licensed premises are in compliance with the provisions of state statutes and Town regulations, and that the applicant continues to be qualified under the provisions of this Chapter. If these presumptions apply, the application for renewal shall be recommended for approval by the Town Clerk and set for local licensing authority consent at the next Town Board meeting. All successful applicants shall be subject to license fees as referenced in PMC 6.12.090 or otherwise established.

C. ~~The license renewal application shall be brought before the authority for consideration at a public hearing.~~

If there is evidence to rebut the presumptions in subsection (B) of this section which otherwise arise, the Town Clerk shall immediately notify the licensee in writing of the objections to the renewal application and set a public hearing. The written notice shall be mailed by certified mail to the applicant, shall state generally the grounds for staff's recommendation of nonrenewal, and shall provide the date, time and place of the hearing to show cause for nonrenewal. Notice of the hearing must also be conspicuously posted on the premises for a period of ten (10) days prior to the hearing. The hearing shall be conducted in the same manner as provided for hearings on revocation or suspension of the type of license involved.

D. ~~The authority may renew the license upon a finding that there have not been any suspensions of the license or violations of this chapter, the Colorado Medical Marijuana Code, the Colorado Retail Marijuana Code, the Medical Marijuana Regulations, or the Retail Marijuana Regulations, as applicable, by the licensee within the preceding one (1) year period. Should a violation have been found to exist, the authority may deny the renewal or may renew the license with conditions.~~

Licenses may continue as valid until the renewal application is reviewed by the authority.

Section 3. Section 6.11.140 is hereby amended to read as follows, with bold, underlined text added and ~~strike through language deleted~~.

6.11.140 Expiration of license.

Each license shall expire one (1) year from the date of issuance and may be renewed only by making application as provided in PMC 6.11.160090.

Section 4. If any provision of this Ordinance is found to be unconstitutional or unlawful, such finding shall only invalidate that part of portion found to violate the law. All other provisions shall be deemed severable and shall continue in full force and effect.

INTRODUCED, READ, PASSED, ADOPTED, AND ORDERED PUBLISHED BY TITLE ONLY by a vote of __ to __ of the Board of Trustees of the Town of Parachute, Colorado at a regular meeting held at Town Hall in the Town of Parachute, Colorado, on the ____ day of _____, 2016 and approved by the Mayor on the ____ day of _____, 2016.

BOARD OF TRUSTEES OF THE TOWN OF PARACHUTE, COLORADO

By: _____
Roy McClung, Mayor

ATTEST:

Lucy Cordova, Town Clerk

PUBLIC NOTICE

Public notice is hereby given that an Ordinance entitled:

AN ORDINANCE OF THE TOWN OF PARACHUTE, COLORADO AMENDING CHAPTER 6.11 OF THE PARACHUTE MUNICIPAL CODE REGARDING MARIJUANA LICENSE RENEWAL.

was introduced before the Board of Trustees on _____, 2016; that a copy of said Ordinance is posted at Town Hall; and that the Ordinance was approved at a regular meeting of the Board of Trustees held on _____, 2016, and approved by the Mayor on _____, 2016.

Copies of the adopted ordinance are available for inspection at the Town Hall, Parachute, Colorado and available on the internet at <http://www.parachutecolorado.com>.

Dated this _____ day of _____, 2016.

TOWN OF PARACHUTE

Town Clerk

**TOWN OF PARACHUTE
ORDINANCE NO. 709-2016**

AN ORDINANCE OF THE TOWN OF PARACHUTE, COLORADO, AMENDING SECTION 11.06.080 OF THE PARACHUTE MUNICIPAL CODE REGARDING UNLAWFUL LOITERING.

WHEREAS, the Town of Parachute (the “Town”) is a Colorado home rule municipality organized pursuant to Article XX of the Colorado Constitution and under the Parachute Home Rule Charter;

WHEREAS, recent legal precedent, including that established by the United States District Court for the District of Colorado in *Browne v. City of Grand Junction*, now draws into question the validity of the Town’s anti-loitering for the purpose of begging ordinance; and

WHEREAS, the Town Board of Trustees for the Town of Parachute, Colorado desires to amend Section 11.06.080 of the Town Code to align with the most recent legal precedent now available.

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

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

Section 2. Section 11.06.080 of the Town Code is hereby amended as follows, with **bold, underlined text added** and ~~strike through language deleted~~.

11.06.080 Loitering.

A. The word “loiter” means to be dilatory, to stand idly around, to linger, delay, or wander about, or to remain, abide, or tarry in a public place.

B. A person commits a Class B municipal offense if he knowingly:

~~1. Loiters for the purpose of begging; or~~

21. Loiters for the purpose of unlawful gambling with cards, dice, or other gambling paraphernalia; or

32. Loiters for the purpose of engaging or soliciting another person to engage in prostitution or deviate sexual intercourse; or

43. Loiters with intent to interfere with or disrupt the school program or with intent to interfere with or endanger school children, in a school building or on school grounds or

within one hundred feet (100') of school grounds when persons under the age of eighteen (18) are present in the building or on the grounds, not having any reason or relationship involving custody of, or responsibility for, a pupil or other specific, legitimate reason for being there, and having been asked to leave by a school administrator or his representative or by a peace officer; or

54. Loiters with one or more persons for the purpose of unlawfully using or possessing a controlled substance, as defined in § 18-18-102, C.R.S., as amended.

C. It shall be an affirmative defense that the defendant's acts were lawful and he was exercising his rights of lawful assembly as a part of peaceful and orderly petition for the redress of grievances, either in the course of labor disputes or otherwise.

INTRODUCED, READ, PASSED, ADOPTED, AND ORDERED PUBLISHED BY TITLE ONLY by a vote of ____ to ____ of the Board of Trustees of the Town of Parachute, Colorado at a regular meeting held at Town Hall in the Town of Parachute, Colorado, on the 20th day of October, 2016 and approved by the Mayor on the ____ day of October, 2016.

BOARD OF TRUSTEES OF THE TOWN OF PARACHUTE, COLORADO

By: _____
Roy McClung, Mayor

ATTEST:

Lucy Cordova, Town Clerk

PUBLIC NOTICE

Public notice is hereby given that an Ordinance entitled:

AN ORDINANCE OF THE TOWN OF PARACHUTE, COLORADO, AMENDING SECTION 11.06.080 OF THE PARACHUTE MUNICIPAL CODE REGARDING UNLAWFUL LOITERING.

was introduced before the Board of Trustees on October ____, 2016; that a copy of said Ordinance is posted at Town Hall; and that the Ordinance was approved at a regular meeting of the Board of Trustees held on October ____, 2016, and approved by the Mayor on _____, 2016.

Copies of the adopted ordinance are available for inspection at the Town Hall, Parachute, Colorado and available on the internet at <http://www.parachutecolorado.com>.

Dated this _____ day of October, 2016.

TOWN OF PARACHUTE

Town Clerk

**TOWN OF PARACHUTE
ORDINANCE NO. 710-2016**

AN ORDINANCE OF THE TOWN OF PARACHUTE, COLORADO, AMENDING CHAPTER 6.11 OF THE PARACHUTE MUNICIPAL CODE CONCERNING MEASUREMENT OF DISTANCES BETWEEN RETAIL AND MEDICAL MARIJUANA ESTABLISHMENTS

WHEREAS, Chapter 6.11 governs the licensing of Retail Marijuana Establishments and Medical Marijuana Establishments;

WHEREAS, the Town may enact ordinances which: govern the time, place, manner, and number of Retail and Medical Marijuana Establishments;

WHEREAS, generally a, Retail or Medical Marijuana Establishment must be located at least one hundred and fifty feet (150') from another Retail or Medical Marijuana Establishment, except as allowed by Section 6.11.050.B.2 of the Code; and

WHEREAS, the Board of Trustees wishes to clarify and define the how the distance between Retail and Medical Marijuana Establishments should be measured.

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

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

Section 2. Section 6.11.050 of the Parachute Municipal Code is hereby amended as follows, with additions shown in **bold, double underlined text** and ~~strike through language deleted~~:

6.11.050 Location limitations of medical and retail marijuana establishments.

...

B. No medical marijuana establishment or retail marijuana establishment shall be located:

...

3. The distances described in this section shall be measured using a route for direct pedestrian access, **measured as a person would walk safely and properly, without trespassing, with right angles at crossing and with the observance of traffic regulations and lights.** from the nearest property line of the school or other medical marijuana establishment or retail marijuana establishment property to the nearest portion of the structure of the proposed licensed premises.

INTRODUCED, READ, PASSED, ADOPTED, AND ORDERED PUBLISHED BY

TITLE ONLY by a vote of ___ to ___ of the Board of Trustees of the Town of Parachute, Colorado at a regular meeting held at Town Hall in the Town of Parachute, Colorado, on the ____ day of _____, 2016 and approved by the Mayor on the ____ day of _____, 2016.

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

By: _____
Roy McClung, Mayor

ATTEST:

Lucy Cordova, Town Clerk

PUBLIC NOTICE

Public notice is hereby given that an Ordinance entitled:

AN ORDINANCE OF THE TOWN OF PARACHUTE, COLORADO, AMENDING CHAPTER 6.11 OF THE PARACHUTE MUNICIPAL CODE CONCERNING MEASUREMENT OF DISTANCES BETWEEN RETAIL AND MEDICAL MARIJUANA ESTABLISHMENTS

was introduced before the Board of Trustees on _____, 2016; that a copy of said Ordinance is posted at Town Hall; and that the Ordinance was approved at a regular meeting of the Board of Trustees held on _____, 2016, and approved by the Mayor on _____, 2016.

Copies of the adopted ordinance are available for inspection at the Town Hall, Parachute, Colorado and available on the internet at <http://www.parachutecolorado.com>.

Dated this ____ day of _____, 2016.

TOWN OF PARACHUTE

Town Clerk