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**CITY COUNCIL AGENDA
WEDNESDAY, FEBRUARY 18, 2026
250 NORTH 5TH STREET - AUDITORIUM
5:30 PM – REGULAR MEETING**

Call to Order, Pledge of Allegiance, Moment of Silence

Proclamations

Proclaiming February as Black History Month in the City of Grand Junction

Appointments

To the Horizon Drive Association Business Improvement District

Public Comments

Individuals may comment during this time on any item except those listed under Public Hearings on this agenda.

The public has four options to provide Public Comments: 1) in person during the meeting, 2) virtually during the meeting (registration required), 3) via phone by leaving a message at 970-244-1504 until noon on Wednesday, February 18, 2026 or 4) submitting comments [online](#) until noon on Wednesday, February 18, 2026 by completing this form. Please reference the agenda item and all comments will be forwarded to City Council.

City Manager Report

Boards and Commission Liaison Reports

CONSENT AGENDA

The Consent Agenda includes items that are considered routine and will be approved by a single motion. Items on the Consent Agenda will not be discussed by City Council, unless an item is removed for individual consideration.

1. Approval of Minutes

- a. Summary of the February 2, 2026 Workshop
- b. Minutes of the February 4, 2026 Regular Meeting
- c. Minutes of the February 4, 2026 Special Meeting Executive Session

2. Set Public Hearings

- a. Legislative
 - i. Introduction of an Ordinance Amending Sections of the Zoning and Development Code (Title 21 of the Grand Junction Municipal Code) regarding Right-of-way Dedication, Acceptable Plant Material, and Street Frontage Landscape and Setting a Public Hearing for March 4, 2026
 - ii. Introduction of an Ordinance Regarding Water Enterprise Loan and Setting a Public Hearing for March 4, 2026
 - iii. Introduction of an Ordinance Amending Section 21.05.020 of the Zoning and Development Code Regarding Pedestrian Access and Setting a Public Hearing for March 4, 2026
- b. Quasi-judicial
 - i. Introduction of an Ordinance for a Planned Development (PD) Outline Development Plan (ODP) for the Camelback Gardens Development Proposed on a 10.29 Acre Parcels Located a 381 and 409 High Desert Road over a 17-Year Timeframe and Setting a Public Hearing for March 4, 2026

3. Procurements

- a. Authorize Change Order #8 with Burns & McDonnell Engineering Company, Inc. for the Persigo Wastewater Plant Phase 1 Expansion Project
- b. 2026 Liquid Polymer Chemical Purchase for the Persigo WWTP
- c. HVAC Roof Top Unit Replacement at the Grand Junction Convention Center

4. Resolutions

- a. A Resolution Supporting a Grant Application for Highway Safety Improvement Funds for 28 Road & Orchard Avenue Intersection Improvements Project

- b. A Resolution Authorizing the Grand Junction Regional Airport Authority Grant
- c. Resolution Authorizing the City Manager to Sign a Purchase and Sale Agreement with Public Service Company of Colorado for the Acquisition of Real Property for the Four Canyons Parkway Project

REGULAR AGENDA

If any item is removed from the Consent Agenda by City Council, it will be considered here.

5. Public Hearings

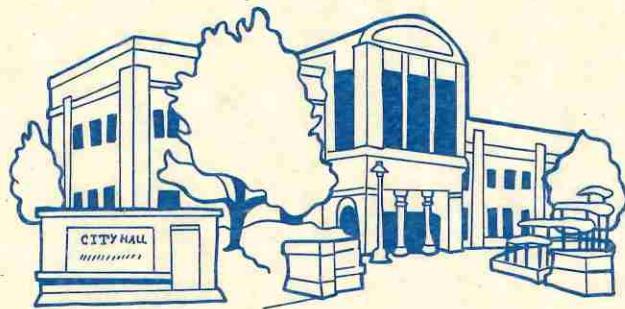
- a. Quasi-judicial
 - i. An Ordinance Rezoning Approximately 3.60 Acres from MU-1 (Mixed-Use Neighborhood) and RM-12 (Residential Medium 12) to MU-2 (Mixed -Use Light Commercial), Located at the Northeast Corner of the Intersection of Patterson Road and 29 Road

6. Non-Scheduled Comments

This is the opportunity for individuals to speak to City Council about items on tonight's agenda and time may be used to address City Council about items that were discussed at a previous City Council Workshop.

7. Other Business

8. Adjournment



City of Grand Junction, State of Colorado

Proclamation

Whereas, During Black History Month, we celebrate the many achievements and contributions made by African Americans to our economic, cultural, spiritual, and political development; and

Whereas, Black History Month grew out of the establishment, in 1926, of Negro History Week by Carter G. Woodson and the Association for the Study of African American Life and History; and

Whereas, the 2025 national theme for the observance is 'African Americans and Labor'; focuses on the various and profound ways that work and working of all kinds – free and unfree, skilled, and unskilled, vocational and voluntary – intersect with the collective experiences of Black people; and

Whereas, the observance of Black History Month calls our attention to the continued need to battle racism and build a society that lives up to its democratic ideals; and

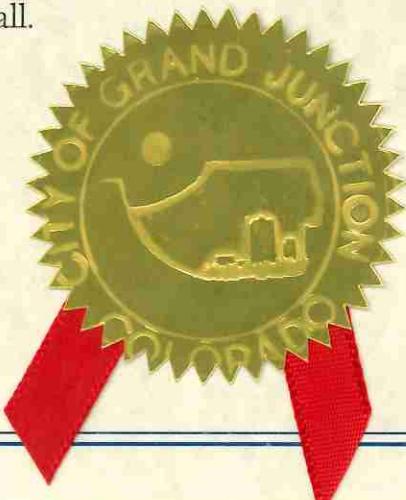
Whereas, the City of Grand Junction continues to work toward becoming an inclusive community in which all citizens past, present, and future are respected and recognized for their contributions and potential contributions to our community, the state, the country, and the world; and

Whereas, the City of Grand Junction is proud to honor the history and contributions of African Americans in our community, throughout our state, and nation.

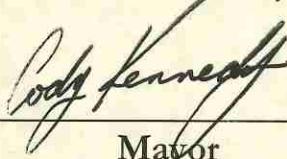
NOW, THEREFORE, I, Cody Kennedy, by the power vested in me as Mayor of the City of Grand Junction, in recognition of African Americans past and present in our community do hereby proclaim February 2026 as

"Black History Month"

in the City of Grand Junction and I encourage all citizens to celebrate our diverse heritage and culture and continue our efforts to create a world that is more just, peaceful, and prosperous for all.



IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the official Seal of the City of Grand Junction this 18th day of February 2026.



Cody Kennedy
Mayor



Grand Junction City Council

Regular Session

	Item #
<u>Meeting Date:</u>	February 18, 2026
<u>Presented By:</u>	Selestina Sandoval, City Clerk
<u>Department:</u>	City Clerk
<u>Submitted By:</u>	Kerry Graves

Information

SUBJECT:

To the Horizon Drive Association Business Improvement District

RECOMMENDATION:

To appoint the interview committee's recommendation to the Horizon Drive Association Business Improvement District.

EXECUTIVE SUMMARY:

There are two full-term vacancies on the Horizon Drive Association Business Improvement District.

BACKGROUND OR DETAILED INFORMATION:

Jim Cagle and Cameron Reece have terms expiring April 30, 2026. Jim Cagle did not reapply.

FISCAL IMPACT:

N/A

SUGGESTED MOTION:

To (appoint/not appoint) and (reappoint/not reappoint) the interview committee's recommendation to the Horizon Drive Association Business Improvement District.

Attachments

None

Grand Junction City Council
Minutes of the Regular Meeting

February 4, 2026

Call to Order, Pledge of Allegiance, Moment of Silence

The City Council of the City of Grand Junction convened into regular session on the 4th day of February, at 5:31 p.m. Those present were Councilmembers Robert Ballard, Scott Beilfuss, Laurel Lutz, Jason Nguyen, Anna Stout, Ben Van Dyke, and Council President Cody Kennedy.

Also present were City Manager Mike Bennett, Interim City Attorney Jeremiah Boies, Police Chief Matt Smith, Principal Planner Tim Lehrbach, Principal Planner Daniella Acosta Stine, Planning Manager Thomas Lloyd, City Clerk Selestina Sandoval, and Deputy City Clerk Krystle Koehler.

Council President Kennedy called the meeting to order and led the audience in the Pledge of Allegiance, followed by a moment of silence.

Appointments

To the Grand Junction Housing Authority Board

Councilmember Van Dyke moved, and Councilmember Stout seconded to appoint Jennifer Landini to the Grand Junction Housing Authority Board for a partial term expiring October 31, 2028. Motion carried by a unanimous voice vote.

Public Comments

Public comments were heard from Noreen Alexander, Maria Shawcroft, and David Lord.

City Manager Report

City Manager Mike Bennett had no report.

Boards and Commission Liaison Reports

Councilmember Beilfuss reported on the Business Incubator Center, and the Riverview Technology Corporation.

Councilmember Lutz gave an update regarding the Commission on Arts and Culture.

Councilmember Stout reported on the Parks and Recreation Advisory Board, and Colorado Municipal League (CML).

Council President Kennedy reported on the Museums of Western Colorado.

CONSENT AGENDA

1. Approval of Minutes

- a. Summary of the January 26, 2026 Workshop
- b. Minutes of the January 21, 2026 Regular Meeting

2. Set Public Hearings

- a. Legislative
 - i. Introduction of an Ordinance Amending Section 21.08.020 of the Zoning and Development Code Regarding Bicycle Storage and Parking and Setting a Public Hearing for February 18, 2026 – **Moved to the Regular Agenda**
 - ii. Introduction of an Ordinance Amending Section 21.05.020 of the Zoning and Development Code Regarding Pedestrian Access and Setting a Public Hearing for February 18, 2026 – **Moved to the Regular Agenda**
- b. Quasi-judicial
 - i. Introduction of an Ordinance to Rezone a Total of 3.60 Acres from MU-1 (Mixed-Use Neighborhood) and RM-12 (Residential Medium 12) to MU-2 (Mixed -Use Light Commercial), Located at the Northeast Corner of the Intersection of Patterson Road and 29 Road and Setting a Public Hearing for February 18, 2026
 - ii. Introduction of an Ordinance Zoning the Ricciardella Annexation to RM-8 (Residential Medium 8), Located at 2716 B 1/4 Road, and Setting a Hearing for March 18, 2026
 - iii. A Resolution Amending Resolution 69-25 Referring a Petition to the City Council for the Annexation of Lands to the City of Grand Junction, Colorado, Setting a Hearing on Such Annexation, Exercising Land Use Control, and Introducing Proposed Annexation Ordinance for the Ricciardella Annexation of 7.37 Acres, Located at 2716 B 1/4 Road, and Setting a Public Hearing for March 18, 2026

3. Agreements

- a. Pecos League User Agreement at Lincoln Park Stadium Summer 2026

4. Procurements

- a. Authorize a Sole Source Contract to Garney Construction to replace the 26-year-old Tow-Bro Circular Clarifier Assembly in Final Clarifier #4 at the Persigo Wastewater Treatment Plant
- b. Approval of the Sole Source Award to Taylor Fence to Replace the Lift Gates at the Public Safety Campus
- c. Authorize a Sole Source Contract to Garney Construction for replacing the suction and discharge piping on the large wastewater pumps in the Raw Sewage Pump Building at the Persigo Wastewater Treatment Plant

5. Resolutions

- a. A Resolution Issuing a Revocable Permit Within 263 Square Feet of the 20' Alley in Block 126 of the City of Grand Junction Plat for a Sky Bridge Airspace Encroachment at 230 S 5th St
- b. A Resolution Issuing a Revocable Permit Within 80 Square Feet of the 20' Alley in Block 126 of the City of Grand Junction Plat for a Sanitary Sewer Line at 230 S 5th St
- c. A Resolution Issuing a Revocable Permit Within 81 Square Feet of the 20' Alley in Block 126 of the City of Grand Junction Plat for a Storm Sewer Line at 230 S 5th St
- d. A Resolution Amending Resolution 69-25 to Correct a Clerical Error in the Property Address
- e. A Resolution of Support for Federal Legislation to Reauthorize Funding for the Department of Energy Grand Junction Uranium Disposal Site

Councilmember Ballard moved, and Councilmember Lutz seconded to adopt Consent Agenda Item #1-5, excluding items 2.a.i and 2.a.ii. Motion carried by a unanimous voice vote.

REGULAR AGENDA

2.a.i. Introduction of an Ordinance Amending Section 21.08.020 of the Zoning and Development Code Regarding Bicycle Storage and Parking and Setting a Public Hearing for February 18, 2026

The HACTF recommends amendments to §21.08.020 (Bicycle Parking and Storage) intended to reduce development costs and increase site design flexibility. The proposal would substantially reduce bicycle parking requirements and remove several location and design standards.

The HACTF recommendation would revise Table 21.08-5 to eliminate all long-term bicycle parking requirements and remove minimum bicycle parking requirements for multi-unit dwelling, industrial, and “all other nonresidential” uses. Short-term bicycle parking requirements would remain only for nonresidential categories, including food and beverage, recreation and entertainment, retail, and office uses. The proposal also removes multiple prescriptive bicycle parking standards, including requirements related to proximity to building entrances, access from the street, motor-vehicle protection, weather coverage, enclosure and security for long-term bicycle parking, cargo bicycle accommodations, aisle widths, rack anchoring, and rack design specifications. Overall, the HACTF recommendation retains limited short-term bicycle parking requirements for certain higher activity uses while eliminating long-term bicycle parking requirements and significantly reducing bicycle parking standards for other development types.

Staff supports the goal of reducing unnecessary regulatory burden and agrees that certain bicycle parking requirements can be disproportionate for low-demand uses or constrained sites. However, staff finds that the HACTF recommendation, as proposed, would remove bicycle parking standards more broadly than necessary and eliminate baseline multimodal access expectations for residential and customer-facing development. As an alternative to the HACTF recommendation, staff proposes targeted amendments to Bicycle Parking and Storage that retain bicycle parking as a development standard while simplifying requirements and improving flexibility. The staff-prepared amendment revises Table 21.08-5 to establish clear, proportional minimum bicycle parking requirements for residential and nonresidential development. The proposal retains both short-term and long-term bicycle parking requirements, scaled by unit counts for multi-unit residential uses and gross floor area for non-residential uses, including office uses where bicycle parking supports employee commuting and customer-facing uses where short-term bicycle access is most likely. Overall, the staff-prepared alternative balances the goal of reducing regulatory burden with the need to maintain baseline multimodal access standards, ensuring bicycle parking requirements remain clear, enforceable, and appropriately scaled to development intensity.

During final preparation of the staff alternative ordinance language for §21.08.020, staff identified an error in the long-term bicycle parking ratio that was carried forward into the draft. The ratio as written does not reflect staff's intended approach and would result in a higher long-term bicycle parking requirement than anticipated. Staff's intent with the staff alternative was not to increase long-term bicycle parking requirements beyond those produced under the existing bedroom-based standard, but to simplify the requirement into a clearer unit-based ratio while maintaining comparable outcomes. To verify the appropriate correction, staff conducted a case study (see Exhibit 4) using three recent multi-family developments to compare the number of long-term bicycle parking spaces required under: the existing Code requirement, the ratio incorrectly included in the draft, and the corrected staff alternative ratio. This review confirmed that the draft ratio in the staff-alternative (.15 parking spaces per unit) would generate higher parking counts than the existing Code, which was not the intent. A ratio (.08 spaces per unit) produces results that are more consistent with current requirements. Accordingly, staff is presenting this ratio as a correction to the Staff-Alternative for City Council consideration.

City Manager Bennett was available to answer questions from Council.

Councilmember VanDyke moved, and Councilmember Lutz seconded to table Consent Agenda Item 2.a.i. indefinitely. Motion carried by a unanimous voice vote.

2.a.ii. Introduction of an Ordinance Amending Section 21.05.020 of the Zoning and Development Code Regarding Pedestrian Access and Setting a Public Hearing for February 18, 2026

The Housing Affordability Committee Task Force (HACTF) recommends amendments to §21.05.020(e)(8) of the Pedestrian Access requirement intended to reduce development costs and increase site design flexibility. The proposal would change pedestrian access requirements and remove design standards for pedestrian access requirements. The HACTF recommendation proposed revisions to §21.05.020(e)(8) to require pedestrian access only for "non-industrial zoned" development (exclusive of single-unit detached or duplex dwellings). Further, it proposes to eliminate language regarding the design and location of sidewalks and also make the requirement a four-feet instead of a six-feet wide connection. In addition, the recommendation proposes removing more prescriptive design requirements for pedestrian connections as well as crossings that are not able to meet the pedestrian connection requirement between the principal building and the public street.

Overall, the HACTF recommendation retains limited pedestrian connection requirements for non-industrial properties. Staff supports the goal of providing more flexibility in the way the design and location of pedestrian connection to and through a

site. However, staff found that the HACTF recommendation, as proposed, removes standards too broadly and could be done in a more efficient and succinct way while still implementing key elements of the HACTF recommendation. Staff also identified opportunities to revise the code language to remove subjectivity. As an alternative to the HACTF recommendation, staff proposes targeted amendments to Pedestrian Connections that reformat and simplify the requirements, remove subjective language, and increase opportunities for design flexibility. Of note, at the Planning Commission meeting on January 13th, 2026, representatives from the HACTF committee expressed support of staff's recommended alternative.

Subsequent to the Planning Commission hearing, staff reviewed the proposed text amendment and is recommending an additional edit to the draft ordinance. This edit clarifies (and adds) an exemption for Industrial Uses in addition to projects within Industrial Zone Districts. The Industrial Use category includes specific uses such as mini-warehouses (mini-storage), outdoor storage, light industrial, mining and extraction, etc. Staff believes this more clearly aligns with the intent of the HACTF, though not consistent with their formal Recommendation Form.

City Manager Bennett was available to answer questions from Council.

Councilmember VanDyke moved, and Councilmember Lutz seconded to table Consent Agenda Item 2.a.ii. indefinitely. Motion carried by a unanimous voice vote.

6.a.i. An Ordinance Amending Sections of the Zoning and Development Code and 24 Road Corridor Design Standards (Title 21 and Title 25 of Grand Junction Municipal Code) Regarding Planned Development, Mixed-Use Downtown District Specific Standards, Short-Term Rentals, Accessory Uses and Structures, Shared Driveways, ROW Dedication, Multi-Unit Design Standards, Access to Public Streets, and Service and Storage Areas in the 24 Road Corridor

In the course of regular review of Volume II Development Regulations of the Grand Junction Municipal Code, staff has identified items within the Zoning and Development Code (Title 21) and the 24 Road Corridor Design Standards (Title 25) that inadvertently conflict with standard practice, have challenges with implementation, require correction, or could use additional clarification. A draft version of the ordinance was presented to the Planning Commission. A revision to Section 21.09.060 concerning Open and Undeveloped Spaces was remanded to staff for further revision and is not included in the proposed ordinance.

Principal Planner Tim Lehrbach gave a presentation and was available to answer questions from Council.

Comments were heard from Councilmember Beilfuss.

The public hearing opened at 6:02 p.m.

No comments were heard.

The public hearing closed at 6:02 p.m.

There were no further comments heard from Council.

Councilmember Nguyen moved, and Councilmember Ballard seconded to adopt Ordinance No. 5304, an ordinance amending sections of the Zoning and Development Code and 24 Road Corridor Design Standards (Title 21 and Title 25 of Grand Junction Municipal Code) regarding Planned Development, Mixed-Use Downtown District Specific Standards, Short-Term Rentals, Accessory Uses and Structures, Shared Driveways, Multi-Unit Design Standards, Access to Public Streets, and Service and Storage Areas in the 24 Road Corridor, on final passage and ordered final publication in pamphlet form. The motion carried 7-0 by a unanimous roll call vote.

6.a.ii. An Ordinance to Extend the Prohibition on the Establishment of any New or Relocation of Existing Gaming Arcades or Gaming Uses within the City of Grand Junction

By and with Ordinance 5125, the City Council adopted a moratorium disallowing the operation of skilled gaming businesses in the City. Since the adoption of that Ordinance, the Grand Junction Police Department (GJPD) has investigated numerous complaints involving a number of skilled gaming businesses that were engaged, or alleged to be engaged, in illegal activities while the business(es) contended that they were lawful. The GJPD's investigations resulted in many criminal cases being filed with multiple convictions. The criminal process resulted in multiple convictions for operation of gambling premises under state law. This Ordinance serves to extend the moratorium for an additional year as certain lawsuits proceed in order to better inform the City's response to this issue.

Interim City Attorney Jeremiah Boies and Chief Smith gave a brief overview and were available to answer questions from Council.

The public hearing opened at 6:08 p.m.

Comments were heard from Noreen Alexander

The public hearing closed at 6:10 p.m.

There were no further comments heard from Council.

Councilmember VanDyke moved, and Councilmember Lutz seconded to adopt Ordinance No. 5305, an ordinance to extend the prohibition of any new or relocation of existing Gaming Arcades or Gaming Uses within the City of Grand Junction on final passage and ordered final publication in pamphlet form. The motion carried 7-0 by a unanimous roll call vote.

6.b.i. An Ordinance Amending the Comprehensive Plan from Residential High to Mixed Use for 3.72 Acres Located at 377 29 Road and 379 29 Road

The Property Owner, Sunshine of Delta, Inc. requested a Comprehensive Plan Amendment from the Residential High land use designation to the Mixed-Use designation for properties located at 377 and 379 29 Road on 3.72 acres. This request is accompanied by a subsequent rezone request of the same 3.72 acres from Residential Medium 12 (RM-12) to Mixed-Use Light Commercial (MU-2). The subject properties are currently vacant.

Planning Manager Thomas Lloyd and applicant Sparky Moyer gave a presentation and were available to answer questions from Council.

Comments were heard from Councilmember Ballard and Councilmember Stout.

The public hearing opened at 6:22 p.m.

No comments were heard.

The public hearing closed at 6:22 p.m.

Councilmember Stout moved, and Councilmember Nguyen seconded to adopt Ordinance No. 5306, an ordinance amending the Comprehensive Plan from Residential High to Mixed Use for property located at 377 and 379 29 Road on final passage and ordered final publication in pamphlet form. The motion carried 7-0 by a unanimous roll call vote.

6.b.ii. An Ordinance Rezoning 3.72 Acres from Residential Medium 12 (RM-12) to Mixed-Use Light Commercial (MU-2) located at 377 and 379 29 Road

The Property Owner, Sunshine of Delta, Inc. requested a rezone of approximately 3.72 acres from Residential Medium 12 (RM-12) to Mixed-Use Light Commercial (MU-2) located at 377 and 379 29 Road. This application is accompanied by a request for a

Comprehensive Plan Amendment from Residential High to Mixed Use. The subject properties are vacant.

Planning Manager Thomas Lloyd gave a presentation and was available to answer questions from Council.

Comments were heard from Councilmember Stout.

The public hearing opened at 6:34 p.m.

There were no public comments.

The public hearing closed at 6:34 p.m.

Councilmember Stout moved, and Councilmember Nguyen seconded to adopt Ordinance No. 5307, an ordinance rezoning a total of 3.72 acres from Residential Medium 12 (RM-12) to Mixed-Use Light Commercial (MU-2) located at 377 and 379 29 Road on final passage and ordered final publication in pamphlet form. The motion carried 7-0 by a unanimous roll call vote.

Council took a short break at 6:35 p.m.

Council resumed at 6:45 p.m.

6.b.iii. An Ordinance Zoning the Morelli Annexation to Mixed-Use Light Commercial (MU-2), 2.56 Acres Located on Unaddressed Property Between 3105 E 1/2 Road and 3112 I-70B, Parcel Number 2943-103-00-101

The applicants, Morelli Family Trust, U/A dated October 21, 2022 and Carla Morelli-Saurdiff, requested a zone of annexation to Mixed-Use Light Commercial (MU-2). The approximately 2.56 acres consists of one parcel of land located between 3105 E ½ Road and 3112 I-70B. The subject property is vacant. The zone district of MU-2 is consistent with the Commercial land use category of the Comprehensive Plan. The request for annexation was approved by City Council on January 21, 2026.

Principal Planner Tim Lehrbach gave a presentation and was available to answer questions from Council.

Comments were heard from Councilmember Stout.

The public hearing opened at 6:51 p.m.

There were no public comments.

The public hearing closed at 6:51 p.m.

Councilmember Nguyen moved, and Councilmember Stout seconded to adopt Ordinance No. 5308, an ordinance zoning the Morelli Annexation, 2.56 Acres located on unaddressed property between 3105 E ½ Road and 3112 I-70B – Parcel No. 2943-103-00-101, to Mixed-Use Light Commercial (MU-2) zone district on final passage and ordered final publication in pamphlet form. The motion carried 7-0 by a unanimous roll call vote.

7.a. A Resolution Authorizing City-Owned Land to be Incorporated into the Proposed Camelback Gardens Planned Development and Outline Development Plan

The Camelback Gardens Planned Development (PD) and related Outline Development Plan (ODP) has been evaluated with the inclusion of approximately 15 acres of adjacent, now City-owned open space, previously dedicated by the applicants, as part of the overall planned development framework. With this open space included in the calculation, the project can achieve an overall density of approximately 3.6 dwelling units per acre, consistent with the Residential Low designation in the 2020 Comprehensive Plan. The proposed resolution provides city authorization to include the city-owned property within the boundary of the Planned Development. Absent this authorization, the project would need to reduce the proposed unit count by 34 units, from 90 to 56 units, to comply with density requirements. Incorporation of the city-owned land in the Planned Development would not affect the ownership, use, or function of the City's open space property.

Principal Planner Daniella Acosta Stine gave a presentation and was available to answer questions from Council.

Comments were heard from Councilmember Stout.

Councilmember Stout moved, and Councilmember Ballard seconded to adopt Resolution No. 13-26, a resolution approving the inclusion of approximately 15 acres of adjacent City-owned open space within the Camelback Gardens Planned Development and Outline Development Plan boundary. Motion carried by a unanimous voice vote.

7.b. A Resolution of the City Council of the City of Grand Junction, Colorado, Excusing Councilmember Ballard From Certain Absences During Military Deployment and Authorizing Remote Participation

At the City Council's regular meeting on January 21, 2026, Councilmember Ballard advised Council that he will be deployed in connection with his duties as a member of the Army National Guard. This resolution is submitted for Council's consideration

pursuant to Section 37 of the Grand Junction Charter to excuse Councilmember Ballard's absences and to authorize his remote participation in Council meetings during such deployment.

Councilmember Ballard recused himself and left the auditorium for this item at 7:13 p.m.

Interim City Attorney Jeremiah Boies and City Manager Mike Bennett gave a presentation were available to answer questions from Council.

Comments were heard from all Councilmembers and Council President.

Councilmember Lutz moved, and Councilmember Nguyen seconded to postpone this item indefinitely and discuss it further at a workshop. The motion carried 6-0 by a unanimous voice vote.

7. Non-Scheduled Comments

Comments were heard Chris Mackaney.

8. Other Business

Councilmember Stout reminded everyone that she would be unavailable Sunday-Thursday to attend a conference and Council President Kennedy gave an update that he and Councilmember Lutz met with Jeff Hurd to discuss the federal transportation dollars and the airport.

9. Adjournment

The meeting adjourned at 8:06 p.m.

Selestina Sandoval, MMC

City Clerk





Grand Junction City Council

Regular Session

Item #2.a.i.

Meeting Date: February 18, 2026

Presented By: Tim Lehrbach, Principal Planner

Department: Community Development

Submitted By: Tim Lehrbach, Principal Planner

Information

SUBJECT:

Introduction of an Ordinance Amending Sections of the Zoning and Development Code (Title 21 of the Grand Junction Municipal Code) regarding Right-of-way Dedication, Acceptable Plant Material, and Street Frontage Landscape and Setting a Public Hearing for March 4, 2026

RECOMMENDATION:

The Planning Commission heard this item at the February 10, 2026 regular meeting and voted [X-X] to recommend [approval/denial].

EXECUTIVE SUMMARY:

In the course of regular review of Volume II Development Regulations of the Grand Junction Municipal Code, staff has identified items within the Zoning and Development Code (Title 21) that inadvertently conflict with standard practice, have challenges with implementation, require correction, or could use additional clarification.

BACKGROUND OR DETAILED INFORMATION:

BACKGROUND

In the course of regular review of Volume II Development Regulations of the Grand Junction Municipal Code, staff has identified items within the Zoning and Development Code (Title 21) that inadvertently conflict with standard practice, have challenges with implementation, require correction, or could use additional clarification.

Proposed amendments are as follows:

GJMC 21.05.020(c)(1)(iv) ROW Dedication.

A method for the acquisition of right-of-way beyond what is needed to serve a project or right-of-way for an Active Transportation Corridor is added. The City will offer the Mesa

County Assessor's value for any such right-of-way. An owner may accept the offer or object to the offer and include a counteroffer. The City may accept the counteroffer or obtain an appraisal. If an appraisal is obtained, the City may offer the appraised value, the counteroffer amount, the Assessor value, or any amount between the highest and lowest amounts. If the owner does not accept the City's offer, the matter will be referred to the City Council for a determination whether the Assessor's value, the counteroffer, or the appraised value is the Fair Market Value constituting the City's final offer for dedication. Payment for right-of-way acquisition will occur by Transportation Capacity Payment (TCP) credit, unless the Fair Market Value exceeds the total of the TCP, upon which the City will pay the difference in cash.

GJMC 21.07.030(c)(1)(iv) Acceptable Plant Material—Suitable Plant List.

The classification of plants according to water needs is updated to reflect nursery industry standards.

GJMC 21.07.060(a)(2) Street Frontage Landscape

The requirement for street frontage landscape on the perimeter of a new residential subdivision is revised to exclude local streets from the requirement.

NOTIFICATION REQUIREMENTS

Notice was completed as required by Section 21.02.030(g). Notice of the public hearing was published on January 31, 2026, in the Grand Junction Daily Sentinel.

ANALYSIS

The criteria for review are set forth in Section 21.02.050(d) of the Zoning and Development Code, which provides that the City may approve an amendment to the text of the Code if the applicant can demonstrate evidence proving each of the following criteria:

(A) Consistency with Comprehensive Plan

The proposed Code Text Amendment is generally consistent with applicable provisions of the Comprehensive Plan.

The proposed amendment responds to Plan Principle 11, Goal 3, Strategy c., which calls for continuous evaluation of existing practices and systems to improve outcomes and provide excellent, equitable service to the public. The amendment improves development outcomes and service to the public by creating a predictable, transparent process for the acquisition of right-of-way, by simplifying the water needs classification of required plantings, and by removing an unnecessary requirement for street frontage landscape in locations where it is of little benefit and creates burdens for development.

(B) Consistency with Zoning and Development Code Standards

The proposed Code Text Amendment is consistent with and does not conflict with or contradict other provisions of this Code.

The proposed amendment creates no inconsistencies, conflicts, or contradictions with

other provisions of the Zoning and Development Code.

Staff finds this criterion has been met.

(C) Specific Reasons

The proposed Code Text Amendment shall meet at least one of the following specific reasons:

The proposed revisions to the Zoning and Development Code (ZDC) all meet specific reasons identified in this criterion for review. Each amendment is identified with its appropriate reason below.

a. To address trends in development or regulatory practices;

The amendment addresses the City's policy direction to acquire right-of-way by Transportation Capacity Payment credit and/or direct purchase. A process for determining Fair Market Value is established.

The amendment addresses the discrepancy in plant water need classification standards between the Zoning and Development Code (and Suitable Plant List) and nursery industry standards, in which the use of "xeric" is becoming deprecated. The Code's nomenclature with multiple categories called "xeric" and multiple instances of "low" and "medium" is unclear and may create the expectation that those categories with "xeric" in the name require no water or less water for establishment than actually needed.

b. To expand, modify, or add requirements for development in general or to address specific development issues;

The amendment modifies requirements for street frontage landscape in new residential subdivisions. The existing language, which requires street frontage landscape at the perimeter of the subdivision, irrespective of street classification, creates challenges to development when the required landscape would be or must be located in the front of lots to be developed with single-unit residences, necessitating a tract or easement, complicating the provision of irrigation, conflicting with driveway locations, and creating an inconsistent streetscape where street frontage landscape is introduced on local streets which are already partly developed without it. When the perimeter street frontage landscape requirement is limited to collector and arterial streets, these problems are

mitigated due to standards restricting frontage and driveway access for new single-unit residential lots along such streets.

c. To add, modify or expand zone districts; or

Not applicable.

d. To clarify or modify procedures for processing development applications.

The amendment modifies procedures for acquiring right-of-way with new development.

Specific reasons a, b, and d are satisfied. Staff finds this criterion has been met.

FINDING OF FACT AND RECOMMENDATION

After reviewing the proposed amendments, the following finding of fact has been made:

In accordance with Section 21.02.050(d) of the Grand Junction Zoning and Development Code, the proposed text amendment to Title 21 is consistent with the Comprehensive Plan and the Zoning & Development Code Standards and meets at least one of the specific reasons outlined.

Therefore, the Planning Commission recommended approval.

FISCAL IMPACT:

There is no direct fiscal impact for this item.

SUGGESTED MOTION:

I move to introduce and pass for publication in pamphlet form an ordinance amending sections of the Zoning and Development Code (Title 21 of Grand Junction Municipal Code) regarding Right-of-way Dedication, Acceptable Plant Material, and Street Frontage Landscape and set a public hearing for March 4, 2026.

Attachments

1. Draft Ordinance

CITY OF GRAND JUNCTION, COLORADO

ORDINANCE NO. _____

AN ORDINANCE AMENDING SECTIONS OF THE ZONING AND DEVELOPMENT CODE (TITLE 21 OF THE GRAND JUNCTION MUNICIPAL CODE) REGARDING RIGHT-OF-WAY DEDICATION, ACCEPTABLE PLANT MATERIAL, AND STREET FRONTRAGE LANDSCAPE

Recitals

The City Council desires to maintain effective zoning and development regulations that implement the vision and goals of the Comprehensive Plan while being flexible and responsive to the community's desires and market conditions and has directed that the Code be reviewed and amended as necessary.

Staff has identified items that inadvertently conflict with standard practice, have challenges with implementation, require correction, or could use additional clarification.

After public notice and public hearing as required by the Grand Junction Zoning and Development Code, the Grand Junction Planning Commission recommended approval of the proposed amendments.

After public notice and public hearing, the Grand Junction City Council finds that the amendments to the Zoning & Development Code implement the vision and goals of the Comprehensive Plan and that the amendments provided in this Ordinance are responsive to the community's desires, encourage orderly development of real property in the City, and otherwise advance and protect the public health, safety, and welfare of the City and its residents.

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION THAT:

The following sections of the Zoning and Development Code (Title 21 of the Grand Junction Municipal Code) are amended as follows (deletions struck through, added language underlined):

21.05.020 REQUIRED IMPROVEMENTS

...

(c) Public Improvements Required.

(1) Types of Improvements and Dedications.

...

(iv) ROW Dedication. A developer

(A) The owner of any land proposed for development shall dedicate to the City all rights-of-way and easements needed to serve the project, consistent with adopted standards (Title 29) of the GJMC. Such dedications shall be at no cost to the City and shall not be eligible for impact fee credit(s).

(B) If a developer the owner dedicates road or street right-of-way beyond what is needed to serve the project, or if the developer owner dedicates the right-of-way or easement for an Active Transportation Corridor (as described in § 31.08.130 and as shown in § 31.08.150, Appendix A, Figure 2), the developer owner shall receive credit at fair market value for such that portion of the total dedication exceeding the requirements of 21.05.020(c)(1)(iv)(A) according to the following process:

a. Determination of Fair Market Value.

1. The Director shall submit an offer equal to the Mesa County Assessor value of the land to be dedicated. This represents the City's proposed Fair Market Value.
2. The owner may accept the offer or submit a written objection with counteroffer. This represents the owner's proposed Fair Market Value.
3. The Director may accept the counteroffer or obtain an appraisal of the land to be dedicated. Upon receipt of such appraisal, the Director, at his/her discretion, may then offer the City's appraised amount, the counteroffer amount, the Assessor value, or make any offer between the highest and lowest amounts.
4. If the owner does not accept the City's offer, the Director shall cause a public hearing to be held before the City Council, and the City Council shall determine whether the Mesa County Assessor value, the owner's counteroffer, or the appraised value is the Fair Market Value, which shall constitute the City's final offer for dedication.

b. Credit for Fair Market Value of ROW Dedication.

1. The City shall credit the Fair Market Value of the dedication against the project's Transportation Impact Fee.
2. If the value of such dedication exceeds the project's Transportation Impact Fee, the owner shall receive the difference in cash. The credit shall not exceed the total Transportation Impact Fee for the project. If a dedication or a determination regarding a fee credit is claimed to exceed constitutional standards, the owner shall inform the City Attorney who, if he/she agrees, shall make a recommendation to the City Council to evaluate whether to pay or not additional value of such dedication or to waive all or part of such required dedication. If a developer donates road or street right-of-way beyond what is needed to serve the project, or if the developer donates the right-of-way or easement for an Active Transportation Corridor (as described in § 31.08.130 and as shown in § 31.08.150, Appendix A, Figure 2), the developer shall neither claim, nor receive credit for such donation against the project's Transportation Impact Fee.

...

21.07.030 GENERAL LANDSCAPE STANDARDS.

...

(c) Acceptable Plant Material.

(1) Suitable Plant List.

...

(iv) A minimum 90% of the proposed shrubs and ground cover shall be identified as ~~xeric, xeric-low, xeric-medium, or low water~~ having very low, very low-low, low, or low-moderate water needs on the Suitable Plants List.

...

21.07.060 STREET FRONTAGE LANDSCAPE.

(a) For all development, except construction of one or two dwelling units or development within the MU-3 zone district, the owner shall provide and maintain a minimum fourteen-foot-wide street frontage landscape adjacent to the public right-of-way.

...

(2) For a new residential subdivision, the street frontage landscape is only required on the perimeter of the subdivision adjacent to a right-of-way, ~~not along new internal roadways unless that perimeter street is classified as a local street. In such cases, the applicant may choose whether to provide the required perimeter landscaping along that local perimeter street.~~

INTRODUCED on first reading this 18th day of February 2026 and ordered published in pamphlet form.

ADOPTED on second reading this 4th day of March 2026 and ordered published in pamphlet form.

ATTEST:

Cody Kennedy
President of the City Council

Selestina Sandoval
City Clerk



Grand Junction City Council

Regular Session

Item #2.a.ii.

Meeting Date: February 18, 2026

Presented By: Randi Kim, Utilities Director

Department: Utilities

Submitted By: Randi Kim

Information

SUBJECT:

Introduction of an Ordinance Regarding Water Enterprise Loan and Setting a Public Hearing for March 4, 2026

RECOMMENDATION:

Introduction of a proposed ordinance for the issuance of \$5,000,000 in Water Enterprise Loan, execution of related documents, set a public hearing for March 4, 2026, and authorize publication in pamphlet form.

EXECUTIVE SUMMARY:

The Utilities Department is planning on completing waterline replacement projects and a tank lining project in 2026. The total estimated cost for these projects is \$5 million. The Water Fund does not have sufficient reserves to cash-finance the project and will require debt issuance to fund the improvements. City staff has identified two potential debt funding pathways to fund the projects: 1) Colorado Water Resources and Power Development Authority State Revolving Fund (SRF) or 2) a privately-placed commercial bank loan. Based on the analysis of both options below, Staff recommends that the City pursue a commercial bank loan, to ensure that all projects are funded and completed on the currently anticipated schedule.

BACKGROUND OR DETAILED INFORMATION:

The Utilities Department is planning on completing waterline replacement projects and a tank lining project in 2026. The 2026 Adopted Budget includes the following projects in the capital improvement plan:

- Linden Ave Waterline Phase 2 \$1,600,000

- UPRR Waterline Crossing to Crosby Ave \$500,000
- CDOT I-70B 4th to 6th Street Waterline \$1,290,000
- Waterline Replacement on Aspen St, Palisade St, and Glenwood Dr. \$250,000
- Water Tank Relining \$1,000,000

The total approved budget for these projects is \$4,640,000.

The Water Fund does not have sufficient reserves to cash-finance the project and will require debt issuance to fund the improvements. City staff has identified two potential debt funding pathways to fund the projects: 1)Colorado Water Resources and Power Development Authority State Revolving Fund (SRF) or 2) a privately-placed commercial bank loan.

The terms for an SRF large direct loan are expected to be a 3.25% interest rate for a 20-year term. The project would be required to comply with federal requirements as described in the Colorado SRF Required Specifications, which include:

- Davis-Bacon Prevailing Wages
- American Iron & Steel (AIS)
- Suspension and Debarment, Equal Opportunity & Civil Rights, OSHA, and the Archeological & Historic Preservation Act

City staff also anticipates that not all the identified projects would meet the eligibility requirements for the SRF Loan, so a second funding source would need to be identified for a portion of the projects. Specifically, the CDOT I-70B project would not qualify since the project will be contracted by CDOT and the City has agreed to reimburse CDOT for the waterline portion of the project. SRF loans cannot be used to reimburse a third party. Additionally, the SRF loan would have to be evaluated by CWRPDA through its application process, which would require a longer lead time to fund the eligible projects, which could potentially delay the City's ability to complete the projects on the necessary schedule.

The City evaluated term sheets from five banks, which included JPMorgan Chase, BOK Financial, NBH Bank, ANB, and Flagstar Public Funding Group. Ultimately, Flagstar provided the most favorable rates and terms for the anticipated loan, which included an indicative interest rate of 4.15% for a loan with a 10-year term and a 20-year amortization.

Staff recommends that the City pursue a private bank loan to fund the projects, as it provides the City the ability to expedite the funding process and fund all the projects with a single instrument, despite a modestly higher interest rate than the SRF option. Further, the private loan eliminates the state and federal requirements of the SRF, which are expected to add more cost to the project.

D.A. Davidson is the City's underwriter and, in coordination with Staff, has developed a financing and debt issuance plan.

FISCAL IMPACT:

The 2026 Adopted Budget includes \$5,340,000 in capital projects funded through assumed debt issuance, with associated debt service accounted for in the City's long-term financial plan.

SUGGESTED MOTION:

I move to introduce a proposed ordinance approving the issuance of \$5,000,000 in Water Enterprise Loan, execution of related documents, and set a public hearing for March 4, 2026.

Attachments

1. Bond Ordinance - Water Bonds - 2.11.26
2. Registrar and Paying Agent Agreement 2.10.26

ORDINANCE NO. [__]

AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE CITY OF GRAND JUNCTION, COLORADO WATER ENTERPRISE REVENUE BONDS, PROVIDING FOR THE SOURCE OF PAYMENT OF SUCH BONDS, AND PROVIDING OTHER DETAILS CONCERNING THE BONDS AND THE CITY'S WATER SYSTEM.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GRAND JUNCTION, COLORADO:

WHEREAS, the City of Grand Junction (the "City") is a municipal corporation and political subdivision of the State of Colorado (the "State") duly organized and existing under the City's home rule charter (the "Charter") adopted pursuant to Article XX of the Constitution of the State; and

WHEREAS, the members of the City Council of the City (the "Council") have been duly elected or appointed and qualified; and

WHEREAS, the City now owns and operates a municipal water system (the "Water System"); and

WHEREAS, the Council has determined and hereby determines that the Water System constitutes an enterprise pursuant to Article X, Section 20 of the Colorado Constitution ("TABOR") and Title 37, Article 45.1, C.R.S. (the "Enterprise Act"); and

WHEREAS, the City is authorized by Article XII, Section 93(c) of the Charter to issue bonds for the purpose of purchasing, constructing, condemning, otherwise acquiring, extending, or improving a water system provided that the bonds shall be made payable solely out of the net revenues derived from the operations of such system; and

WHEREAS, the Council proposes to extend, better, otherwise improve and equip the Water System (as more fully described herein, the "Project"); and

WHEREAS, the City is authorized by the Charter, and the Enterprise Act, to issue revenue bonds authorized by action of the Council; and

WHEREAS, the City intends to issue its "City of Grand Junction, Colorado, Water Enterprise Revenue Bonds, Series 2026" (the "Bonds") to defray in part the costs of the Project; and

WHEREAS, the City is authorized by TABOR, the Enterprise Act and Article XII of the Charter to issue the Bonds without an election; and

WHEREAS, the Council has further determined and hereby further declares that the City is authorized by, and the Bonds shall be issued, pursuant to the provisions of the Charter and the provisions of the Water Enterprise Act, Title 31, Article 35, Part 4, C.R.S., and Title 11, Article 57, Part 2, C.R.S.; and

WHEREAS, except for the Parity Bonds as defined herein (the “Parity Bonds”), the City has not pledged nor hypothecated the revenues derived or to be derived from the operation of the Water System, or any part thereof, to the payment of any outstanding bonds or other financial obligations or for any other purpose, with the result that the Net Pledged Revenues (defined below) may now be pledged lawfully and irrevocably for the payment of the Bonds on a parity with the Parity Bonds, and the Bonds may be made payable from the Net Pledged Revenues; and

WHEREAS, the City intends to privately place the Bonds with the Flagstaff Public Funding Corp. (the “Purchaser”), which Purchaser shall be (a) an “accredited investor,” as defined in Rule 501(A)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act of 1933, as amended (an “Institutional Accredited Investor”) or (b) a “qualified institutional buyer,” as defined in Rule 144A promulgated under the Securities Act of 1933, as amended (a “Qualified Institutional Buyer”) as hereafter named by the Town; and

WHEREAS, pursuant to Section 11-57-205, C.R.S., as amended, the City desires to delegate to any of the President, the City Manager or the Chief Financial Officer the power to accept the proposal to purchase the Bonds and to determine the rate of interest on the Bonds, the redemption provisions of the Bonds, the price at which the Bonds will be sold, the aggregate principal amount of the Bonds to be issued and the amount of principal maturing, or subject to mandatory redemption, in any particular year; and

WHEREAS, there is on file with the City Clerk the form of the Paying Agent Agreement; and

BE IT ORDAINED BY THE CITY OF GRAND JUNCTION, COLORADO:

ARTICLE I
DEFINITIONS, INTERPRETATION,
RATIFICATION AND EFFECTIVE DATE

Section 101. Meanings and Construction.

A. Definitions. The terms in this Section for all purposes of this Ordinance and of any ordinance amendatory hereof or supplemental hereto, or relating hereto, and of any other ordinance or any other document pertaining hereto, except where the context by clear implication otherwise requires, have the meanings herein specified:

“acquire” or “acquisition” means the opening, laying out, establishment, purchase, construction, securing, installation, reconstruction, lease, gift, grant from the Federal Government, the State, any body corporate and politic therein, or any other Person, the endowment, bequest, devise, transfer, assignment, option to purchase, other contract, or other acquisition, or any combination thereof, of any properties pertaining to the Water System, or an interest therein, or any other properties herein designated.

“Bond Counsel” means an attorney or a firm of attorneys, designated by the City of nationally recognized standing in matters pertaining to the tax status of interest on bonds issued by states and their political subdivisions, duly admitted to the practice of law before the highest court of any state of the United States of America or the District of Columbia.

“Bond Fund” means the special fund designated as the “City of Grand Junction, Colorado, Water Enterprise Revenue Bonds, Series 2026, Bond Fund” created pursuant to Section 505 hereof.

“Bond Requirements” means the principal of, any prior redemption premiums due in connection with, and the interest on the Bonds, any Parity Bonds, or other securities payable from the Net Pledged Revenues and heretofore or hereafter issued, if any, or such part of such securities as may be designated.

“Bonds” means City’s Water Enterprise Revenue Bonds, Series 2026, issued pursuant to this Ordinance.

“Business Day” means a day of the year, other than a Saturday or Sunday, other than a day on which commercial banks located in the city in which the principal corporate trust office of the Paying Agent is located are required or authorized to remain closed and other than a day on which the New York Stock Exchange is closed.

“Capital Improvements” means the acquisition of land, water or water rights, easements, facilities, and equipment (other than ordinary repairs and replacements), and those property improvements or any combination of property improvements which will constitute enlargements, extensions or betterments to the Water System and will be incorporated into the Water System.

“Chief Financial Officer” means the Chief Financial Officer of the City, or his or her successor in functions, if any.

“City” means the City of Grand Junction, Mesa County, Colorado, a municipal corporation and political subdivision of the State.

“City Clerk” means the City Clerk of the City, or his or her successor in functions, if any.

“City Manager” means the City Manager of the City, or his or her successor in functions, if any.

“Charter” means the home rule charter of the City, including all amendments thereto prior to the date hereof.

“Closing Date” means the date of delivery of and payment for the Bonds.

“Combined Maximum Annual Principal and Interest Requirements” means the largest sum of the principal of and interest on the Bonds, any Outstanding Parity Bonds and any additional Parity Bonds proposed to be issued, excluding any securities the principal of which is payable within less than one year from the date on which issued, to be paid during any one Fiscal Year for the period beginning with the Fiscal Year in which such computation is made and ending with the Fiscal Year in which any Bond or other such security last becomes due at maturity or on a Redemption Date, whichever time is later (but excluding any reserve requirement to secure such payments unless otherwise expressly provided), subject in all respects to the following, as applicable:

(1) The word “principal,” as used in this definition, means the principal which must be paid to security Owners, whether on stated maturity dates or on mandatory Redemption Dates, or otherwise.

(2) Any computation made under this definition shall be adjusted for all purposes in the same manner as is provided in Section 703 hereof.

“Commercial Bank” means a state or national bank or trust company which is a member of the Federal Deposit Insurance Corporation (or any successors thereto) and of the Federal

Reserve System, which has a capital and surplus of \$10,000,000 or more, and which is located within the United States of America.

“Costs of the Project” means all costs, as designated by the City, of the Project, or any interest therein, which cost, at the option of the City (except as may be otherwise limited by law) may include all, any one or other portion of the incidental costs pertaining to the Project, including, without limitation:

- (i) All preliminary expenses or other costs advanced by the City or advanced by the Federal Government, the State or by any other Person from any source, with the approval of the Council, or any combination thereof, or otherwise;
- (ii) The costs of making surveys and tests, audits, preliminary plans, other plans, specifications, estimates of costs and other preliminaries;
- (iii) The costs of contingencies;
- (iv) The costs of premiums on any builders’ risk insurance and performance bonds during the construction, installation and other acquisition of the Project, or a reasonably allocated share thereof;
- (v) The costs of appraising, printing, estimates, advice, inspection, other services of engineers, architects, accountants, financial consultants, attorneys at law, clerical help and other agents and employees;
- (vi) The costs of making, publishing, posting, mailing and otherwise giving any notice in connection with the Project and the issuance of the Bonds;
- (vii) All costs and expenses of issuing the Bonds including, without limitation, fees of the Paying Agent, Bond Counsel, counsel to the Purchaser, counsel to the City, Placement Agent, financial advisor, rating agencies and printers to the extent not defrayed as an Operation and Maintenance Expense;
- (viii) The costs of the filing or recording of instruments and the cost of any title insurance premiums;
- (ix) The costs of funding any construction loans and other temporary loans pertaining to the Project and of the incidental expenses incurred in connection with such loans;

- (x) The costs of demolishing, removing, or relocating any buildings, structures, or other facilities on land acquired for the Project, and of acquiring lands to which such buildings, structures or other facilities may be moved or relocated;
- (xi) The costs of machinery and equipment;
- (xii) The costs of any properties, rights, easements or other interests in properties, or any licenses, privileges, agreements and franchises;
- (xiii) The costs of labor, material and obligations incurred to contractors, builders and materialmen in connection with the acquisition and construction of the Project;
- (xiv) The costs of amending any ordinance or other instrument pertaining to the Bonds or otherwise to the Water System; and
- (xv) All other expenses pertaining to the Project.

“Council” means the City Council of the City.

“C.R.S.” means the Colorado Revised Statutes, as amended and supplemented as of the date hereof.

“Default Rate” means the rate of interest to be borne by the Bonds upon a declaration of an Event of Default, which interest rate shall be set forth in the Sale Certificate.

“Enterprise Act” means Title 37, Article 45.1, C.R.S., as amended.

“Events of Default” means the events stated in Section 903 hereof.

“Federal Government” means the United States of America and any agency, instrumentality or corporation thereof.

“Federal Securities” means bills, certificates of indebtedness, notes, or bonds which are direct obligations of, or the principal and interest of which obligations are unconditionally guaranteed by, the United States of America.

“Fiscal Year” means the calendar year or any other 12-month period hereafter selected by the City as its fiscal year.

“Gross Pledged Revenues” means all income and revenues directly or indirectly derived by the City from the operation and use of the Water System, or any part thereof, including without limitation, any rates, fees (including without limitation plant investment fees and availability fees) and charges for the services furnished by, or for the use of, the Water System, and all income attributable to any past or future dispositions of property or rights or related contracts, settlements, or judgments held or obtained in connection with the Water System or its operations, and including

investment income accruing from such moneys; provided however, that there shall be excluded from Gross Pledged Revenues: ad valorem property taxes; any moneys borrowed and used for providing Capital Improvements; any money and securities and investment income therefrom in any refunding fund, escrow account, or similar account pledged to the payment of any bonds or other obligations; and any moneys received as grants or appropriations from the United States, the State of Colorado, or other sources, the use of which is limited or restricted by the grantor or donor to the provision of Capital Improvements or for other purposes resulting in the general unavailability thereof, except to the extent any such moneys shall be received as payments for the use of the System, services rendered thereby, the availability of any such service, or the disposal of any commodities therefrom. Notwithstanding anything contained above, amounts deposited in a rate stabilization account shall not be deemed Gross Pledged Revenues in the calendar year deposited and amounts withdrawn from the rate stabilization account shall be deemed Gross Pledged Revenues in the year withdrawn.

“Improve” or “Improvement” means the extension, reconstruction, alteration, betterment or other improvement by the construction, purchase or other acquisition of facilities, including, without limitation, appurtenant machinery, apparatus, fixtures, structures and buildings.

“Independent Accountant” means any certified public accountant, or any firm of certified public accountants, duly licensed to practice and practicing as such under the laws of the State:

- (i) Who is, in fact, independent and not under the control of the City;
- (ii) Who does not have any substantial interest, direct or indirect, with the City,
and

(iii) Who is not connected with the City as an officer or employee thereof, but who may be regularly retained to make annual or similar audits of any books or records of the City.

“Independent Engineer” means an individual, firm or corporation engaged in the engineering profession of recognized good standing and having specific experience in respect of business and properties of a character similar to those of the Water System, which individual, firm or corporation has no substantial interest, direct or indirect, in the City and in the case of an individual, is not a member of the Council, or an officer or employee of the City, and in the case of a firm or corporation, does not have a partner, director, officer or employee who is a member of the Council or an officer or employee of the City.

“Investment Securities” means any securities or other obligations permitted as investments of moneys of the City under the laws of the State.

“Net Pledged Revenues” means the Gross Pledged Revenues remaining after the payment of the Operation and Maintenance Expenses of the Water System.

“Operation and Maintenance Expenses” means all reasonable and necessary current expenses of the City, paid or accrued, for operating, maintaining, and repairing the Water System, including without limitation legal and overhead expenses of the City directly related to the administration of the Water System, insurance premiums, audits, professional services, salaries and administrative expenses, labor and the cost of materials and supplies for current operation; provided however, that there shall be excluded from Operation and Maintenance Expenses any allowance for depreciation, payments in lieu of taxes or franchise fees, expenses incurred in connection with Capital Improvements, payments due in connection with any bonds or other obligations, and expenses that are otherwise paid from ad valorem property taxes.

“Ordinance” means this ordinance of the City, which provides for the issuance and delivery of the Bonds.

“Outstanding” when used with reference to the Bonds, the Parity Bonds, or any other designated securities and as of any particular date means all the Bonds, the Parity Bonds, or any such other securities payable from the Net Pledged Revenues or otherwise pertaining to the Water System, as the case may be, in any manner theretofore and thereupon being executed and delivered:

(i) Except any Bond, Parity Bond, or other security canceled by the City, by any paying agent, or otherwise on the City’s behalf, at or before such date;

(ii) Except any Bond, Parity Bond, or other security deemed to be paid as provided in Section 1201 hereof or any similar provision of the ordinance authorizing the issuance of such other security; and

(iii) Except any Bond, Parity Bond, or other security in lieu of or in substitution for which another Bond, Parity Bond or other security shall have been executed and delivered pursuant to Sections 305, 306 or 1008 hereof or any similar provisions of the ordinance authorizing the issuance of such other security.

“Owner” means the registered owner of any designated Bond, Parity Bond, or other designated security.

“Parity Bonds” means the 2010 CWRPDA Loan, the 2016 CWRPDA Loan, the 2017 CWCB Loan, the 2021 CWCB Loan/Purdy Mesa, the 2021 CWCB Loan/Carson Reservoir, the 2022 CWCB Loan, and any securities hereafter issued payable from and having an irrevocable lien upon the Net Pledged Revenues on a parity with the Bonds.

“Parity Bond Ordinances” means the Bond Ordinances authorizing the issuance of the Parity Bonds and any ordinances or agreements hereafter entered into by the City with respect to or authorizing the issuance of Parity Bonds.

“Paying Agent” means Zions Bancorporation, National Association, being an agent of the City for the payment of the Bond Requirements due in connection with the Bonds, the registrar for the Bonds and for other administration of moneys pertaining to the Bonds and includes any successor Commercial Bank as paying agent.

“Paying Agent Agreement” means the Paying Agent Agreement between the City and the Paying Agent.

“Person” means a corporation, firm, other body corporate (including, without limitation, the Federal Government, the State, or any other body corporate and politic other than the City), partnership, limited liability company, association or individual, and also includes an executor, administrator, trustee, receiver or other representative appointed according to law.

“Placement Agent” means D.A. Davidson & Companies.

“Project” means the acquisition, construction and installation of Capital Improvements to the Water System, the cost of which is to be defrayed with a portion of the proceeds of the Bonds.

“President” means the President of the City Council of the City or his or her successor in functions, if any.

“Project Fund” means the special fund designated as the “City of Grand Junction, Colorado, Water Enterprise Revenue Bonds, Series 2026, Project Fund” created pursuant to Section 401 hereof.

“Purchaser” means Flagstar Public Funding Corp., as the initial Purchaser of the Bonds.

“Rebate Fund” means the special fund designated as the “City of Grand Junction, Colorado, Water Enterprise Revenue Bonds, Series 2026, Rebate Fund” created pursuant to Section 509 hereof.

“Record Date” means the close of business on the fifteenth day (whether or not a Business Day) of the calendar month next preceding an interest payment date.

“Redemption Date” means the date fixed for the redemption prior to their respective maturities of any Bonds or other designated securities payable from Net Pledged Revenues in any notice of prior redemption or otherwise fixed and designated by the City.

“Sale Certificate” means the sale certificate of the City relating to the Bonds issued pursuant to the Supplemental Public Securities Act and described in Section 213 hereof.

“Special Record Date” means the record date for determining ownership of the Bonds for purposes of paying accrued but unpaid interest, as such date may be determined pursuant to this Ordinance.

“State” means the State of Colorado.

“Subordinate Securities” means securities or other obligations payable from the Net Pledged Revenues subordinate and junior to the lien thereon of the Bonds and any Parity Bonds.

“Supplemental Public Securities Act” means Part 2 of Article 57 of Title 11, C.R.S., as amended.

“Tax Code” means the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds, and the regulations promulgated thereunder.

“Tax Compliance Certificate” means one or more federal tax compliance certificates executed by the City in connection with the initial issuance and delivery of the Bonds.

“Trust Bank” means a Commercial Bank which is authorized to exercise and is exercising trust powers located within or without the State, and also means any branch of the Federal Reserve Bank.

“Water Enterprise Fund” means the special fund maintained by the City and designated as the “City of Grand Junction, Colorado, Water Enterprise Revenue Bonds, Water Enterprise Fund.”

“Water System” means the City’s system for the collection, treatment and discharge of water and consisting of all properties, real, personal, mixed or otherwise, now owned or hereafter acquired by the City, whether situated within or without the City boundaries, used in connection with such system of the City, and in any way appertaining thereto, including all present or future improvements, extensions, enlargements, betterments, replacements or additions thereof or thereto and administrative facilities.

“2010 CWRPDA Loan” means the loan agreement between the City and the Colorado Water Resources and Power Development Authority dated February 2, 2010.

“2016 CWRPDA Loan” means the loan agreement between the City and the Colorado Water Resources and Power Development Authority dated November 17, 2016.

“2017 CWCB Loan” means the loan contract number 2017-916 between the City and the Colorado Water Conservation Board relating to the Hallenbeck Reservoir No. 1 Project.

“2021 CWCB Loan/Purdy Mesa” means the loan contract no. CT2021-2857 between the City and the Colorado Water Conservation Board relating to the Purdy Mesa Project.

“2021 CWCB Loan/Carson Reservoir” means the loan contract No. CT2021-3110 between the City and the Colorado Water Conservation Board relating to the Carson Reservoir Dam Rehabilitation Project.

“2022 CWCB Loan” means the loan contract No. CT2023-0568 between the City and the Colorado Water Conservation Board relating to the Kannah Creek Project.

Section 102. Parties Interested Herein. Nothing herein expressed or implied confers any right, remedy or claim upon any Person, other than the City, the Council, the Paying Agent, the Owners of the Bonds and the Owners of any Parity Bonds or other securities payable from the Net Pledged Revenues when reference is expressly made thereto. All the covenants, stipulations, promises and agreements herein contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Council, the Paying Agent, the Owners of the Bonds and the Owners of any such other securities in the event of such a reference.

Section 103. Ratification; Approval of Documents. All action heretofore taken (not inconsistent with the provisions of this Ordinance) by the Council, the officers, employees and agents of the City and otherwise taken by the City directed toward the Project and the sale and delivery of the Bonds for such purposes, be, and the same hereby is, ratified, approved and confirmed.

Section 104. Repealer. All bylaws, orders, resolutions and ordinances or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any such bylaw, order, resolution or ordinance, or part thereof, heretofore repealed. All rules of the Council, if any, which might prevent the final passage and adoption of this Ordinance are hereby suspended.

Section 105. Severability. If any section, subsection, paragraph, clause or other provision of this Ordinance for any reason is invalid or unenforceable, the invalidity or

unenforceability of such section, subsection, paragraph, clause or other provision shall not affect any of the remaining provisions of this Ordinance.

Section 106. Ordinance Irrepealable. After any of the Bonds are issued, this Ordinance shall constitute an irrevocable contract between the City and the Owner or Owners of the Bonds and this Ordinance shall be and shall remain irrepealable until the Bonds, as to all Bond Requirements, shall be fully paid, canceled, and discharged, except as herein otherwise provided.

Section 107. Conclusive Recitals. Pursuant to Section 11-57-210 of the Supplemental Public Securities Act, the Bonds shall contain a recital that they are issued pursuant to the Supplemental Public Securities Act. Such recital shall be conclusive evidence of the validity and the regularity of the issuance of the Bonds after their delivery for value.

Section 108. Limitation of Actions. Pursuant to Section 11-57-212 of the Supplemental Public Securities Act, no legal or equitable action brought with respect to any legislative acts or proceedings of the City in connection with the authorization or issuance of the Bonds, including but not limited to the adoption of this Ordinance, shall be commenced more than thirty days after the authorization of the Bonds.

ARTICLE II

DETERMINATION OF THE CITY'S AUTHORITY AND OBLIGATIONS;

APPROVAL OF RELATED DOCUMENTS; AND ELECTION TO

APPLY SUPPLEMENTAL PUBLIC SECURITIES ACT TO THE BONDS

Section 201. Authorization. The Bonds are issued in accordance with the Constitution and laws of the State, the Charter and the provisions of this Ordinance, specifically the Supplemental Public Securities Act; Title 37, Article 45.1, C.R.S., and all other laws of the State thereunto enabling. For the purpose of defraying the Costs of the Project, the City hereby authorizes the Bonds to be issued in the aggregate principal amount provided in the Sale Certificate as approved by the President, the City Manager or the Chief Financial Officer, subject to the parameters and restrictions contained in this Ordinance.

Section 202. Bonds Equally Secured. The covenants and agreements herein set forth to be performed on behalf of the City shall be for the equal benefit, protection and security of the Owners of any and all of the Outstanding Bonds and any Outstanding Parity Bonds heretofore or hereafter authorized and issued, all of which, regardless of the time or times of their issue or

maturity, shall be of equal rank without preference, priority or distinction of any of such securities over any other thereof, except as otherwise expressly provided in or pursuant to this Ordinance.

Section 203. Special Obligations. All of the Bond Requirements of the Bonds shall be payable and collectible solely out of the Net Pledged Revenues which revenues are so pledged; the Owner or Owners of the Bonds may not look to any general or other fund for the payment of the Bond Requirements, except the herein designated special funds pledged therefor; the Bonds shall not constitute an indebtedness or a debt within the meaning of any constitutional, or statutory provision or limitation; and the Bonds shall not be considered or held to be general obligations of the City but shall constitute its special obligations. No statutory, Charter, or constitutional provision enacted after the issuance of the Bonds shall in any manner be construed as limiting or impairing the obligation of the City to comply with the provisions of this Ordinance or to pay the Bond Requirements of the Bonds as herein provided.

Section 204. Character of Agreement. None of the covenants, agreements, representations and warranties contained herein or in the Bonds shall ever impose or shall be construed as imposing any liability, obligation or charge against the City (except the special funds pledged therefor), or against its general credit, or as payable out of its general fund or out of any funds derived from taxation or out of any other revenue source (other than those pledged therefor).

Section 205. No Pledge of Property. The payment of the Bonds is not secured by an encumbrance, mortgage or other pledge of property of the City, except for the Net Pledged Revenues and other moneys pledged for the payment of the Bond Requirements of the Bonds. No property of the City, subject to such exception, shall be liable to be forfeited or taken in payment of the Bonds.

Section 206. No Recourse Against Officers and Agents. No recourse shall be had for the payment of the Bond Requirements of the Bonds or for any claim based thereon or otherwise upon this Ordinance or any other ordinance pertaining hereto, against any individual member of the Council or any officer, employee or other agent of the City, past, present or future, either directly or indirectly through the Council, or the City, or otherwise, whether by virtue of any penalty or otherwise, all such liability, if any, being by the acceptance of the Bonds and as part of the consideration of their issuance specially waived and released.

Section 207. Authorization of the Project. The Council, on behalf of the City, does hereby determine to undertake the Project, which is hereby authorized, and the proceeds of the Bonds shall be used therefor.

Section 208. Enterprise Status. The Council, on behalf of the City, hereby confirms its determination that the Water System is an “enterprise” for the purposes of Article X, Section 20 of the State Constitution and the Enterprise Act.

Section 209. Sale of Bonds. The Bonds shall be sold by private placement to the Purchaser. Pursuant to the Supplemental Public Securities Act, the Council hereby delegates to the President, the City Manager or the Chief Financial Officer the authority to accept a term sheet or proposal from the Purchaser, and to execute such proposal for the purchase of the Bonds submitted by the Purchaser and to execute the Sale Certificate confirming the bond details.

Section 210. Paying Agent Agreement. The Council hereby determines to approve the Paying Agent Agreement in substantially the form as is on file with the City Clerk. The Paying Agent may resign at any time on 30 days’ prior written notice to the City. The City may remove the Paying Agent upon 30 days’ prior written notice to the Paying Agent. If the Paying Agent appointed thereunder shall resign, or if the City shall determine to remove the Paying Agent, then the City may appoint a successor Paying Agent, upon notice mailed to each Owner of any Bond at such Person’s address last shown on the registration records maintained by the Paying Agent or by electronic means. No resignation or dismissal of the Paying Agent may take effect until a successor has been appointed and has accepted the duties of the Paying Agent. Every such successor Paying Agent shall be a Commercial Bank.

Section 211. Other Related Documents. The forms, terms and provisions of, and the performance by the City of its obligations under the Paying Agent Agreement, are hereby approved, and the President or President Pro Tem and the City Clerk or Deputy City Clerk are hereby authorized and directed to execute each of such documents on behalf of and in the name of the City, and to deliver each of such documents, in substantially the form on file with the City Clerk, with such changes as are not inconsistent herewith. The President, the City Manager or the Chief Financial Officer are hereby independently authorized to execute and deliver the Sale Certificate. The execution of any instrument by the appropriate officers of the City herein authorized shall be conclusive evidence of the approval by the City of such instrument in accordance with the terms hereof.

Section 212. Election to Apply Supplemental Public Securities Act to the Bonds.

Pursuant to Section 11-57-204 of the Supplemental Public Securities Act, a public entity, including the City, may elect in an act of issuance to apply all or any of the provisions of the Supplemental Public Securities Act. The Council hereby elects to apply all of the provisions of the Supplemental Public Securities Act to the Bonds. Pursuant to Section 11-57-205 of the Supplemental Public Securities Act, the Council hereby delegates to any of the President, the City Manager or the Chief Financial Officer the authority to make the following determinations with respect to the Bonds, subject to the parameters and restrictions contained in this Ordinance, without any requirement that the Council approve such determinations:

(i) Interest Rate. The rate of interest to be borne by the Bond, provided that the Bond shall not bear interest at a rate in excess of 6.00%, provided, however, that in an Event of Default the Bond shall bear interest at the Default Rate.

(ii) Redemption Provisions. The prior redemption provisions of the Bonds, provided that the Bonds shall be subject to optional redemption at a redemption price not to exceed 103%.

(iii) Purchase Price. The price at which the Bonds will be sold to the Purchaser, provided that the purchase price of the Bonds shall not be less than 90% of the aggregate principal amount of the Bonds.

(iv) Principal Amount. The aggregate principal amount of the Bonds, provided that the aggregate principal amount of the Bonds shall not exceed \$6,000,000.

(v) Maturity Schedule. The amount of principal of the Bonds maturing, or subject to mandatory sinking fund redemption in any particular year; provided that the maximum annual repayment cost shall not exceed \$400,000 and the maximum total repayment cost shall not exceed \$8,500,000.

(vi) Term of the Bonds. The Bonds shall not mature later than November 1, 2046.

(vii) Capitalized Interest. The existence and amount of any capitalized interest on the Bonds.

Such determinations shall be evidenced by the Sale Certificate signed by the President, the City Manager or the Chief Financial Officer dated the date of the sale of the Bonds or the Closing

Date, and delivered as of the Closing Date, which shall not be more than one year from the date of adoption of this Ordinance.

Section 213. Useful Life of the Project. The Council estimates the useful life of the Project to be financed by the Bonds to be 40 years.

ARTICLE III
AUTHORIZATION, TERMS, EXECUTION AND
ISSUANCE OF BONDS

Section 301. Bond Details.

A. Basic Provisions. The Bonds shall be registered in the name of the Purchaser and shall not be registered in book-entry form. When the Bonds have been duly executed by appropriate City officers and authenticated by the Paying Agent, the City shall cause the Bonds to be delivered as directed by the Purchaser on receipt of the agreed purchase price. The Bonds shall be delivered in such denominations as the Purchaser shall direct and shall initially be registered in such name or names as the Purchaser shall direct. The Bonds shall mature on November 1, in the years and amounts and subject to prior redemption as set forth herein and in the Sale Certificate. The Bonds shall bear interest from the most recent interest payment date to which interest has been paid, or if no interest has been paid, from their date until their respective maturities (or prior redemption) at the rates set forth in the Sale Certificate. No interest shall accrue on any Bonds owned by or on behalf of the City. Interest on the Bonds shall be calculated as set forth in the Sale Certificate, payable semiannually on each May 1 and November 1, commencing on the date provided in the Sale Certificate.

B. Payment of Bonds. The principal of each Bond shall be payable at maturity or upon prior redemption thereof at the principal corporate trust office of the Paying Agent, or at such other office as the Paying Agent directs in writing to the Owner of the Bonds, or at the principal office of its successor, upon presentation and surrender of the Bond. Payment of interest on any Bond shall be made to the Owner thereof by the Paying Agent on or before each interest payment date, (or, if such interest payment date is not a Business Day, on or before the next succeeding Business Day), to such Owner at such Person's address as it appears on the registration records kept by the Paying Agent on the Record Date; but any such interest not so timely paid or duly provided for shall cease to be payable to the Person who is the Owner thereof at the close of business on the Record Date and shall be payable to the Person who is the Owner thereof at the close of business on a Special Record Date for the payment of any such defaulted interest. Such Special Record Date and the date fixed for payment of such defaulted interest shall be fixed by the Paying Agent whenever moneys become available for payment of the defaulted interest, and notice of the Special

Record Date shall be given to the Owners not less than ten days prior to the Special Record Date by first-class mail to each such Owner as shown on the Paying Agent's registration books on a date selected by the Paying Agent, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest. The Paying Agent may make mandatory sinking fund redemption payments and payments of interest on any Bond by such alternative means as may be mutually agreed to between the Owner of such Bond and the Paying Agent. If any Bond is not paid upon its presentation and surrender (if required) at or after its maturity or prior redemption, interest shall continue at its stated rate per annum until the principal thereof is paid in full. All such payments shall be made in lawful money of the United States of America.

So long as the Purchaser is the sole owner of 100% of the Bonds, the Purchaser shall not be required to surrender the Bonds to the Paying Agent to receive mandatory sinking fund payments in accordance with Section 402 hereof, but shall be required to surrender such Bond on the final maturity date or upon prior redemption in accordance with Section 401 hereof to receive such principal payment..

Section 302. Execution of Bonds. The Bonds shall be executed in the name of the City by the manual or facsimile signature of the President, shall be sealed with the corporate seal of the City or a facsimile thereof thereunto affixed, imprinted, engraved or otherwise reproduced and shall be attested by the manual or facsimile signature of the City Clerk. Any Bond may be signed (manually or by facsimile), sealed or attested on behalf of the City by any person who, at the date of such act, shall hold the proper office, notwithstanding that at the date of authentication, issuance or delivery, such person may have ceased to hold such office. The President and the City Clerk may adopt as and for his or her own facsimile signature the facsimile signature of his or her predecessor in office in the event that such facsimile signature appears on any of the Bonds. Before the execution of any Bond, the President and the City Clerk shall each file with the Colorado Secretary of State his or her manual signature certified by him or her under oath.

Section 303. Authentication Certificate. The authentication certificate upon the Bonds shall be substantially in the form and tenor provided in the form of the Bonds set forth in Section 309 hereof. No Bond shall be secured hereby or entitled to the benefit hereof, nor shall any Bond be valid or obligatory for any purpose, unless the certificate of authentication, substantially in such form, has been duly executed by the Paying Agent and such certificate of the Paying Agent upon any Bond shall be conclusive evidence that such Bond has been authenticated and delivered

hereunder. The certificate of authentication shall be deemed to have been duly executed by the Paying Agent if manually signed by an authorized officer or employee of the Paying Agent, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Bonds.

Section 304. Registration and Payment. The Paying Agent shall keep or cause to be kept sufficient records for the registration and transfer of the Bonds, which shall at all times be open to inspection by the City. Upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said records, Bonds as herein provided. The Person in whose name any Bond shall be registered on the registration records kept by the Paying Agent shall be deemed and regarded as the absolute owner thereof for the purpose of making payment of the Bond Requirements thereof and for all other purposes; and payment of or on account of the Bond Requirements of any Bond shall be made only to the Owner thereof or such Person's legal representative, but such registration may be changed upon transfer of such Bond in the manner and subject to the conditions and limitations provided herein. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

Section 305. Transfer and Exchange. Any Bond may be transferred upon the records required to be kept pursuant to the provisions of Section 304 hereof by the Person in whose name it is registered, in person or by such Person's duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent, duly executed. Whenever any Bond or Bonds shall be surrendered for transfer, the Paying Agent shall authenticate and deliver a new Bond or Bonds for a like aggregate principal amount and of the same maturity and interest rate and of any authorized denominations. The Bonds may be exchanged by the Paying Agent for a like aggregate principal amount of Bonds of the same maturity and interest rate and of other authorized denominations. The execution by the City of any Bond of any denomination shall constitute full and due authorization of such denomination and the Paying Agent shall thereby be authorized to authenticate and deliver such Bond.

The Paying Agent shall not be required to transfer or exchange (a) any Bond subject to redemption during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Bonds and ending at the close of business on the day such

notice is mailed, or (b) any Bond so selected for redemption in whole or in part after the mailing of notice calling such Bond or any portion thereof for prior redemption except the unredeemed portion of Bonds being redeemed in part.

The Paying Agent shall require the payment by any Owner requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer and may charge a sum sufficient to pay the cost of preparing each new Bond upon each exchange or transfer and any other expenses of the City or the Paying Agent incurred in connection therewith.

Section 306. Bond Replacement. Upon receipt by the City and the Paying Agent of evidence satisfactory to them of the ownership of and the loss, theft, destruction or mutilation of any Bond and, in the case of a lost, stolen or destroyed Bond, of indemnity satisfactory to them, and in the case of a mutilated Bond upon surrender and cancellation of the Bond, (a) the City shall execute and the Paying Agent shall authenticate and deliver a new Bond of the same date, interest rate and denomination in lieu of such lost, stolen, destroyed or mutilated Bond, or (b) if such lost, stolen, destroyed or mutilated Bond shall have matured or have been called for redemption, in lieu of executing and delivering a new Bond as aforesaid, the City may pay such Bond. Any such new Bond shall bear a number not previously assigned. The applicant for any such new Bond may be required to pay all expenses and charges of the City and of the Paying Agent in connection with the issuance of such Bond. All Bonds shall be held and owned upon the express condition that, to the extent permitted by law, the foregoing conditions are exclusive with respect to the replacement and payment of mutilated, destroyed, lost or stolen Bonds, negotiable instruments or other securities.

Section 307. Bond Cancellation. Whenever any Bond shall be surrendered to the Paying Agent upon payment thereof, or to the Paying Agent for transfer, exchange or replacement as provided herein, such Bond shall be promptly canceled in accordance with the customary practices of the Paying Agent and applicable retention laws.

Section 308. Bond Form. Subject to the provisions of this Ordinance, the Bonds shall be in substantially the following form, with such omissions, insertions, endorsements and variations as to any recitals of fact or other provisions as may be required by the circumstances, be required or permitted by this Ordinance, be consistent with this Ordinance or be necessary or

appropriate to conform to the rules and requirements of any governmental authority or any usage or requirement of law with respect thereto:

(FORM OF BOND)

UNITED STATES OF AMERICA
STATE OF COLORADO
COUNTY OF MESA
CITY OF GRAND JUNCTION, COLORADO
WATER ENTERPRISE REVENUE BOND
SERIES 2026

No. R-		\$	_____
<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATED AS OF</u>	<u>CUSIP</u>
_____ %	November 1, 20____	[Date of Delivery]	N/A
REGISTERED OWNER:	[PURCHASER]		
PRINCIPAL AMOUNT:	DOLLARS		

The City of Grand Junction (the "City"), in Mesa County, Colorado (the "State"), for value received, hereby promises to pay to the registered owner specified above, or registered assigns, upon the presentation and surrender of this bond, solely from the special funds provided therefor, as hereinafter set forth, the principal amount set forth above on the maturity date specified above (unless this bond shall have been called for prior redemption, in which case on the Redemption Date) and to pay solely from such special funds interest hereon at the interest rate per annum specified above, payable semiannually on May 1 and November 1 in each year, beginning on [May 1, 2026], until the principal amount is paid or payment has been provided for, as described in an ordinance adopted by the City Council of the City on March 4, 2026 (the "Ordinance"). This is one of an authorized series of bonds issued under the Ordinance (the "Bonds"). The Bonds are all issued under and equally and ratably secured by and entitled to the security of the Ordinance. To the extent not defined herein, terms used in this Bond shall have the same meanings as set forth in the Ordinance. This Bond bears interest, matures, is payable, is subject to redemption and is transferable as provided in the Ordinance.

Reference is made to the Ordinance and to all ordinances supplemental thereto, with respect to the nature and extent of the security for the Bonds, the accounts, funds or revenues pledged, rights, duties and obligations of the City, the Paying Agent, and the rights of the Owners of the Bonds, the events of default and remedies, the circumstances under which any Bond is no

longer Outstanding, the issuance of additional bonds and the terms on which such additional bonds may be issued under and secured by the Ordinance, the ability to amend the Ordinance, and to all the provisions of which the Owner hereof by the acceptance of this Bond assents.

THE BONDS ARE ISSUED PURSUANT TO AND IN FULL COMPLIANCE WITH THE CONSTITUTION AND LAWS OF THE STATE OF COLORADO, AND PURSUANT TO THE ORDINANCE. THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE CITY, SECURED BY THE NET PLEDGED REVENUES. THE BONDS DO NOT CONSTITUTE A GENERAL OBLIGATION DEBT OF THE CITY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF, AND NEITHER THE CITY, THE STATE NOR ANY OF THE POLITICAL SUBDIVISIONS THEREOF IS LIABLE THEREFOR. NEITHER THE MEMBERS OF THE CITY COUNCIL OF THE CITY NOR ANY PERSONS EXECUTING THIS BOND SHALL BE PERSONALLY LIABLE FOR THIS BOND.

It is certified, recited and warranted that all the requirements of law have been fully complied with by the proper officers of the City in the issuance of this Bond; that it is issued pursuant to and in strict conformity with the Constitution of the State, and with the Ordinance and any ordinances supplemental thereto; and that this Bond does not contravene any constitutional, Charter or statutory limitation.

This Bond is one of a series of bonds issued pursuant to the Ordinance designated as the "City of Grand Junction, Colorado, Water Enterprise Revenue Bonds, Series 2026" in the aggregate principal amount of \$6,000,000 (the "Bonds"). The Bonds have been duly authorized for the purpose of providing moneys to defray a portion of the cost of extending, bettering or otherwise improving and equipping the Water System (the "Project").

The bonds of the series of which this bond is one are issued under the authority of the City Charter; Title 37, Article 45.1, C.R.S.; and Title 11, Article 57, Part 2, C.R.S., and in full conformity therewith. Pursuant to Section 11-57-210, C.R.S., this recital shall be conclusive evidence of the validity and the regularity of the issuance of the Bonds and the Bonds shall be incontestable for any cause whatsoever after their delivery for value.

Payment of the principal of and interest on the Bonds shall be made solely from the Net Pledged Revenues. The Net Pledged Revenues are irrevocably (but not exclusively) pledged as security for such payment pursuant to the Ordinance.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Ordinance until the certificate of authentication hereon shall have been duly executed by the Paying Agent.

IN WITNESS WHEREOF, the City has caused this Bond to be signed and executed in its name and upon its behalf with the facsimile signature of its President, has caused the facsimile of the seal of the City to be affixed hereon and has caused this Bond to be signed, executed and attested with the facsimile signature of its City Clerk, all as of the date specified above.

By _____ (Facsimile Signature)
PRESIDENT

(FACSIMILE SEAL)

Attest:

By _____ (For Facsimile Signature)
CITY CLERK

(FORM OF CERTIFICATE OF AUTHENTICATION)

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within mentioned Ordinance.

ZIONS BANCORPORATION, NATIONAL
ASSOCIATION, as Paying Agent

By _____
Authorized Signatory

Date of Authentication and Registration: _____

(END OF FORM OF CERTIFICATE OF AUTHENTICATION)

(FORM OF ASSIGNMENT)

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ to transfer the within Bond on the records kept for the registration thereof with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within Bond in every particular, without alteration or enlargement or any change whatever. The signature must be guaranteed by an eligible guarantor institution as defined in 17 CFR § 240.17 Ad-15(a)(2).

Signature Guaranteed:

Signature must be guaranteed by a member of a Medallion Signature Program.

Address of Transferee:

Social Security or other tax identification number of transferee:

TRANSFER FEES MAY BE CHARGED

(END OF FORM OF ASSIGNMENT)

(FORM OF PREPAYMENT PANEL)

PREPAYMENT PANEL

The following installments of principal (or portions thereof) of this Bond have been prepaid in accordance with the terms of the Ordinance.

<u>Date of Prepayment</u>	<u>Principal Prepaid</u>	Signature of Authorized Representative
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(END OF FORM OF PREPAYMENT PANEL)

(END OF FORM OF BOND)

Section 309. Optional Redemption and Extraordinary Redemption. The Bonds will be subject to redemption and extraordinary optional redemption, at the option of the City in the time and manner, in the amounts and at the prices, and from any legally available funds all as set forth in the Sale Certificate.

Section 310. Mandatory Sinking Fund Redemption. The Term Bonds, if any, shall be subject to mandatory sinking fund redemption at the times, in the amounts and at the prices provided in the Sale Certificate.

On or before the thirtieth day prior to each such sinking fund payment date, the Paying Agent shall proceed to call the Term Bonds, if any, as provided in the Sale Certificate (or any Term Bond or Term Bonds issued to replace such Term Bonds) for redemption from the sinking fund on the next November 1, and give notice of such call without further instruction or notice from the City.

At its option, to be exercised on or before the sixtieth day next preceding each such sinking fund Redemption Date, the City may (a) deliver to the Paying Agent for cancellation Term Bonds subject to mandatory sinking fund redemption on such date in an aggregate principal amount desired or (b) receive a credit in respect of its sinking fund redemption obligation for any Term Bonds of the maturity and interest rate subject to mandatory sinking fund redemption on such date, which prior to said date have been redeemed (otherwise than through the operation of the sinking fund) and canceled by the Paying Agent and not theretofore applied as a credit against any sinking fund redemption obligation. Each Term Bond so delivered or previously redeemed will be credited by the Paying Agent at the principal amount thereof against the obligation of the City on such sinking fund date and such sinking fund obligation will be accordingly reduced. The City will on or before the sixtieth day next preceding each sinking fund Redemption Date furnish the Paying Agent with its certificate indicating whether or not and to what extent the provisions of (a) and (b) of the first sentence of this paragraph are to be availed with respect to such sinking fund payment. Failure of the City to deliver such certificate shall not affect the Paying Agent's duty to give notice of sinking fund redemption as provided in this paragraph.

So long as the Purchaser is the sole owner of 100% of the Bonds, the Purchaser shall not be required to surrender the Bonds to the Paying Agent to receive payment in connection with a

mandatory sinking fund redemption, but shall be required to surrender such Bond on the final maturity date thereof to receive payment of the final principal payment thereof.

Section 311. Partial Redemption. In the case of Bonds of a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any integral multiple thereof) may be redeemed, in which case the Paying Agent shall, without charge to the owner of such Bond, authenticate and issue a replacement Bond or Bonds for the unredeemed portion thereof.

Section 312. Notice of Prior Redemption. Notice of optional or mandatory redemption shall be given by the Paying Agent in the name of the City by sending a copy of such notice by first-class, postage prepaid mail or by electronic means, not more than 60 nor less than 30 days prior to the Redemption Date to each Owner at such Person's address as it last appears on the registration books kept by the Paying Agent; but neither failure to give such notice nor any defect therein shall affect the redemption of any Bond. Such notice shall identify the Bonds to be so redeemed (if less than all are to be redeemed) and the Redemption Date, and shall further state that on such Redemption Date there will become and be due and payable upon each Bond to be so redeemed, at the principal office of the Paying Agent, the principal amount thereof, accrued interest to the Redemption Date, and the stipulated premium, if any, and that from and after such date interest will cease to accrue. Notice having been given in the manner hereinabove provided, the Bond or Bonds so called for redemption shall become due and payable on the Redemption Date so designated; and upon presentation thereof at the principal office of the Paying Agent, the Paying Agent will pay the Bond or Bonds so called for redemption. No further interest shall accrue on the principal of any such Bond called for redemption from and after the Redemption Date, provided sufficient funds are deposited with the Paying Agent and available on the Redemption Date.

Notwithstanding the provisions of this Section, any notice of redemption shall either (a) contain a statement that the redemption is conditioned upon the receipt by the Paying Agent on or before the Redemption Date of funds sufficient to pay the redemption price of the Bonds so called for redemption, and that if such funds are not available, such redemption shall be canceled by written notice to the Owners of the Bonds called for redemption in the same manner as the original redemption notice was mailed, or (b) be given only if funds sufficient to pay the redemption price

of the Bonds so called for redemption are on deposit with the Paying Agent in the applicable fund or account.

Section 313. Bonds Owned by the City. Bonds owned by or on behalf of the City shall not be subject to redemption. At any time the City may surrender any Bonds owned by or on behalf of the City to the Paying Agent, which shall promptly cancel such Bonds. Any securities payable from any Net Pledged Revenues held by the City shall not be deemed to be Outstanding for the purpose of redemption nor Outstanding for the purpose of consents hereunder or for any other purpose herein.

Section 314. No Partial Redemption After Default. Anything in this Ordinance to the contrary notwithstanding, if there shall have occurred and is continuing an Event of Default hereunder of which an officer of the Paying Agent has actual knowledge, there shall be no redemption of less than all of the Bonds at the time Outstanding (other than pursuant to Section 311 hereof).

ARTICLE IV

USE OF BOND PROCEEDS AND OTHER MONEYS

Section 401. Disposition of Bond Proceeds.

A. The proceeds of the Bonds, upon the receipt thereof, shall be accounted for in the following manner and priority:

(i) Costs of Issuance. An amount sufficient to pay the costs of issuing the Bonds, as described in the Paying Agent Agreement shall be credited to the fund created in the Paying Agent Agreement and known as the “City of Grand Junction, Colorado, Water Enterprise Revenue Bonds, Series 2026 Costs of Issuance Fund.”

(ii) Project Fund. The remaining proceeds derived from the sale of the Bonds shall be credited to the special and separate account hereby created and to be known as the “City of Grand Junction, Colorado, Water Enterprise Revenue Bonds, Series 2026 Project Fund.” Except as otherwise provided herein, the moneys in the Project Fund shall be used solely for the purpose of paying the Costs of the Project and for the purposes set forth in Section 402 hereof.

Section 402. Payment of Expenses. Moneys deposited in the Project Fund pursuant to Section 401 hereof may be used and paid out by the City to defray the Costs of the Project and administrative costs of the Project, including, without limitation, amounts to be paid to the Paying Agent, legal fees, accounting fees, financial advisory fees, printing costs and rating fees. The City

may defray any such administrative costs from time to time as Operation and Maintenance Expenses to the extent the moneys deposited in the Project Fund pursuant to Section 401 hereof are insufficient therefor.

Section 403. Completion of Project. When the Project is completed in accordance with the relevant plans and specifications and all amounts due therefor, including all proper incidental expenses and all administrative costs of the Project referred to in Section 402 hereof, are paid, or for which full provision is made, the Chief Financial Officer, to the extent permitted by the Tax Compliance Certificate, shall cause all surplus moneys remaining in the Project Fund, if any, except for any moneys designated in the certificate to be retained to pay any unpaid accrued costs or contingent obligations, to be transferred as follows: (a) to the Rebate Fund so as to enable the City to comply with requirements of the Tax Compliance Certificate with respect to the Bonds, and (b) to the Bond Fund to the extent of any remaining balance of such moneys to be applied against the next principal payment or payments coming due on the Bonds. Nothing herein prevents the transfer from the Project Fund to the Bond Fund, at any time prior to the termination of the Project Fund, of any moneys which the Chief Financial Officer by certificate determines will not be necessary for the Project and will not be designated to be transferred to the Rebate Fund.

Section 404. Lien on Bond Proceeds. Until the proceeds of the Bonds deposited in the Project Fund are applied as herein provided, such Bond proceeds are subject to a lien thereon and pledge thereof for the benefit of the Owners of the Outstanding Bonds as provided in Section 501 hereof.

Section 405. Purchaser Not Responsible. The validity of the Bonds is not dependent upon nor affected by the validity or regularity of any proceedings relating to the application of the Bond proceeds. The Purchaser and any subsequent Owners of any of the Bonds are not responsible for the application or disposal by the City or by any of its officers, agents and employees of the moneys derived from the sale of the Bonds or of any other moneys herein designated.

ARTICLE V

ADMINISTRATION OF AND ACCOUNTING FOR PLEDGED REVENUES

Section 501. Pledge Securing Bonds. Subject only to the right of the City to cause amounts to be withdrawn and paid on account of Operation and Maintenance Expenses of the Water System, the Gross Pledged Revenues and, subject to the right of the City to cause amounts

to be withdrawn to pay the Costs of the Project as provided herein and other than moneys and securities held in the Rebate Fund to the extent such amounts are required to be paid to the United States, all moneys and securities paid or to be paid to or held or to be held in any fund or account under this Article or under Section 501 hereof are hereby pledged, and a lien thereon is hereby created, to secure the payment of the Bond Requirements of the Outstanding Bonds. The pledge of the Net Pledged Revenues to secure the payment of the Bond Requirements of the Outstanding Bonds and any Outstanding Parity Bonds is on a parity with the pledge of the Net Pledged Revenues for, and lien thereon of the Parity Bonds heretofore issued and any Parity Bonds hereafter issued in compliance with the provisions of Article VII hereof. The pledge of the Net Pledged Revenues and the funds or accounts as described in this section shall be valid and binding from and after the date of the delivery of the Bonds, and the moneys as received by the City and hereby pledged shall immediately be subject to the lien of this pledge without any physical delivery thereof, any filing, or further act. The lien of this pledge and the obligation to perform the contractual provisions hereby made shall have priority over any or all other obligations and liabilities of the City except any Outstanding Parity Bonds heretofore or hereafter authorized. The lien of the pledge of the Net Pledged Revenues and the funds or accounts as described in this section shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the City (except as herein otherwise provided) irrespective of whether such parties have notice thereof.

Section 502. Water Enterprise Fund Deposits. So long as any of the Bonds or any Parity Bonds shall be Outstanding as to any Bond Requirements related to the Bonds or any Parity Bonds, the entire Gross Pledged Revenues, upon their receipt from time to time by the City, shall be set aside and credited immediately to the special and separate account hereby created and known as the "City of Grand Junction, Water Enterprise Revenue Bonds, Water Enterprise Fund."

Section 503. Administration of Water Enterprise Fund. So long as any of the Bonds or any Parity Bonds shall be Outstanding, as to any Bond Requirements related to the Bonds or any Parity Bonds, the following payments shall be made from the Water Enterprise Fund, as provided in Sections 504 through 511 hereof.

Section 504. Operation and Maintenance Expenses. First, as a first charge on the Water Enterprise Fund, from time to time there shall continue to be held therein moneys sufficient to pay Operation and Maintenance Expenses, as they become due and payable, and thereupon they

shall be promptly paid. Any surplus remaining in the Water Enterprise Fund at the end of the Fiscal Year and not needed for Operation and Maintenance Expenses shall be used for other purposes of the Water Enterprise Fund as herein provided.

Section 505. Bond Fund Payments. Second, from any remaining Net Pledged Revenues, there shall be credited, concurrently with each other and with amounts required to meet the Bond Requirements with respect to any Outstanding Parity Bonds, to the special and separate accounts hereby created and to be known as the “City of Grand Junction, Colorado, Water Enterprise Revenue Bonds, Series 2026, Bond Fund,” the following amounts:

A. Interest Payments. Monthly, commencing on the first day of the month immediately succeeding the delivery of any of the Bonds, or commencing on the first day of the month six months next prior to the first interest payment date of any of the Bonds, whichever commencement date is later, an amount in equal monthly installments necessary, together with any moneys therein and available therefor, to pay the interest due and payable on the Outstanding Bonds on the next succeeding interest payment date.

B. Principal Payments. Monthly, commencing on the first day of the month immediately succeeding the delivery of any of the Bonds, or commencing on the first day of the month one year next prior to the first principal payment date of any of the Bonds, whichever commencement date is later, an amount in equal monthly installments necessary, together with any moneys therein and available therefor, to pay the principal and redemption premium, if any, due and payable on the Outstanding Bonds on the next succeeding principal payment date.

If prior to any interest payment date or principal payment date, there has been accumulated in the Bond Fund the entire amount necessary to pay the next maturing installment of interest or principal, or both, the payment required in paragraph A or B (whichever is applicable) of this Section 505 may be appropriately reduced; but the required annual amounts again shall be so credited to such account commencing on such interest payment date or principal payment date.

The moneys credited to the Bond Fund shall be used to pay the Bond Requirements of the Bonds then Outstanding, as such Bond Requirements become due, except as provided in Sections 507, 508, 509, 603 and 1201 hereof.

Section 506. Reserved.

Section 507. Termination of Deposits. No payment need be made into the Bond Fund if the amount in the Bond total a sum at least sufficient so that all Outstanding Bonds are deemed

to have been paid pursuant to Section 1201 hereof, in which case moneys therein (taking into account the known minimum gain from any investment of such moneys in Investment Securities from the time of any such investment or deposit shall be needed for such payment which will not be designated for transfer to the Rebate Fund) shall be used (together with any such gain from such investments) solely to pay the Bond Requirements of the Outstanding Bonds as the same become due; and any moneys in excess thereof in those two accounts and any other moneys derived from the Net Pledged Revenues or otherwise pertaining to the Water System may be used to make required payments into the Rebate Fund or in any other lawful manner determined by the City, as directed in writing by the Chief Financial Officer.

Section 508. Reserved.

Section 509. Rebate Fund. Fourth, concurrently with any payments required to be made pursuant to any Parity Bond Ordinances with respect to any rebate funds established thereby, there shall be deposited into the special and separate account hereby created and to be known as the "City of Grand Junction, Colorado, Water Enterprise Revenue Bonds, Series 2026 Rebate Fund" moneys in the amounts and at the times specified in the Tax Compliance Certificate so as to enable the City to comply with Section 830 hereof. Amounts on deposit in the Rebate Fund shall not be subject to the lien and pledge of this Ordinance to the extent that such amounts are required to be paid to the United States Treasury. The City shall cause amounts on deposit in the Rebate Fund to be forwarded to the United States Treasury (at the address provided in the Tax Compliance Certificate) at the times and in the amounts set forth in the Tax Compliance Certificate.

If the moneys on deposit in the Rebate Fund are insufficient for the purposes thereof, the City shall transfer moneys in the amount of the insufficiency to the Rebate Fund from the Project Fund and, to the extent permitted by Section 508 hereof, from the Bond Fund. Upon receipt by the City of an opinion of Bond Counsel to the effect that the amount in the Rebate Fund is in excess of the amount required to be contained therein, such excess may be transferred to the Water Enterprise Fund.

Section 510. Payment of Subordinate Securities. Fifth, and subject to the provisions hereinabove in this Article, but subsequent to the payments required by Sections 504, 505, 506, and 509 hereof, any moneys remaining in the Water Enterprise Fund may be used by the City for the payment of Bond Requirements of Subordinate Securities, including reasonable reserves for

such Subordinate Securities and for rebate of amounts to the United States Treasury with respect to such Subordinate Securities.

Section 511. Use of Remaining Revenues. After the payments hereinabove required to be made by Sections 502 through 510 hereof are made, any remaining Net Pledged Revenues in the Water Enterprise Fund shall be used, first, for any one or any combination of reasonably necessary purposes and in the Council's discretion relating to the operation, improvement or debt management of the Water System and, second, to the extent of any remaining surplus, for any one or any combination of lawful purposes as the Council may from time to time conclusively determine.

ARTICLE VI

GENERAL ADMINISTRATION

Section 601. Administration of Accounts. The special funds and accounts designated in Articles IV and V hereof shall be administered as provided in this Article (but not any account under Section 1201 hereof).

Section 602. Places and Times of Deposits. Except as hereinafter provided, each of such special funds and accounts shall be maintained by the City as a book account and kept separate from all other accounts as a trust account solely for the purposes herein designated therefor. The moneys accounted for in such special book accounts may be in one or more bank accounts in one or more Commercial Banks. Each such bank account shall be continuously secured to the fullest extent required or permitted by the laws of the State for the securing of public funds and shall be irrevocable and not withdrawable by anyone for any purpose other than the respective designated purposes. Each periodic payment shall be credited to the proper book account not later than the date therefor herein designated, except that when any such date shall not be a Business Day, then such payment shall be made on or before the next preceding Business Day. Moneys shall be deposited with the Paying Agent for the Bonds not less than (a) three Business Days prior to each interest payment date and each maturity or mandatory Redemption Date, if funds are delivered by wire transfer, or (b) five Business Days prior to each payment date if funds are delivered by another method of payment, in immediately available amounts sufficient to pay the Bond Requirements then becoming due on the Outstanding Bonds.

Section 603. Investment of Moneys. Any moneys in the Project Fund, the Water Enterprise Fund, the Bond Fund, and the Rebate Fund that are not needed for immediate use shall

be invested or reinvested by the Chief Financial Officer in Investment Securities. All such investments shall (a) either be subject to redemption at any time at a fixed value by the holder thereof at the option of such holder, or (b) mature not later than the estimated date or respective dates on which the proceeds are to be expended as estimated by the Chief Financial Officer at the time of such investment or reinvestment; provided that collateral securities of any Investment Securities may have a maturity of more than five years from the date of purchase thereof. For the purpose of any such investment or reinvestment, Investment Securities shall be deemed to mature at the earliest date on which the obligor is, on demand, obligated to pay a fixed sum in discharge of the whole of such obligations.

Section 604. Accounting for Investments. The Investment Securities so purchased as an investment or reinvestment of moneys in any such account hereunder shall be deemed at all times to be a part of the account. Any interest or other gain from any investments and reinvestments of moneys accounted for in the Water Enterprise Fund, the Project Fund, the Bond Fund, and the Rebate Fund shall be credited to such account, and any loss resulting from any such investments or reinvestments of moneys accounted for in the Water Enterprise Fund, the Project Fund, the Bond Fund, and the Rebate Fund shall be charged or debited to such fund.

No loss or profit in any account on any investments or reinvestments in Investment Securities shall be deemed to take place as a result of market fluctuations of the Investment Securities prior to the sale or maturity thereof. In the computation of the amount in any account for any purpose hereunder, except as herein otherwise expressly provided or for rebate purposes, as described in the Tax Compliance Certificate, Investment Securities shall be valued at the cost thereof (including any amount paid as accrued interest at the time of purchase of the obligation); provided that any time or demand deposits shall be valued at the amounts deposited, in each case exclusive of any accrued interest or any other gain to the City until such gain is realized by the presentation of matured coupons for payment or otherwise.

Section 605. Redemption or Sale of Investment Securities. The Chief Financial Officer shall present for redemption or sale on the prevailing market at the best price obtainable any Investment Securities so purchased as an investment or reinvestment of moneys in the account whenever it shall be necessary in order to provide moneys to meet any withdrawal, payment or transfer from such account. Neither the Chief Financial Officer nor any other officer or employee

of the City shall be liable or responsible for any loss resulting from any such investment or reinvestment made in accordance with this Ordinance.

Section 606. Character of Funds. The moneys in any account designated in Articles IV and V hereof shall consist either of lawful money of the United States or Investment Securities, or both such money and such Investment Securities. Moneys deposited in a demand or time deposit account in a bank or savings and loan association, appropriately secured according to the laws of the State, shall be deemed lawful money of the United States.

Section 607. Payment of Bond Requirements. The moneys credited to any fund or account designated in Article V hereof for the payment of the Bond Requirements of any Bonds shall be used without requisition, voucher, warrant, further order or authority (other than as contained herein), or any other preliminaries, to promptly pay the Bond Requirements of any Bonds payable from such fund or account as such amounts are due, except to the extent any other moneys are available therefor.

ARTICLE VII

SECURITIES LIENS AND ADDITIONAL SECURITIES

Section 701. Lien of Bonds. The Bonds constitute an irrevocable lien (but not necessarily an exclusive lien) upon the Net Pledged Revenues on a parity with the lien of the Net Pledged Revenues of the Parity Bonds.

Section 702. Equality of Bonds. The Bonds and any Parity Bonds heretofore issued or hereafter authorized to be issued and from time to time Outstanding are equitably and ratably secured by a lien on the Net Pledged Revenues and shall not be entitled to any priority over one another in the application of the Net Pledged Revenues regardless of the time or times of the issuance of the Bonds and any other such Parity Bonds, it being the intention of the Council that there shall be no priority among the Bonds and any such Parity Bonds regardless of the fact that they may be actually issued and delivered at different times, except that (a) moneys in the Project Fund, and the Bond Fund shall secure only the Bonds and the moneys in any acquisition, bond, reserve or similar funds established for other Parity Bonds shall secure only such Parity Bonds; and (b) other Parity Bonds may have a lien on Net Pledged Revenues on a parity with the lien thereon of the Bonds even if no reserve fund is established for such Parity Bonds or a reserve fund is established but with a different requirement as to the amount of moneys required to be on deposit

therein or the manner in which such reserve fund is funded or the period of time over which such reserve fund is funded.

Section 703. Issuance of Parity Bonds. Nothing herein prevents the issuance by the City of additional securities payable from the Net Pledged Revenues and constituting a lien thereon on a parity with, but not prior nor superior to, the lien thereon of the Bonds; but before any such additional Parity Bonds, except as provided in Section 708, are authorized or actually issued all of the following conditions must be satisfied:

A. Absence of Default. At the time of the adoption of the ordinance authorizing the issuance of the additional securities, the City shall not be in default in making any payments required by Article V hereof or any Parity Bond Ordinances.

B. Historic Earnings Test. The Net Pledged Revenues for any 12 consecutive months out of the 24 months preceding the month in which such securities are to be issued are at least equal to the sum of 110% of the Combined Maximum Annual Principal and Interest Requirements of the Outstanding Bonds, any Outstanding Parity Bonds and such additional Parity Bonds proposed to be issued.

C. Adjustment of Gross Pledged Revenues. In any computation under paragraph B of this Section, the amount of the Gross Pledged Revenues for the applicable period shall be decreased and may be increased by the amount of loss or gain conservatively estimated by an Independent Accountant, Independent Engineer or the Chief Financial Officer, as the case may be, which results from any changes in any schedule of fees, rates and other charges constituting Gross Pledged Revenues based on the number of users during the applicable period as if such modified schedule of fees, rates and other charges shall have been in effect during such entire time period. However, the Gross Pledged Revenues need not be decreased by the amount of any such estimated loss to the extent the Independent Accountant, the Independent Engineer or the Chief Financial Officer estimates the loss is temporary in nature or will be offset within a reasonable temporary period by an increase in revenues or a reduction in Operation and Maintenance Expenses not otherwise included in the calculations under this Section, and estimates any loss under this sentence will not at any time materially and adversely affect the City's apparent ability to comply with the rate maintenance covenant stated in Section 821 hereof without modification because of any restrictive legislation, regulation or other action under the police power exercised by any governmental body.

D. Reduction of Annual Requirements. The respective annual Bond Requirements (including as such the required amount of any prior redemption premiums due on any Redemption Date) shall be reduced to the extent such Bond Requirements are scheduled to be paid in each of the respective Fiscal Years with moneys held in trust or in escrow for that purpose by any Trust Bank, including the known minimum yield from any investment in Federal Securities and any bank deposits, including any certificate of deposit.

E. Consideration of Additional Expenses. In determining whether or not additional Parity Bonds may be issued as aforesaid, consideration shall be given to any probable increase (but not reduction) in the Operation and Maintenance Expenses of the Water System as estimated by the Chief Financial Officer that will result from the expenditure of the funds proposed to be derived from the issuance and sale of the additional securities; but the Chief Financial Officer may reduce any such increase in Operation and Maintenance Expenses by the amount of any increase in revenues or any reduction in Operation and Maintenance Expenses resulting from the Capital Improvements to which such expenditure relates and not otherwise included in the calculations under this Section, if the Chief Financial Officer also opines that any such increase in revenues or reduction in any increase in Operation and Maintenance Expenses will not materially and adversely affect the City's apparent ability to comply with the rate maintenance covenant stated in Section 821 hereof without modification because of any restrictive legislation, regulation or other action under the police power exercised by any governmental body.

Section 704. Certification of Revenues. A written certificate or written opinion by the Chief Financial Officer that the annual revenues required under paragraph B of Section 703 hereof, when adjusted as hereinabove provided in paragraphs C, D, and E of Section 703 hereof, are sufficient to pay such amounts, as provided in paragraph B of Section 703 hereof, shall be conclusively presumed to be accurate in determining the right of the City to authorize, issue, sell and deliver additional securities on a parity with the Bonds.

Section 705. Subordinate Securities Permitted. Nothing herein prevents the City from issuing additional securities payable from the Net Pledged Revenues and having a lien thereon subordinate, inferior and junior to the lien thereon of the Bonds.

Section 706. Superior Securities Prohibited. Nothing herein permits the City to issue additional securities payable from the Net Pledged Revenues and having a lien thereon prior and superior to the lien thereon of the Bonds.

Section 707. Use of Proceeds. The proceeds of any Parity Bonds or other securities payable from any Net Pledged Revenues shall be used only to finance Capital Improvements and/or to refund all or any portion of the Bonds, Parity Bonds, or other securities payable from Net Pledged Revenues, regardless of the priority or the lien of such securities on Net Pledged Revenues.

Section 708. Issuance of Refunding Securities. The City may issue any refunding securities payable from Net Pledged Revenues to refund any Outstanding Bonds or Parity Bonds, with such details as the Council may by ordinance provide so long as there is no material impairment of any contractual obligation imposed upon the City by any proceedings authorizing the issuance of any unrefunded portion of such Outstanding securities of any one or more issues; but so long as the Bonds, or any part thereof, are Outstanding, refunding securities payable from Net Pledged Revenues may be issued on a parity with the unrefunded Bonds only if:

A. Prior Consent. The City first receives the consent of the Owner or Owners of the unrefunded portion of the Bonds; or

B. Requirements Not Increased. The Combined Maximum Annual Principal and Interest Requirements for the Bonds and Parity Bonds Outstanding immediately after the issuance of the refunding securities is not greater than the Combined Maximum Annual Principal and Interest Requirements for all Bonds and Parity Bonds Outstanding immediately prior to the issuance of the refunding securities and the lien of any refunding Parity Bonds on the Net Pledged Revenues is not raised to a higher priority than the lien thereon of any securities thereby refunded; or

C. Earnings Test. The refunding securities are issued in compliance with Section 703 hereof.

ARTICLE VIII

PROTECTIVE COVENANTS

Section 801. General. The City hereby covenants and agrees with the Owners of the Bonds and makes provisions which shall be a part of its contract with such Owners to the effect and with the purpose set forth in the following Sections of this Article.

Section 802. Performance of Duties. The City, acting by and through the Council or otherwise, shall faithfully and punctually perform, or cause to be performed, all duties with respect to the Gross Pledged Revenues and the Water System required by the Constitution and laws of the State and the various ordinances of the City, including, without limitation, the making and collection of reasonable and sufficient fees, rates and other charges for services rendered or furnished by or from the use of the Water System, as herein provided, and the proper segregation of the proceeds of the Bonds and of any securities hereafter authorized and the Gross Pledged Revenues and their application from time to time to the respective accounts provided therefor.

Section 803. Contractual Obligations. The City shall perform all contractual obligations undertaken by it under any agreements relating to the Bonds, the Gross Pledged Revenues, the Project, or the Water System, or any combination thereof, with any other Persons.

Section 804. Further Assurances. At any and all times the City shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge, deliver and file or record all and every such further instruments, acts, deeds, conveyances, assignments, transfers, other documents and assurances as may be reasonably necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights, the Gross Pledged Revenues and other moneys and accounts hereby pledged or assigned, or intended to be pledged or assigned, or which the City may hereafter become bound to pledge or to assign, or as may be reasonable and required to carry out the purposes of this Ordinance and to comply with any instrument of the City amendatory thereof, or supplemental thereto. The City, acting by and through the Council, or otherwise, shall at all times, to the extent permitted by law, reasonably defend, preserve and protect the pledge of the Gross Pledged Revenues and other moneys and accounts pledged hereunder and all the rights of every Owner of any Bond hereunder against all claims and demands of all Persons whomsoever.

Section 805. Conditions Precedent. Upon the date of issuance of the Bonds, all conditions, acts and things required by the Federal or State Constitution, the Enterprise Act, the Supplemental Public Securities Act, the Charter, this Ordinance, or any other applicable law to exist, to have happened and to have been performed precedent to or in the issuance of the Bonds shall exist, have happened, and have been performed; and the Bonds, together with all other obligations of the City, shall not contravene any debt or other limitation prescribed by the State Constitution.

Section 806. Efficient Operation and Maintenance. The City shall at all times operate the Water System properly and in a sound and economical manner; and the City shall maintain, preserve and keep the same properly or cause the same to be so maintained, preserved and kept, with the appurtenances and every part and parcel thereof in good repair, working order and condition, and shall from time to time make or cause to be made all necessary and proper repairs, replacements and renewals so that at all times the operation of the Water System may be properly and advantageously conducted. All salaries, fees, wages and other compensation paid by the City in connection with the maintenance, repair and operation of the Water System shall be reasonable and proper.

Section 807. Rules, Regulations and Other Details. The City, acting by and through the Council, shall establish and enforce reasonable rules and regulations governing the operation, use and services of the Water System. The City shall observe and perform all of the terms and conditions contained in this Ordinance, and shall comply with all valid acts, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to the Water System or to the City, except for any period during which the same are being contested in good faith by proper legal proceedings.

Section 808. Payment of Governmental Charges. The City shall pay or cause to be paid all taxes and assessments or other governmental charges, if any, lawfully levied or assessed upon or in respect of the Water System, or upon any part thereof, or upon any portion of the Gross Pledged Revenues, when the same shall become due, and shall duly observe and comply with all valid requirements of any governmental authority relative to the Water System or any part thereof, except for any period during which the same are being contested in good faith by proper legal proceedings. The City shall not create or suffer to be created any lien upon the Water System, or any part thereof, or upon the Gross Pledged Revenues, except the pledge and lien created by this

Ordinance for the payment of the Bond Requirements of the Bonds and except as herein otherwise permitted. The City shall pay or cause to be discharged or shall make adequate provision to satisfy and to discharge, within 60 days after the same shall become payable, all lawful claims and demands for labor, materials, supplies or other objects which, if unpaid, might by law become a lien upon the Water System, or any part thereof, or the Gross Pledged Revenues; but nothing herein requires the City to pay or cause to be discharged or to make provision for any such tax, assessment, lien or charge, so long as the validity thereof is contested in good faith and by appropriate legal proceedings.

Section 809. Protection of Security. The City, the officers, agents and employees of the City, and the Council shall not take any action in such manner or to such extent as might materially prejudice the security for the payment of the Bond Requirements of the Bonds, the Parity Bonds, and any other securities payable from the Net Pledged Revenues according to the terms thereof. No contract shall be entered into nor any other action taken by which the rights of any Owner of any Bond or other security payable from Net Pledged Revenues might be prejudicially and materially impaired or diminished.

Section 810. Prompt Payment of Bonds. The City shall promptly pay the Bond Requirements of the Bonds at the places, on the dates and in the manner specified herein and in the Bonds according to the true intent and meaning hereof.

Section 811. Use of Bond Fund. The Bond Fund shall be used solely for and the moneys credited to such funds and accounts therein are hereby pledged, and a lien thereon is hereby created, for the purpose of paying the Bond Requirements of the Bonds to their respective maturities or any Redemption Date or Dates, subject to the provisions of Sections 505, 506, 507, 508, 509, 603 and 1201 hereof.

Section 812. Other Liens. Other than as provided herein, there are no liens or encumbrances of any nature whatsoever on or against the Water System, or any part thereof, or on or against the Gross Pledged Revenues on a parity with or superior to the lien thereon of the Bonds.

Section 813. Corporate Existence. The City shall maintain its corporate identity and existence so long as any of the Bonds remain Outstanding, unless another body corporate and politic by operation of law succeeds to the powers, privileges, rights, liabilities, disabilities, duties and immunities of the City and is obligated by law to operate and maintain the Water System and

to fix and collect the Gross Pledged Revenues as herein provided without adversely and materially affecting at any time the privileges and rights of any Owner of any Outstanding Bond.

Section 814. Disposal of Water System Prohibited. Except for the use of the Water System and services pertaining thereto in the normal course of business, or as provided in Section 815 hereof, neither all nor a substantial part of the Water System shall be sold, leased, mortgaged, pledged, encumbered, alienated or otherwise disposed of, until all the Bonds have been paid in full, as to all Bond Requirements, or unless provision has been made therefor, or until the Bonds have otherwise been redeemed, including, without limitation, the termination of the pledge as herein authorized; and the City shall not dispose of its title to the Water System or to any useful part thereof, including any property necessary to the operation and use of the Water System and the lands and interests in lands comprising the sites of the Water System, except as provided in Section 815 hereof.

Section 815. Disposal of Unnecessary Property. The City at any time and from time to time may sell, exchange, lease or otherwise dispose of any property constituting a part of the Water System and not useful in the construction, reconstruction or operation thereof, or which shall cease to be necessary for the efficient operation of the Water System, or which shall have been replaced by other property of at least equal value. Any proceeds of any such sale, exchange, lease or other disposition received and not used to replace such property so sold or so exchanged or otherwise so disposed of, shall be deposited by the City in the Water Enterprise Fund or into a special book account for the betterment, enlargement, extension, other improvement and equipment of the Water System, or any combination thereof, as the Council may determine, provided that any proceeds of any such lease received shall be deposited by the City as Gross Pledged Revenues in the Water Enterprise Fund.

Section 816. Competing Water System. So long as any of the Bonds are Outstanding, the City shall not grant any franchise or license to any competing facilities so that the Gross Pledged Revenues shall not be sufficient to satisfy the covenant in Section 821 hereof.

Section 817. Loss From Condemnation. If any part of the Water System is taken by the exercise of the power of eminent domain, the amount of any award received by the City as a result of such taking shall be paid into the Water Enterprise Fund or into a capital improvement account pertaining to the Water System for the purposes thereof, or, applied to the redemption of

the Outstanding Bonds and any Outstanding Parity Bonds relating thereto, all as the City may determine.

Section 818. Employment of Management Engineers. If the City defaults in paying the Bond Requirements of the Bonds or any Parity Bonds, and any other securities payable from the Gross Pledged Revenues promptly as the same fall due, or an Event of Default has occurred and is continuing, or if the Net Pledged Revenues in any Fiscal Year fail to equal at least the amount of the Bond Requirements of the Outstanding Bonds, Parity Bonds, and any other securities (including all reserves therefor specified in the authorizing proceedings, including, without limitation, this Ordinance) payable from the Net Pledged Revenues in that Fiscal Year, the City shall retain a firm of competent management engineers skilled in the operation of such facilities to assist the management of the Water System so long as such default continues or so long as the Net Pledged Revenues are less than the amount hereinabove designated in this Section.

Section 819. Budgets. The Council and officials of the City shall annually and at such other times as may be provided by law prepare and adopt a budget pertaining to the Water System. A copy of such budget shall be provided to the Purchaser within 30 days of adoption.

Section 820. Reasonable and Adequate Charges. While the Bonds remain Outstanding and unpaid, the fees, rates and other charges due to the City for the use of or otherwise pertaining to and services rendered by the Water System to the City, to its inhabitants and to all other users within and without the boundaries of the City shall be reasonable and just, taking into account and consideration public interests and needs, the cost and value of the Water System, the Operation and Maintenance Expenses thereof, and the amounts necessary to meet the Bond Requirements of all Bonds, the Parity Bonds, and any other securities payable from the Net Pledged Revenues, including, without limitation, reserves and any replacement accounts therefor.

Section 821. Adequacy and Applicability of Charges. There shall be charged against users of service pertaining to and users of the Water System, except as provided by Section 822 hereof, such fees, rates and other charges so that the Gross Pledged Revenues shall be adequate to meet the requirements of this and the preceding Sections hereof. Such charges pertaining to the Water System shall be at least sufficient so that the Gross Pledged Revenues annually are sufficient to pay in each Fiscal Year:

A. Operation and Maintenance Expenses. An amount equal to the annual Operation and Maintenance Expenses for such Fiscal Year,

B. Principal and Interest. An amount equal to 110% of both the principal and interest on the Bonds and any Parity Bonds then Outstanding in that Fiscal Year (excluding the reserves therefor), and

C. Deficiencies. Any amounts required to meet then existing deficiencies pertaining to any fund or account relating to the Gross Pledged Revenues or any securities payable therefrom.

Section 822. Limitations Upon Free Service. No free service or facilities shall be furnished by the Water System, except that if the City elects to use for City purposes any water facilities, or other services and facilities provided by the Water System or otherwise to use the Water System or any part thereof, the City is not required to pay for such use.

Section 823. Levy of Charges. The City shall forthwith and in any event prior to the delivery of any of the Bonds, fix, establish and levy the fees, rates and other charges which are required by Section 821 of this Ordinance, if such action is necessary therefor. No reduction in any initial or existing rate schedule for the Water System may be made:

A. Proper Application. Unless the City has fully complied with the provisions of Article V of this Ordinance for at least the full Fiscal Year immediately preceding such reduction of the initial or any other existing rate schedule; and

B. Sufficient Revenues. Unless the audit required by the Independent Accountant by Section 827 hereof for the full Fiscal Year immediately preceding such reduction discloses that the estimated revenues resulting from the proposed rate schedule for the Water System, after the schedule's proposed reduction, shall be at least sufficient to produce the amounts required by Section 821 hereof.

Section 824. Collection of Charges. The City shall use commercially reasonable best efforts to cause all fees, rates and other charges pertaining to the Water System to be collected as soon as is reasonable, shall reasonably prescribe and enforce rules and regulations or impose contractual obligations for the payment of such charges, and for the use of the Water System, and shall provide methods of collection and penalties, to the end that the Gross Pledged Revenues shall be adequate to meet the requirements of this Ordinance and any other ordinance supplemental thereto.

Section 825. Procedure for Collecting Charges. All bills for water services and all other services or facilities furnished or served by or through the Water System shall be rendered

to customers on a regularly established basis. The fees, rates and other charges due shall be collected in a lawful manner, including, without limitation, discontinuance of service.

Section 826. Maintenance of Records. So long as any of the Bonds and any Parity Bonds payable from the Gross Pledged Revenues remain Outstanding, proper books of record and account pertaining to the Gross Pledged Revenues and the Water System shall be kept by the City, separate and apart from all other records and accounts.

Section 827. Audits Required. The City shall cause an audit for each Fiscal Year of the books and accounts pertaining to the Gross Pledged Revenues and the Water System to be completed by an Independent Accountant within 210 days following the close of such Fiscal Year.

Section 828. Accounting Principles. Water System records and accounts, and audits thereof, shall be currently kept and made, as nearly as practicable, in accordance with the then generally accepted accounting principles, methods and terminology followed and construed for utility operations comparable to the Water System, except as may be otherwise provided herein or required by applicable law or regulation or by contractual obligation existing on the effective date of this Ordinance.

Section 829. Insurance and Reconstruction. Except to the extent of any self-insurance, the City shall at all times maintain with responsible insurers fire and extended coverage insurance, worker's compensation insurance, public liability insurance and all such other insurance as is customarily maintained with respect to utilities of like character against loss of or damage to the Water System and against loss of revenues and against public and other liability to the extent reasonably necessary to protect the interests of the City and of each Owner of a Bond. If any useful part of the Water System shall be damaged or destroyed, the City shall, as expeditiously as may be possible, commence and diligently proceed with the repair or replacement of the damaged property so as to restore the same to use. The proceeds of any such insurance shall be payable to the City and (except for proceeds of any use and occupancy insurance) shall be applied to the necessary costs involved in such repair and replacement and to the extent not so applied shall (together with the proceeds of any such use and occupancy insurance) be deposited in the Water Enterprise Fund by the City as revenues derived from the operation of the Water System. If the costs of such repair and replacement of the damaged property exceed the proceeds of such insurance available for the payment of the same, moneys in the Water Enterprise Fund may be used to the extent necessary for such purposes, as permitted by Section 511 hereof.

Section 830. Federal Income Tax Exemption. The City covenants for the benefit of the Owners of the Bonds at any time Outstanding that it will not take any action or omit to take any action with respect to the Bonds, the proceeds thereof, any other funds of the City or any facilities financed or refinanced with the proceeds of the Bonds if such action or omission (a) would cause the interest on the Bonds to lose its excludability from gross income for federal income tax purposes under Section 103 of the Code, (b) would cause interest on the Bonds to become a specific preference item for purposes of federal alternative minimum tax under the Code, except as such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations, or (c) would cause interest on the Bonds to lose its exclusion from Colorado taxable income or Colorado alternative minimum taxable income under present State law. In furtherance of this covenant, the City agrees to comply with the procedures set forth in the Tax Compliance Certificate with respect to the Bonds. The foregoing covenant shall remain in full force and effect notwithstanding the payment in full or defeasance of the Bonds until the date on which all obligations of the City in fulfilling the above covenant under the Tax Code and Colorado law have been met.

ARTICLE IX

PRIVILEGES, RIGHTS AND REMEDIES

Section 901. Owners' Remedies. Each Owner of any Bond shall be entitled to all of the privileges, rights and remedies provided or permitted by this Ordinance, and as otherwise provided or permitted by law or in equity or by any statutes, except as provided in Sections 202 through 206 hereof, but subject to the provisions herein concerning the pledge of and the covenants and the other contractual provisions concerning the Gross Pledged Revenues and the proceeds of the Bonds.

Section 902. Right to Enforce Payment. Nothing in this Article affects or impairs the right of any Owner of any Bond to enforce the payment of the Bond Requirements due in connection with such Person's Bond or the obligation of the City to pay the Bond Requirements of each Bond to the Owner thereof at the time and the place expressed in the Bond.

Section 903. Events of Default. Each of the following events is hereby declared an "Event of Default," provided however, that in determining whether a payment default has occurred

pursuant to paragraphs A or B of this Section, no effect shall be given to payments made under the Insurance Policy:

A. Nonpayment of Principal. Payment of the principal of any of the Bonds is not made when the same becomes due and payable, either at maturity or by proceedings for prior redemption, or otherwise;

B. Nonpayment of Interest. Payment of any installment of interest on any of the Bonds is not made when the same becomes due and payable;

C. Cross Defaults. The occurrence and continuance of an “event of default,” as defined in any Parity Bond Ordinance;

D. Failure to Reconstruct. The City unreasonably delays or fails to carry out with reasonable dispatch the reconstruction of any part of the Water System which is destroyed or damaged and is not promptly repaired or replaced (whether such failure promptly to repair the same is due to impracticability of such repair or replacement or is due to a lack of moneys therefor or for any other reason), but it shall not be an Event of Default if such reconstruction is not essential to the efficient operation of the Water System;

E. Appointment of Receiver. An order or decree is entered by a court of competent jurisdiction with the consent or acquiescence of the City appointing a receiver or receivers for the Water System or for the Gross Pledged Revenues and any other moneys subject to the lien to secure the payment of the Bonds, or if an order or decree having been entered without the consent or acquiescence of the City is not vacated or discharged or stayed on appeal within 60 days after entry; and

F. Default of Any Provision. The City defaults in the due and punctual performance of any other of the representations, covenants, conditions, agreements and other provisions contained in the Bonds or in this Ordinance on its part to be performed (other than Section 831 hereof), and such default continues for 30 days after written notice specifying such default and requiring the same to be remedied is given to the City specifying the failure and requiring that it be remedied, which notice may be given by the Paying Agent in its discretion and shall be given by the Paying Agent at the written request of the Owners of not less than 25% in aggregate principal amount of Bonds then Outstanding.

Section 904. Remedies for Defaults. Upon the happening and continuance of any Event of Default, the Owner or Owners of not less than 25% in aggregate principal amount of the Bonds

then Outstanding, including, without limitation, a trustee or trustees therefor, may proceed against the City and its agents, officers and employees to protect and to enforce the rights of any Owner of Bonds under this Ordinance by mandamus or by other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction, either for the appointment of a receiver or for the specific performance of any covenant or agreement contained herein or in an award of execution of any power herein granted for the enforcement of any proper legal or equitable remedy as such Owner or Owners may deem most effectual to protect and to enforce the rights aforesaid, or thereby to enjoin any act or thing which may be unlawful or in violation of any right of any Owner of any Bond, or to require the City to act as if it were the trustee of an expressed trust, or any combination of such remedies. All such proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Owners of the Bonds. The City shall not be liable for incidental, punitive, exemplary or consequential damages, or for lost profits, whether direct or indirect. Acceleration shall not be a remedy upon the happening or continuance of any Event of Default. Notwithstanding the foregoing provisions of this Section, nothing in this Ordinance shall act as or be deemed to be a waiver by the City of the Colorado Governmental Immunity Act, Title 24, Article 10, C.R.S., as now or hereafter amended.

Upon the declaration of an Event of Default, the Bonds shall bear interest at the Default Rate.

Section 905. Receiver's Rights and Privileges. Any receiver appointed in any proceedings to protect the rights of such Owners hereunder, the consent to any such appointment being hereby expressly granted by the City, may enter and may take possession of the Water System, may operate and maintain the same, may prescribe fees, rates and other charges, and may collect, receive and apply all Gross Pledged Revenues arising after the appointment of such receiver in the same manner as the City itself might do.

Section 906. Rights and Privileges Cumulative. The failure of any Owner of any Outstanding Bond to proceed in any manner herein provided shall not relieve the City, or any of its officers, agents or employees of any liability for failure to perform or carry out any duty, obligation or other commitment. Each right or privilege of any such Owner (or trustee thereof) is in addition and is cumulative to any other right or privilege, and the exercise of any right or privilege by or on behalf of any Owner shall not be deemed a waiver of any other right or privilege thereof.

Section 907. Duties upon Defaults. Upon the happening of any Event of Default, the City shall do and perform all proper acts on behalf of and for the Owners of Bonds to protect and to preserve the security created for the payment of the Bonds and to insure the payment of the Bond Requirements promptly as the same become due. While any Event of Default exists, except to the extent it may be unlawful to do so, all Gross Pledged Revenues shall be paid into the Bond Fund and into bond or similar funds established for any Parity Bonds then Outstanding, pro rata based upon the aggregate principal amount of the Bonds and Parity Bonds then Outstanding. If the City fails or refuses to proceed as in this Section provided, the Owner or Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding, after demand in writing, may proceed to protect and to enforce the rights of the Owners of the Bonds as hereinabove provided, and to that end any such Owners of the Outstanding Bonds shall be subrogated to all rights of the City under any agreement, lease or other contract involving the Water System or the Gross Pledged Revenues entered into prior to the effective date of this Ordinance or thereafter while any of the Bonds are Outstanding.

ARTICLE X

AMENDMENT OF ORDINANCE

Section 1001. Privilege of Amendments.

A. Except as hereafter provided, this Ordinance may be amended or supplemented by ordinances adopted by the Council in accordance with law, without receipt by the City of any additional consideration, and the Owners of not less than a majority of aggregate principal amount of the Bonds Outstanding at the time of the adoption of such amendatory or supplemental ordinance excluding, pursuant to Section 314 hereof, any Bonds which may then be held or owned for the account of the City. Notwithstanding the foregoing, no such ordinance shall permit:

- (1) Changing Payment. A change in the maturity, terms of redemption or interest payment of any Outstanding Bond; or
- (2) Reducing Return. A reduction in the principal amount of any Bond or the rate of interest thereon, without the consent of the Owner of the Bond; or
- (3) Prior Lien. The creation of a lien upon or a pledge of revenues ranking prior, superior and senior to the lien or to the pledge created by this Ordinance; or

(4) Modifying Any Bond. A reduction of the principal amount or percentages or otherwise affecting the description of Bonds the consent of the Owners of which is required for any such modification or amendment; or

(5) Priorities Between Bonds The establishment of priorities as between Bonds issued and Outstanding; or

(6) Modification of Less Than All the Bonds. The modification of or otherwise affecting the rights of the Owners of less than all of the Outstanding Bonds.

B. Notwithstanding the foregoing provisions of this Section, this Ordinance and the rights and obligations of the City and of the Owners of the Bonds may also be modified or amended at any time, without the consent of any Owners of the Bonds, but only to the extent permitted by law and only for any or all of the following purposes:

(1) to add to the covenants and agreements of the City contained in this Ordinance other covenants and agreements thereafter to be observed;

(2) to subject to the covenants and agreements of the City in this Ordinance additional Water System revenues, to be defined and treated as Gross Pledged Revenues, for the purpose of providing additional security for the Bonds and any Parity Bonds;

(3) to provide for the appointment of a new Paying Agent;

(4) to make such provisions for the purpose of curing any ambiguity or of curing or correcting any formal defect or omission in this Ordinance, or in regard to questions arising under this Ordinance, as the City may deem necessary or desirable, and which shall not adversely affect the interests of the Owners of the Bonds; or

(5) in order to preserve or protect the excludability from gross income for federal income tax purposes of the interest allocable to the Bonds.

Section 1002. Notice of Amendment. Whenever the Council proposes to amend or modify this Ordinance under the provisions of this Article, it shall cause notice of the proposed amendment to be mailed to Owners of all Outstanding Bonds at their addresses as the same last appear on the registration records maintained by the Paying Agent or by electronic means. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy of the proposed amendatory ordinance is on file with the office of the City Clerk for public inspection.

Section 1003. Time for Amendment. If the ordinance is required to be consented to by the Owners of the Bonds, whenever at any time within one year from the date of the giving of such

notice there shall be filed with the City Manager an instrument or instruments executed by the Owners of not less than a majority of aggregate principal amount of the Bonds then Outstanding, which instrument or instruments shall refer to the proposed amendatory ordinance described in such notice and shall specifically consent to and approve the adoption of such ordinance, the Council may adopt such amendatory ordinance and such ordinance shall become effective. If the ordinance is not required to be consented to by the Owners of the Bonds, the amendatory ordinance may be adopted by the Council at any time.

Section 1004. Binding Consent to Amendment. If the Owners of not less than a majority of aggregate principal amount of the Bonds Outstanding at the time of the adoption of such amendatory ordinance requiring consent of the Owners of the Bonds, or the predecessors in title of such Owners, shall have consented to and approved the adoption thereof as herein provided, no Owner of any Bond, whether or not such Owner shall have consented to or shall have revoked any consent as in this Article provided, shall have any right or interest to object to the adoption of such amendatory ordinance or to object to any of the terms or provisions therein contained or to the operation thereof or to enjoin or restrain the City from taking any action pursuant to the provisions thereof.

Section 1005. Time Consent Binding. Any consent given by the Owner of a Bond pursuant to the provisions of this Article shall be irrevocable for a period of 6 months from the date of the giving of the notice above provided for and shall be conclusive and binding upon all future Owners of the same Bond during such period. Such consent may be revoked at any time after 6 months from the date of such giving of such notice by the Owner who gave such consent or by a successor in title by filing notice of such revocation with the City Manager, but such revocation shall not be effective if the Owners of not less than a majority in aggregate principal amount of the Bonds Outstanding as in this Article provided, prior to the attempted revocation, consented to and approved the amendatory ordinance referred to in such revocation.

Section 1006. Unanimous Consent. Notwithstanding anything in the foregoing provisions of this Article, the terms and provisions of this Ordinance or of any ordinance amendatory thereof or supplemental thereto and the rights and the obligations of the City and of the Owners of the Bonds thereunder may be modified or amended in any respect upon the adoption by the City and upon the filing with the City Manager of an ordinance to that effect and with the consent of the Owners of all the then Outstanding Bonds, such consent to be given as provided in

Section 1003 hereof; and no notice to Owners of Bonds shall be required as provided in Section 1002 hereof, nor shall the time of consent be limited except as may be provided in such consent.

Section 1007. Exclusion of City's Bonds. At the time of any consent or of other action taken under this Article, the City shall furnish to the City Manager a certificate of the Chief Financial Officer, upon which the City may rely, describing all Bonds to be excluded for the purpose of consent or of other action or of any calculation of Outstanding Bonds provided for in this Article, and the City shall not be entitled with respect to such Bonds to give any consent or to take any other action provided for in this Article, as provided in Section 314 hereof.

Section 1008. Notation on Bonds. Bonds authenticated and delivered after the effective date of any action taken as in this Article provided may bear a notation by endorsement or otherwise in form approved by the Council as to such action; and after the approval of such notation, then upon demand of the Owner of any Bond Outstanding and upon presentation of such Person's Bond for that purpose at the principal office of the Paying Agent, suitable notation shall be made on such Bond by the Paying Agent as to any such action. If the Council so determines, new Bonds, so modified as in the opinion of the Council conform to such action, shall be prepared, executed, authenticated and delivered; and upon demand of the Owner of any Bond then Outstanding, shall be exchanged without cost to such Owner for Bonds then Outstanding upon surrender of such Bonds.

Section 1009. Proof of Instruments and Bonds. The fact and date of execution of any instrument under the provisions of this Article, the amount and number of the Bonds held by any Person executing such instrument, and the date of such Person's holding the same may be proved as provided by Section 1203 hereof.

ARTICLE XI - RESERVED

ARTICLE XII

MISCELLANEOUS

Section 1201. Defeasance. If, when the Bonds shall be paid in accordance with their terms (or payment of the Bonds has been provided for in the manner set forth in the following paragraph), together with all other sums payable hereunder, then this Ordinance and all rights granted hereunder shall thereupon cease, terminate and become void and be discharged and satisfied.

Payment of any Outstanding Bond shall prior to the maturity or Redemption Date thereof be deemed to have been provided for within the meaning and with the effect expressed in this Section if (a) in case said Bond is to be redeemed on any date prior to its maturity, the City shall have given to the Paying Agent in form satisfactory to it irrevocable instructions to give on a date in accordance with the provisions of Section 313 hereof, notice of redemption of such Bond on said Redemption Date, such notice to be given in accordance with the provisions of Section 313 hereof, (b) there shall have been deposited with the Paying Agent or other Trust Bank either moneys in an amount which shall be sufficient, and/or Federal Securities which shall not contain provisions permitting the redemption thereof at the option of the issuer, the principal of and the interest on which when due, and without any reinvestment thereof, will provide moneys which, together with the moneys, if any, deposited with or held by the Paying Agent or other Trust Bank at the same time, shall be sufficient to pay when due the Bond Requirements due and to become due on said Bond on and prior to the Redemption Date or maturity date thereof, as the case may be, and (c) in the event said Bond is not by its terms subject to redemption within the next sixty days, the City shall have given the Paying Agent in form satisfactory to it irrevocable instructions to give, as soon as practicable in the same manner as the notice of redemption is given pursuant to Section 313 hereof, a notice to the Owner of such Bond that the deposit required by (b) above has been made with the Paying Agent or other Trust Bank and that payment of said Bond has been provided for in accordance with this Section and stating such maturity or Redemption Date upon which moneys are to be available for the payment of the Bond Requirements of said Bond. Neither such securities nor moneys deposited with the Paying Agent or other Trust Bank pursuant to this Section or principal or interest payments on any such Federal Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the Bond Requirements of said Bond; provided any cash received from such principal or interest payments on such Federal Securities deposited with the Paying Agent or other Trust Bank, if not then needed

for such purpose, shall, to the extent practicable, be reinvested in securities of the type described in (b) of this paragraph maturing at times and in amounts sufficient to pay when due the Bond Requirements to become due on said Bond on or prior to such Redemption Date or maturity date thereof, as the case may be. At such time as payment of a Bond has been provided for as aforesaid, such Bond shall no longer be secured by or entitled to the benefits of this Ordinance, except for the purpose of any payment from such moneys or securities deposited with the Paying Agent or other Trust Bank.

The release of the obligations of the City under this Section shall be without prejudice to the right of the Paying Agent to be paid reasonable compensation for all services rendered by it hereunder and all its reasonable expenses, charges and other disbursements incurred on or about the administration of and performance of its powers and duties hereunder.

Upon compliance with the foregoing provisions of this Section with respect to all Bonds then Outstanding, this Ordinance may be discharged in accordance with the provisions of this Section but the liability of the City in respect of the Bonds shall continue; provided that the Owners thereof shall thereafter be entitled to payment only out of the moneys or Federal Securities deposited with the Paying Agent or other Trust Bank as provided in this Section.

Section 1202. Delegated Powers. The officers, employees and agents of the City be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance, including, without limitation:

A. Final Certificates. the execution of such certificates and closing documents as may be reasonably required by the Purchaser or Bond Counsel;

B. Paying Agent Agreement. the execution and delivery of an agreement with the Paying Agent necessary or desirable to evidence the acceptance by the Paying Agent of its duties hereunder; and

C. Electronic Signatures. the use of electronic signatures to execute any of the documents described in this Section 1202 or elsewhere in this Ordinance, as authorized by Article 71.3 of Title 24, C.R.S., also known as the Uniform Electronic Transactions Act.

Section 1203. Evidence of Bond Owners. Any request, consent or other instrument which this Ordinance may require or may permit to be signed and to be executed by the Owners of any Bonds may be in one or more instruments of similar tenor and shall be signed or shall be executed by each such Owner in person or by such Person's attorney appointed in writing. Proof

of the execution of any such instrument or of an instrument appointing any such attorney, or the holding by any Person of the Bonds shall be sufficient for any purpose of this Ordinance (except as otherwise herein expressly provided) if made in the following manner:

A. Proof of Execution. The fact and the date of the execution by any Owner of any Bonds or such Person's attorney of such instrument may be established by a certificate, which need not be acknowledged or verified, of an officer of a bank or trust company satisfactory to the City Manager or Chief Financial Officer, of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he or she purports to act, that the individual signing such request or other instrument acknowledged to him or her the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer; the authority of the individual or individuals executing any such instrument on behalf of a corporate Owner of any securities may be established without further proof if such instrument is signed by an individual purporting to be the president or vice-president of such corporation with a corporate seal affixed and attested by an individual purporting to be its secretary or an assistant secretary; and the authority of any Person or Persons executing any such instrument in any fiduciary or representative capacity may be established without further proof if such instrument is signed by a Person or Persons purporting to act in such fiduciary or representative capacity; and

B. Proof of Holdings. The amount of Bonds held by any Person and the numbers, date and other identification thereof, together with the date of such Person's holding the Bonds, shall be proved by the registration records maintained by the Paying Agent.

Section 1204. Parties Interested Herein. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any Person, other than the City, the Paying Agent, and the Owners of the Bonds, any right, remedy or claim under or by reason of this Ordinance or any covenant, condition or stipulation hereof; and all the covenants, stipulations, promises and agreements in this Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Paying Agent, the Surety Provider and the Owners of the Bonds.

Section 1205. Notices. Except as otherwise may be provided in this Ordinance, all notices, certificates, requests or other communications pursuant to this Ordinance shall be in

writing and shall be sufficiently given and shall be deemed given by personal delivery or when mailed by first class mail, and either delivered or addressed as follows:

If to the City at:

City of Grand Junction
250 North 5th Street
Grand Junction, Colorado 81501
Attention: Chief Financial Officer

If to the Paying Agent at:

Zions Bancorporation, National Association
7222 E. Layton Ave.
Denver, Colorado 80237
Attention: Corporate Trust and Escrow Services

Any of the foregoing Persons may, by notice given hereunder to each of the other Persons, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

Section 1206. Business Days. If the date for making any payment or the last date for performance of any act or the exercising of any rights, as provided in this Ordinance, shall not be a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day, with the same force and effect as if done on the nominal date provided in this Ordinance, and no interest shall accrue for the period after such nominal date.

Section 1207. Effective Date. This Ordinance shall be in full force and effect 30 days after final publication.

Section 1208. Disposition of Ordinance. This Ordinance, as adopted by the Council, shall be numbered and recorded by the City Clerk in the official records of the City. The adoption and publication shall be authenticated by the signatures of the President and City Clerk, and by the certificate of publication.

INTRODUCED, PASSED ON FIRST READING, APPROVED AND ORDERED PUBLISHED
IN PAMPHLET FORM THIS 18TH DAY OF FEBRUARY, 2026.

CITY OF GRAND JUNCTION, COLORADO

Cody Kennedy, President of the City Council

Attest:

Selestina Sandoval, City Clerk

INTRODUCED, PASSED ON SECOND READING, APPROVED AND ORDERED
PUBLISHED IN PAMPHLET FORM THIS 4th DAY OF MARCH, 2026.

CITY OF GRAND JUNCTION, COLORADO

Cody Kennedy, President of the City Council

Attest:

Selestina Sandoval, City Clerk

STATE OF COLORADO)
COUNTY OF MESA)
CITY OF GRAND JUNCTION)
)
)SS
)

I, Selestina Sandoval, the City Clerk of the City of Grand Junction, Colorado (the "City") and Clerk to the City Council of the City (the "City Council"), do hereby certify that:

1. The foregoing pages are a true, correct and complete copy of an ordinance (the "Ordinance") which was introduced, passed on first reading and ordered published in pamphlet form by the City Council at a regular meeting thereof held on February 18, 2026 and was duly adopted and ordered published in pamphlet form by the City Council at a regular meeting thereof held on March 4, 2026, which Ordinance has not been revoked, rescinded or repealed and is in full force and effect on the date hereof.

2. The Ordinance was duly moved and seconded and the Ordinance was passed on first reading at the meeting of February 18, 2026, an affirmative vote of a majority of the members of the City Council as follows:

<u>City Councilmember</u>	<u>Voting “Aye”</u>	<u>Voting “Nay”</u>	<u>Absent</u>	<u>Abstaining</u>
Cody Kennedy, President				
Laurel Lutz, President Pro Tem				
Robert Ballard, District E				
Jason Nguyen, District B				
Anna Stout, District C				
Ben Van Dyke, District at Large				
Scott Beilfuss, District at Large				

3. The Ordinance was duly moved and seconded, and the Ordinance was finally passed on second reading at the meeting of March 4, 2026, by an affirmative vote of a majority of the members of the City Council as follows:

<u>City Councilmember</u>	<u>Voting</u> “Aye”	<u>Voting</u> “Nay”	<u>Absent</u>	<u>Abstaining</u>
Cody Kennedy, President				
Laurel Lutz, President Pro Tem				
Robert Ballard, District E				
Jason Nguyen, District B				
Anna Stout, District C				
Ben Van Dyke, District at Large				
Scott Beilfuss, District at Large				

4. The members of the City Council were present at such meetings and voted on the passage of such Ordinance as set forth above.

5. The Ordinance was approved and authenticated by the signature of the President of the City Council, sealed with the City seal, attested by the City Clerk, and recorded in the minutes of the City Council.

6. There are no bylaws, rules or regulations of the City Council which might prohibit the adoption of said Ordinance.

7. Notices of the meetings of February 18, 2026, and March 4, 2026, in the forms attached hereto as Exhibit A were posted by the City Clerk at City Hall and otherwise in accordance with law.

8. The Ordinance was published in pamphlet form in The Daily Sentinel, a daily newspaper of general circulation in the City, on February __, 2026, and March __, 2026, as required by the City Charter. Notice of the hearing on the Ordinance was published on _____. True and correct copies of the affidavits of publication are attached hereto as Exhibit B.

WITNESS my hand and the seal of the City affixed this ____ day of March, 2026.

City Clerk and Clerk to the City Council

(SEAL)

EXHIBIT A

(Attach Notices of Meetings of February 18, 2026 and March 4, 2026)

EXHIBIT B
(Attach Affidavits of Publication)

EXHIBIT C

(Affidavit of Publication after Second Reading)

**City of Grand Junction, Colorado
Water Enterprise Revenue Bonds, Series 2026**

REGISTRAR AND PAYING AGENT AGREEMENT

THIS AGREEMENT, dated [CLOSING DATE], 2026, is by and between the City of Grand Junction, Colorado (the “City”), and Zions Bancorporation, National Association (the “Bank”).

WITNESSETH:

WHEREAS, by Ordinance of the City Council of the City duly adopted on March 4, 2026 (the “Bond Ordinance”), the City has authorized the issuance of its Water Enterprise Revenue Bonds, Series 2026, in the aggregate principal amount of \$[6,000,000] (the “Bonds”); and

WHEREAS, it is mutually desirable to the City and the Bank that the Bank, through its Corporate Trust Department located in Denver, Colorado, act as Registrar and Paying Agent (as such terms are defined and used in the Bond Ordinance) for the Bonds; and

WHEREAS, it is mutually desirable that this agreement (the “Agreement”) be entered into between the City and the Bank to provide for certain aspects of such Registrar and Paying Agent services.

NOW, THEREFORE, the City and the Bank, in consideration of the mutual covenants herein contained, agree as follows:

1. Unless otherwise provided herein, capitalized terms used but not defined herein shall have the meanings given thereto in the Bond Ordinance.

2. The Bank hereby accepts all duties and responsibilities of the Registrar and Paying Agent as provided in the Bond Ordinance and this Agreement. The Bank shall cause the Bonds to be honored in accordance with their terms, provided that the City causes to be made available to the Bank all funds necessary in order to so honor the Bonds. Nothing in this Agreement shall require the Bank to pay or disburse any funds in excess of the amount then on deposit in the “Principal and Interest Payment Account” provided for in Section 3 of this Agreement. Nothing in this Agreement shall require the City to pay or disburse any funds for payment of the Bonds or interest thereon except at the times and in the manner provided in the Bond Ordinance and the Sale Certificate. In addition, the Bank hereby accepts, including, without

limitation, the duties and responsibilities pertaining to the authentication, registration, transfer, exchange and replacement of Bonds, and the duties and responsibilities pertaining to the calling of the Bonds for prior redemption, all as provided in the Bond Ordinance.

3. There is hereby created and established with the Paying Agent a trust fund to be designated "City of Grand Junction, Colorado, 2026 Water Enterprise Revenue Bonds, Principal and Interest Payment Account" (the "Principal and Interest Payment Account"). Not less than (a) one business day prior to each payment date, if funds are delivered by wire transfer, or (b) three business days prior to each payment date if funds are delivered by another method of payment, funds for the payment of the Bonds and interest thereon are to be deposited by the City with the Bank. The funds so deposited shall be held uninvested and applied by the Bank through its Corporate Trust Department solely for the payment of principal of and interest on the Bonds. From such funds, the Bank agrees to pay at the times and in the manner provided in the Bond Ordinance, the principal of, interest on and redemption premium, if any, on the Bonds. In the event a payment date is not a business day, the Bank shall make the principal and/or interest payment on the following business day with the same effect as if it had been made on the date scheduled for such payment. The Bank shall not be required to invest or to pay interest on any funds of the City for any period during which such funds are held by the Bank awaiting the presentation of the Bonds for payment.

4. At least 30 but not more than 60 days prior to [CLOSING DATE], 2031, [CLOSING DATE], 2036, [CLOSING DATE], 2041, [CLOSING DATE], 2046, and on the date on which the last Bond is discharged, the Bank shall send written notice to the City stating that the City must: (i) compute the amount of rebatable arbitrage, if any, which is due to the federal government pursuant to Sections 103 and 148(f) of the Internal Revenue Code of 1986, as amended, and (ii) pay such amount no later than sixty days from [CLOSING DATE], 2031, [CLOSING DATE], 2036, [CLOSING DATE], 2041, [CLOSING DATE], 2046, and on the date on which the last Bond is discharged. The Bank shall have no further obligation or duty related to the City's arbitrage related obligations under Sections 103 and 148 (f) of the Internal revenue Code of 1986 other than giving notice to the City's as provided herein.

5. The City shall pay to the Bank fees in accordance with its then existing fee schedule. The Bank's current fee schedule is attached hereto as Exhibit A. No new fee schedule shall become effective until 30 days after the Bank has given the City notice hereof.

6. The City shall pay to the Bank fees in accordance with its then existing fee schedule. The Bank's current fee schedule is attached hereto as Exhibit A. No new fee schedule shall become effective until 30 days after the Bank has given the City notice hereof.

7. Unless waived by the Bank, the City agrees to provide the Bank with not less than 60 days' notice of any prior redemption of the Bonds.

8. The City agrees to provide the Bank with a supply of blank Bonds for use in the transfer and exchange of Bonds.

9. Any moneys held by the Bank for the owners of the Bonds remaining unclaimed for one year after principal and interest of the respective Bonds with respect to which such moneys have been set aside has become due and payable shall without further request by the City be paid to the City.

10. At any time, the Bank may apply to the City for instructions and may consult counsel for the City or nationally recognized bond counsel with respect to any matter arising in connection with this Agreement and it shall not be liable for any action taken or omitted by it in good faith in accordance with such instructions or upon the advice or opinion of such counsel. The Bank may conclusively rely on and shall be protected in acting upon any paper or document reasonably believed by it in good faith to be genuine and to have been signed by any authorized officer of the City and shall not be held to have notice of any change of authority of any authorized officer until receipt by it of written notice thereof by the City. The Bank shall also be protected in recognizing Bonds that it reasonably believes bear the manual or facsimile signatures of the authorized officers of the City. The Bank shall not be responsible, for any reason, for any action taken nor omitted to be taken by it in good faith or for anything whatever in connection with this Agreement or any of the Bonds except for its own gross negligence, willful misconduct or bad faith in the performance of any duty to be performed by the Bank hereunder.

11. Any company or national banking association into which the Bank may be merged or converted or with which it may be consolidated or any company or national banking association resulting from any merger, conversion or consolidation to which it shall be a party or any company or national banking association to which the Bank may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible, shall be the successor to such Bank without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

12. The Agreement may be terminated as provided in the Bond Ordinance.
13. In the event of any conflict between the provisions of this Agreement and the provisions of the Bond Ordinance, the provisions of the Bond Ordinance shall be controlling.
14. This Agreement is governed by the laws of the State of Colorado. The parties consent to the exclusive jurisdiction of any court of the State of Colorado located in Mesa County for the purpose of any suit, action or other proceeding arising under this Agreement, and the parties hereby irrevocably agree that all claims in respect of any such suit, action or proceeding may be heard and determined by such court.
15. There is hereby created and established with the Paying Agent a trust fund to be designated "City of Grand Junction, Colorado, 2026 Water Enterprise Revenue Bonds, Costs of Issuance Fund" (the "Costs of Issuance Fund"). Into such fund shall be deposited \$[_____] of the proceeds of the Bonds which shall be used to pay costs of issuance and expenses incurred as a result of the issuance of the Bonds. The Paying Agent is hereby directed to pay the costs of issuance to the parties and in the amounts listed in a copy of the closing memorandum, or other written direction, signed by the City upon presentation of an invoice from each party for the amount listed. In the event the amount invoiced is different than the amount listed in the closing memorandum, the City shall authorize payment of the invoice in writing. Moneys held as part of the Costs of Issuance Fund shall remain uninvested. Any amounts remaining in the Costs of Issuance Fund 90 days after closing shall be transferred to the City subject to written confirmation from the City to the Paying Agent that all costs of issuance have been paid. The City of Grand Junction, Colorado acknowledges the Paying Agent cannot process such disbursement request until the Paying Agent is in receipt from each respective payee of a valid Form W-9 or Form W-8, as applicable, in accordance with Internal Revenue Service regulations and the Foreign Account Tax Compliance Act.
16. The parties hereto agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

IN WITNESS WHEREOF, the Bank and the City have caused this Agreement to be duly executed and delivered as of the day and year first above written.

CITY OF GRAND JUNCTION, COLORADO

By: _____
President of the City Council
(SEAL)

Attest:

City Clerk

ZIONS BANCORPORATION, NATIONAL
ASSOCIATION

By: _____
Vice President
Zions Bank Division

EXHIBIT A

(Attach Fee Schedule)



Grand Junction City Council

Regular Session

Item #2.a.iii.

Meeting Date: February 18, 2026

Presented By: Thomas Lloyd, Planning Manager

Department: Community Development

Submitted By: Thomas Lloyd, Planning Manager

Information

SUBJECT:

Introduction of an Ordinance Amending Section 21.05.020 of the Zoning and Development Code Regarding Pedestrian Access and Setting a Public Hearing for March 4, 2026

RECOMMENDATION:

The Planning Commission heard this request at the January 13, 2026 meeting and voted (5-0) to recommend approval of the Staff-Prepared Alternative.

EXECUTIVE SUMMARY:

The Housing Affordability Committee Task Force (HACTF) recommends amendments to §21.05.020(e)(8) of the Pedestrian Access requirement intended to reduce development costs and increase site design flexibility. The proposal would change pedestrian access requirements and remove design standards for pedestrian access requirements. The HACTF recommendation proposed revisions to §21.05.020(e)(8) to require pedestrian access only for “non-industrial zoned” development (exclusive of single-unit detached or duplex dwellings). Further, it proposes to eliminate language regarding the design and location of sidewalks and also make the requirement a four-feet instead of a six-feet wide connection. In addition, the recommendation proposes removing more prescriptive design requirements for pedestrian connections as well as crossings that are not able to meet the pedestrian connection requirement between the principal building and the public street.

Overall, the HACTF recommendation retains limited pedestrian connection requirements for non-industrial properties. Staff supports the goal of providing more flexibility in the way the design and location of pedestrian connection to and through a site. However, staff found that the HACTF recommendation, as proposed, removes standards too broadly and could be done in a more efficient and succinct way while still implementing key elements of the HACTF recommendation. Staff also identified

opportunities to revise the code language to remove subjectivity.

As an alternative to the HACTF recommendation, staff proposes targeted amendments to Pedestrian Connections that reformat and simplify the requirements, remove subjective language, and increasing opportunities for design flexibility. Of note, at the Planning Commission meeting on January 13th, 2026, representatives from the HACTF committee expressed support of staff's recommended alternative.

Subsequent to the Planning Commission hearing, staff reviewed the proposed text amendment and is recommending an additional edit to the draft ordinance. This edit clarifies (and adds) an exemption for Industrial Uses in addition to projects within Industrial Zone Districts. The Industrial Use category includes specific uses such as mini-warehouses (mini-storage), outdoor storage, light industrial, mining and extraction, etc. Staff believes this more clearly aligns with the intent of the HACTF, though not consistent with their formal Recommendation Form.

The proposed revisions are attached to this staff report and incorporated in the draft ordinance.

BACKGROUND OR DETAILED INFORMATION:

The Housing Affordability Committee Task Force (HACTF) recommends amendments to §21.05.020(e)(8) of the Pedestrian Access requirement intended to reduce development costs and increase site design flexibility. The proposal would change pedestrian connection requirements and remove design standards for pedestrian connection requirements.

The HACTF recommendation would revise §21.05.020(e)(8) to only require pedestrian access for “non-industrial zoned” development (exclusive of single-unit detached or duplex dwellings). Further, it would eliminate language regarding sidewalks and also make the requirement a four-feet instead of a six-feet wide connection, keeping it consistent with ADA requirements.

In addition, the proposal would also remove more prescriptive design requirements for pedestrian connections as well as crossings that are not able to meet the pedestrian connection requirement between the principal building and the public street.

Overall, the HACTF recommendation retains limited pedestrian connection requirements for non-industrial properties. Staff supports the goal of providing more flexibility in the way that new development achieves pedestrian connections. However, staff finds that the HACTF recommendation, as proposed, removes standards too broadly and could be done in a more efficient and succinct way while still retaining what's important. Staff also believes it is important to remove subjective language from the requirement to make it more objective.

STAFF-PREPARED ALTERNATIVE

In response to the HACTF recommendation, staff proposes targeted amendments to

the Pedestrian Connection language in §21.05.020(e)(8) that reformats the requirements and removes subjective and more prescriptive language, while still seeking to accomplish the same goal. Staff has also introduced language that would also provide an exception to Industrial Uses as listed in Table 21.04-1: Principal Use Table.

The staff-prepared amendment revises §21.05.020(e)(8) to establish clear, proportional pedestrian connections for residential and nonresidential development, exclusive of industrial zone district property. After further discussion between staff members following the Planning Commission meeting, staff felt that there was further value in including Industrial Uses as listed in the principal use table as part of this proposed language. The reasoning behind this being that more intensive industrial uses do not generate the same amount of pedestrian traffic that commercial and residential uses do.

Collectively, these revisions would substantially reduce the number of prescriptive location and design standards, clarify the application of remaining provisions, and improve the overall organization and usability of §21.05.020(e)(8).

NOTIFICATION REQUIREMENTS

Notice was completed as required by Section 21.02.030(g). Notice of the public hearing was published on January 3, 2026, in the Grand Junction Daily Sentinel.

ANALYSIS

HACTF Recommendation

The following analysis evaluates the HACTF recommendation against the approval criteria set forth in Section 21.02.050(d) of the Zoning and Development Code.

Pursuant to this section, the City may approve a text amendment to the Code if the applicant demonstrates, through substantial evidence, that each of the following criteria is satisfied:

(A) Consistency with Comprehensive Plan

The HACTF recommendation is intended to reduce regulatory barriers and development costs in support of housing affordability objectives. The Comprehensive Plan defines affordability broadly, including the reduction of indirect costs associated with development and the efficient use of land and infrastructure.

The Comprehensive Plan places consistent emphasis on goals such as walkable neighborhoods, complete streets and connected networks, and equitable access for all modes of transportation to services and destinations.

The proposed amendment does not advance these goals and, in practice, may work against them. By allowing fewer required pedestrian connections or permitting exceptions without clear, objective criteria, the amendment risks creating isolated developments that do not prioritize community integration. This outcome is inconsistent with the Plan's vision of a connected, inclusive, and accessible city.

Furthermore, the Comprehensive Plan explicitly calls for land use and development regulations to implement its mobility and placemaking strategies. Weakening pedestrian access requirements shifts implementation away from these adopted policies and places greater reliance on discretionary decision-making, which the Plan cautions against.

Staff does not find this criterion has been met.

(B) Consistency with Zoning and Development Code Standards

The Zoning and Development Code places a strong emphasis on connectivity, walkability, and multimodal access as fundamental elements of good urban design. By reducing, weakening, or introducing broader discretion into required pedestrian access standards, the proposed amendment undermines these core principles. Rather than reinforcing predictable, citywide expectations for pedestrian circulation, the amendment introduces ambiguity that allows pedestrian connectivity to become optional or secondary to site design preferences.

This shift conflicts with the Code's intent to ensure that pedestrian infrastructure is treated as essential public-serving infrastructure, comparable in importance to vehicular access, utilities, and safety features. As a result, the amendment represents a departure from the code and its design standards.

For these reasons, the HACTF recommendation does not maintain consistency with the structure, purpose, or integrated multi-modal framework of the Zoning and Development Code.

Finally, the amendment reduces predictability in how pedestrian access standards are applied across development types and locations. Increased discretion and reduced minimum requirements can lead to inconsistent outcomes, particularly when the standards provided are more subjective rather than objective. This can also make it more difficult to administer the code. This runs counter to both the Zoning and Development Code's purpose of providing clear, objective standards and the Comprehensive Plan's emphasis on equitable access.

Staff does not find this criterion has been met.

(C) Specific Reasons

The proposed Code Text Amendment shall meet at least one of the following specific reasons:

a. To address trends in development or regulatory practices;

The proposed amendment does not respond to identifiable trends in development or evolving regulatory practices. Contemporary planning and development trends at the local, regional, and national levels increasingly emphasize walkability, multimodal connectivity, and complete pedestrian networks as essential components of sustainable development. Regulatory best practices continue to move toward

stronger, more objective pedestrian access requirements rather than discretionary standards.

b. To expand, modify, or add requirements for development in general or to address specific development issues;

Text amendments intended to expand, modify, or add development requirements should address a clearly identified development issue and result in improved development outcomes. The proposed amendment does not meet this standard. Rather than strengthening or refining pedestrian access requirements to resolve specific deficiencies, the amendment reduces baseline expectations without objective standards.

c. To add, modify or expand zone districts; or

Not applicable.

d. To clarify or modify procedures for processing development applications.

Not applicable.

Staff finds this criterion has not been met.

ANALYSIS

Staff-Prepared Alternative

The following analysis evaluates the staff-prepared alternative against the approval criteria set forth in Section 21.02.050(d) of the Zoning and Development Code.

Pursuant to this section, the City may approve a text amendment to the Code if the applicant demonstrates, through substantial evidence, that each of the following criteria is satisfied:

(A) Consistency with Comprehensive Plan

The Comprehensive Plan emphasizes creating complete, walkable neighborhoods where residents can safely and conveniently move between buildings, streets, and destinations. Requiring pedestrian connections from principal building entrances to abutting sidewalks, streets, parking areas, transit facilities, and Active Transportation Corridors ensures that new development contributes to a continuous and interconnected pedestrian network rather than isolated sites. This supports the Plan's vision of cohesive development patterns that function as part of the broader community, not as standalone projects.

The Comprehensive Plan places strong emphasis on providing viable alternatives to automobile travel, including walking and transit. By explicitly requiring connections to transit facilities and Active Transportation Corridors, the proposed language reinforces the Plan's multimodal transportation strategy. These standards make walking a practical and intuitive option for daily trips, thereby supporting reduced vehicle reliance and improved transportation choice.

The Comprehensive Plan prioritizes safe and comfortable pedestrian environments for users of all ages and abilities. The crossing design requirements require durable construction materials, visible crossings through vehicular areas, and the use of curb extensions to minimize crossing distances. This directly aligns with safety objectives in the comprehensive plan. These elements reflect best practices endorsed by the Comprehensive Plan for reducing conflict points between vehicles and pedestrians and improving overall accessibility.

Encouraging active transportation is a key Comprehensive Plan strategy for improving public health and quality of life. Clearly defined, visible, and accessible pedestrian connections make walking more appealing and intuitive, supporting the Plan's goals related to physical activity, environmental sustainability, and community well-being. The requirement to connect to Active Transportation Corridors further strengthens this alignment by extending the reach and usability of the City's active transportation network.

Finally, the Comprehensive Plan calls for implementation tools that provide clarity and consistency while advancing long-term policy goals. The proposed pedestrian circulation language translates high-level Plan principles into objective, measurable development standards. This ensures predictable outcomes, fair application across projects, and consistent implementation of the Plan's walkability and connectivity objectives.

Staff finds this criterion has been met.

(B) Consistency with Zoning and Development Code Standards

The zoning and development code requires developments to provide safe, convenient, and direct pedestrian circulation between buildings, public rights-of-way, parking areas, and transit facilities. The proposed language maintains this framework by requiring pedestrian connections from the principal building's main entrances to abutting sidewalks, streets, parking areas, transit facilities, and Active Transportation Corridors. This mirrors existing Code expectations that pedestrian movement be accommodated as a fundamental site design element rather than an afterthought.

The zoning and development code emphasizes connectivity both within sites and between adjacent properties and public infrastructure. By explicitly requiring connections to abutting sidewalks and Active Transportation Corridors, the proposed language is consistent with the Code's broader connectivity objectives and reinforces the intent to integrate private development into the City's larger pedestrian and transportation network. This approach reflects long-standing principles that developments should function as part of an interconnected urban system.

While the modified language goes from the existing 6-foot requirement to 4-foot, 4-foot wide connections are consistent with ADA requirements and gives more flexibility for more constrained sites. The code also includes multiple provisions

aimed at minimizing conflicts between pedestrians and vehicles through site layout and design. The proposed requirements for enhanced visibility when pedestrian connections cross vehicular areas: using contrasting materials, colors, or texture are consistent with these standards and reinforce existing safety-focused design expectations. Similarly, the use of curb extensions to minimize crossing distance aligns with established Code strategies to improve pedestrian safety and reduce exposure to vehicular traffic.

The proposed applicability section follows the zoning and development code's established structure by clearly identifying when the standards apply and by excluding industrial zoning districts and single-unit detached or duplex dwellings. This mirrors how existing Code standards are tailored based on development type, intensity, and anticipated pedestrian demand, ensuring that the requirements remain proportional and context sensitive.

Overall, the proposed pedestrian connection language does not introduce a new regulatory concept but clarifies and consolidates pedestrian circulation expectations already established in the code. By organizing these requirements into a clear, concise, and objective standard, the amendment improves usability and predictability while remaining consistent with the Code's long-standing intent to prioritize safe, connected, and functional pedestrian environments.

Staff finds this criterion has been met.

(C) Specific Reasons

The proposed Code Text Amendment shall meet at least one of the following specific reasons:

- a. To address trends in development or regulatory practices;*

The proposed pedestrian connection language reflects and responds to current trends in both development practice and land-use regulation, particularly those focused on walkability, safety, and multimodal integration. A key trend in development regulation is the movement away from auto-oriented site design toward walkable, human-scaled environments. The proposed language requires direct pedestrian connections from primary building entrances to sidewalks, streets, parking areas, and transit facilities, reinforcing the expectation that pedestrian access is treated as essential infrastructure rather than a secondary amenity.

Current regulatory practice increasingly prioritizes coordination between land use and transportation systems. By explicitly requiring connections to transit facilities and Active Transportation Corridors, the proposed language aligns with national and regional trends that support multimodal access. This integration reflects best practices seen in contemporary zoning codes that emphasize transportation choice and network connectivity. The proposed requirements for visible pedestrian crossings across vehicular areas and the use of curb extensions to shorten crossing distances directly reflect this trend. These techniques are widely recognized in

current planning and engineering guidance as effective tools for improving pedestrian safety and comfort. Regulatory practices are trending towards clear, objective design standards that improve consistency and ease of administration. The proposed language reduces ambiguity in interpretation and enforcement. This approach aligns with best practices in zoning reform that seek to streamline development review while still achieving the goals of the comprehensive plan.

b. To expand, modify, or add requirements for development in general or to address specific development issues;

Staff has received feedback from members of the development community as well as the HACTF regarding the difficulty of implementing the current pedestrian connection requirement. This amendment makes the connection requirement less prescriptive, providing more flexibility in how pedestrian connection is achieved. This amendment also provides more objective criteria than the HACTF's recommendation, ensuring more predictability when it comes to designing pedestrian connections and more consistency in the application of the code language when administering it.

c. To add, modify or expand zone districts; or

Not applicable.

d. To clarify or modify procedures for processing development applications.

Not applicable.

Staff finds this criterion has been met.

FINDING OF FACT AND RECOMMENDATION

After reviewing the proposed amendments, the following findings of fact have been made:

HACTF Recommendation

In accordance with Section 21.02.050(d) of the Grand Junction Zoning and Development Code, the Housing Affordability Committee Task Force recommendation to amend pedestrian connections is not consistent with the Comprehensive Plan, is not consistent with the Zoning and Development Code standards, and does not meet at least one of the specific reasons required for approval of a Code Text Amendment.

Staff-Prepared Alternative

In accordance with Section 21.02.050(d) of the Grand Junction Zoning and Development Code, the staff-prepared alternative amendments to Title 21 are consistent with the Comprehensive Plan, are consistent with the Zoning and Development Code standards, and meets at least one of the specific reasons outlined for approval of a Code Text Amendment.

The Planning Commission voted (5-0) to recommend approval of the Staff-Prepared Alternative.

FISCAL IMPACT:

There is no direct fiscal impact associated with this request.

SUGGESTED MOTION:

I move to introduce an Ordinance Amending Section 21.05.020 of the Zoning and Development Code Regarding Pedestrian Access and Setting a Public Hearing for March 4, 2026

Attachments

1. Exhibit 1. HACTF Recommendation No. 7 Pedestrian Access
2. Planning Commission Minutes - 2026 - January 13
3. 26.0106 Pedestrian Access Ordinance
4. HACTF Letter of Support

Connecting Commercial and Industrial Code Amendments to Housing Affordability

1. The Broader Definition of 'Affordability' in Grand Junction

The Grand Junction Housing Strategy (Resolution 74-24) defines affordability broadly—not just as reducing direct housing costs, but also as removing regulatory and procedural barriers, and fiscal cost shift that increase total development costs that are ultimately borne by home buyers and renters.

The strategy specifically encourages changes that reduce fiscal cost burden, improve land-use efficiency, streamline development approvals, and reduce indirect costs that affect the overall cost of housing. Therefore, even amendments to commercial or industrial codes can play a meaningful role in achieving housing affordability goals.

2. How Each Proposed Code Amendment Supports Housing Affordability

Drive-Through Standards (**§21.04.040(E)(2)**)

In Grand Junction, sales and use taxes from retail development are the largest source of the City's operating revenues. Sales and use taxes are the primary source of the City's General Fund which supports the core city functions and capital improvement projects that underpin the development of housing.

Returning primary function to retail drive-through will maintain the sales tax revenue that is necessary to support public infrastructure and services that are necessary for cost effective housing. Allowing drive-through retail development to continue also underpins mixed-use projects that include both retail commercial and residential components where commercial components carry a greater proportionate share of the cost of the land and infrastructure that are necessary to support housing.

Talking point: "The City of Grand Junction is discouraging small retail development through overly burdensome drive through design criteria and by doing so more infrastructure and service cost burden will be shifted to housing. Amending the zoning code to allow retail drive-through development will contribute substantially to the financial feasibility of housing development in general and attainable housing in particular."

Required Pedestrian Access and Bicycle Parking in Industrial Zones (**§21.08.020(A-C)**)

While it is important to consider safety for multimodal access and circulation in high traffic settings frequented by the general public it is also important to bike and ped requirements for property uses that are not oriented toward the general public where low traffic living and work functions require design forms that don't necessitate exclusive pedestrian and bicycle design criteria that negate other primary uses by reducing valuable indoor area and interrupting on site circulation. The proposed code changes are intended to recognize bike and pedestrian use without comprising other uses. Those that are using property should be

able to design them to serve the function of residential and non-residential tenants alike to derive the highest and best property use at the lowest possible cost.

The imposition of exclusive pedestrian access and specific indoor bike storage requirements on non-retail commercial and industrial zoned properties limits their functional efficiency and the resultant lack of usable space and hindered site circulation from these requirements ultimately reduces business expansion and the resultant wage growth that is a primary component of housing affordability.

In addition to maintaining employment growth, it is important to understand that residential builders and contractors, and their suppliers are primary users of commercial and industrial spaces and maintaining the design functionality of the spaces that builders and building material suppliers utilize ultimately reduces the construction costs that ripple into the housing market through higher material and labor prices.

Thus, it is important to recognize that the proposed zoning amendments support housing affordability both by increasing employment and maintaining the operating efficiency of housing providers.

Talking point: "Right-sizing exclusive pedestrian access and bike-parking requirements increases business expansion and wage growth to increase consumer funding for housing while improving builder and supplier operating efficiencies to reduce housing costs."

Non-Structural Change of Use (§21.02.040(C)(2)(i) B)

Amend §21.02.040(C)(2)(i)(B) to exempt non-structural change-of-use projects from Administrative Review when there are no exterior site or utility changes and the change-of-use is in the same General Use Category (Residential, Public, Commercial, Industrial) as the proceeding/historical use.

Currently a Change of Use Permit process is required whenever a property changes from a nonresidential use to a residential one, or between certain use categories—even if there are no structural modifications, site layout changes, or utility adjustments. This requirement adds time and cost to zoning compliant business expansions that could otherwise proceed under standard zoning guidelines. Just as importantly this process uses up staff resources that could be better utilized to process residential subdivision and site plan applications.

Talking point: "Reducing staff time spent reviewing zoning compliant change of uses in existing buildings will increase the pace and predictability of business expansion and resultant employment growth while allocating more staff time to expedite residential site plan subdivision applications. Expediting job and wage growth will improve consumer funds available for housing and allocating more staff time to residential projects will reduce entitlement delays to increase the rate of housing production."

3. Affordability Through Efficiency

The Task Force's mission is to identify and remove regulatory barriers that make housing more expensive. Commercial and industrial efficiencies directly support that mission by

(i) **Required Pedestrian Access.**

(A) Each non-industrial zoned development with one or more buildings, except individual lot development of a single-unit detached or duplex dwelling, shall provide reasonably reasonable direct paved pedestrian sidewalk connections from the front of principal building main entrances to abutting public streets, between all principal buildings, between buildings and outlying parking areas, between buildings and transit facilities, and between the development and any abutting Active Transportation Corridor.

(B) Pedestrian circulation shall be given equal consideration to motor vehicle traffic.

(ii) **Design Requirements.**

(i) Each pedestrian sidewalk connection shall be a minimum of six four feet wide and shall be constructed of concrete.

(ii) At least one pedestrian sidewalk connection between a principal building and an abutting street shall provide access to an existing contiguous public sidewalk allowing continuous travel to all abutting streets if available. The connection shall be separated from motor vehicle areas by a curb or other physical barrier approved by the Director, except that The pedestrian connection to an abutting street may crossing cross a motor vehicle area is allowed when the following standards are met for each such crossing:

- a. The crossing shall be as close to a perpendicular angle to the vehicular path of travel as possible.
- b. The crossing shall be raised to a minimum of three inches above the height of the adjacent pavement.
- c. The crossing shall be constructed of concrete stripped on a polymer surface which contrasts in color and/or texture with the pavement of the motor vehicle area.
- d. The distance of the crossing shall be the minimum necessary. No crossing shall exceed 20 feet.
- e. Curb extensions shall be used to minimize crossing distance and maximize visibility.
- f. Vehicle turning movements shall be spaced as far as possible from the crossing.
- g. Advance warning signage and striping shall be provided.

(iii) All other pedestrian sidewalk connections shall meet the following standards:

- a. The connection shall be clearly visible and provide adequate lighting.
- b. Where connections cross motor vehicle areas, each such crossing shall be constructed of concrete which contrasts in color and/or texture with

~~the pavement of the motor vehicle area.~~

~~e.h. Advance warning signage and striping shall be provided as necessary to facilitate circulation and improve public safety and awareness.~~

(9)

Access.

Site layout and access design shall minimize the number of traffic conflict points into and out of a development by defining and consolidating driveways or access points and designing shared access between/among businesses.

(Ord. 5267, 7/16/2025; Ord. 5263, 6/18/2025; Ord. No. 5250, 4/2/2025; Ord. No. 5241, 12/4/2024; Ord. No. 5228, 8/7/2024; Ord. 5190, 12/20/2023)

§ 21.05.030. Parks, open space, and trails.

(a) (Reserved)

(b) **Pedestrian and Bicycle Trails.**

(1) Trails shall be constructed in accordance with applicable City standards.

(2) **Trail Construction for Transportation Impact Fee Credit.**

If a required Active Transportation Corridor is constructed for any purpose other than replacing a required sidewalk (pursuant to § 29.68.020(f) Pedestrian Facilities), then the developer/owner may request a credit for the cost of construction of the trail(s) against the project's Transportation Impact Fee in an amount not to exceed the total transportation fee. The amount of the credit will be determined by the City using established and uniform cost for labor and materials for the specific type and width of the trail(s) constructed.

(Ord. No. 5250, 4/2/2025; Ord. 5190, 12/20/2023)

§ 21.05.040. Residential compatibility standards.

(a) **Purpose.**

The purpose of this section is to protect existing Residential zone districts, neighborhoods, and uses from the potentially adverse impacts arising from the development of taller or more intense structures in close proximity to residences.

(b) **Applicability.**

(1) The residential compatibility standards in this subsection apply when single-unit attached of three units or more, multi-unit residential, mixed-use development, or nonresidential development is proposed adjacent to structures in an R-R, R-ER, R-1R, R-2R, RL-4, or RL-5 zone district (protected residential districts).

(2) In cases where multiple structure types are contained on the same lot, residential adjacency shall apply to the area within that lot which encompasses the protected

GRAND JUNCTION PLANNING COMMISSION

January 13, 2026, 5:30 PM

MINUTES

The meeting of the Planning Commission was called to order at 5:34 p.m. by Chair Sandra Weckerly.

Those present were Planning Commissioners; Orin Zyvan, Robert Quintero, Ian Moore, and Keith Ehlers.

Also present were Jamie Beard (Assistant City Attorney), Tamra Allen (Community Development Director), Thomas Lloyd (Planning Manager), Jessica Johnsen (Zoning Supervisor), Daniella Acosta Stine (Principal Planner), Tim Lehrbach (Principal Planner), Jacob Kaplan (Planning Technician), and Madeline Robinson (Planning Technician).

There were 11 members of the public in attendance, and 5 virtually.

CONSENT AGENDA

1. Approval of Minutes

Minutes of Previous Meeting(s) from December 23, 2025.

2. Lowell Village Phase 2 Subdivision Extension

SUB-2019-687

Consider a request by Jeremy Nelson of Grand Junction ReGeneration LLC (owner) – to extend the plat recording deadline for the Lowell Village Phase 2 Subdivision, 32 lots on 1.63 acres in an MU-3 (Mixed Use Downtown) zone district.

3. Aspire Residential Easement Vacation

VAC-2025-61

Consider a request to partially vacate a Drainage Canal Easement and Easement for Pipeline for the City of Grand Junction located at 2651 Stacy Drive on a 7.10-acre parcel in an RH-24 district to accommodate the construction of three, three-story, 24-unit apartment buildings - **This item to be moved to the January 27th, 2026, Planning Commission Hearing**

Commissioner Quintero moved to approve the Consent Agenda.

Commissioner Moore seconded; motion passed 5-0.

REGULAR AGENDA

1. Fox Grove Subdivision Annexation

ANX-2025-421

Consider a request by Grand Junction Real Estate Investments, LLC to zone 4.88 acres located at 3071 E 1/2 Road from Mesa County Residential Single Family - 4 District (RSF-4) to Residential Medium 8 (RM-8) located at 3071 E 1/2 Road.

Staff Presentation

Daniella Acosta Stine, Principal Planner, introduced exhibits into the record and provided a presentation regarding the request.

Questions for Staff

Commissioner Weckerly clarified that the additional exhibit being added to the record was a revision to Exhibit 6 regarding the acreage of the parcel.

Public Hearing

The public comment period was opened at 5:00 p.m. on Tuesday, January 6, 2026, via www.gjcity.org.

There were no comments from the public either in attendance or online.

The public hearing was closed at 5:44 p.m. on January 13, 2026.

Discussion

Motion and Vote

Commissioner Zyvan made the following motion “Madam Chair, on the Zone of Annexation request for the property located at 3071 E 1/2 Road, I move that the Planning Commission forward a recommendation of approval to City Council with the finding of fact as listed in the staff report.”

Commissioner Quintero seconded; motion passed 5-0.

2. Lucky Me Center Rezone

RZN-2025-293

Consider a request by Lucky Me Premises LLC, Property Owner, to rezone a total of 3.60 acres from MU-1 (Mixed-Use Neighborhood) and RM-12 (Residential Medium 12) to MU-2 (Mixed -Use Light Commercial), located at the northeast corner of the intersection of Patterson Road and 29 Road.

Staff Presentation

Thomas Lloyd, Planning Manager, introduced exhibits into the record and provided a presentation regarding the request.

Questions for Staff

Commissioner Zyvan asked why the application was being considered as one item given the various zoning of the parcels being rezoned.

Chair Weckerly indicated there was a typo with the public notice and the wrong zoning was provided (a parcel presently zoned RM-8, not RM-12). Staff offered that since the typo was for the previous zoning and what was indicated was a higher density zone, it was not an issue, the City Attorney advised that the Planning Commission as the decision maker could determine if the notice was sufficient. It was clear in the notice that the request was to change to MU-2. The Planning Commission was comfortable that the notice was sufficient.

Kim Kerk with Kim Kerk Land Consulting & Development spoke on behalf of the applicant and provided a brief summary of the project.

Public Hearing

The public comment period was opened at 5:00 p.m. on Tuesday, January 6, 2026, via www.gjcity.org.

There were no comments from the public either in attendance or online.

The public comment period was closed at 6:01 p.m. on January 13, 2026.

Commissioner Moore read an email exchange between Gregg Palmer and Trent Prall about the adjacent intersection at 29 Rd and Patterson Rd.

The public hearing was closed at 6:04 p.m. on January 13, 2026.

Discussion

There was no additional discussion among the Commissioners.

Motion and Vote

Commissioner Quintero made the following motion “Madam Chair, on the Rezone request for the property located at the northeast corner of the intersection of Patterson Road and 29 Road, City file number RZN-2025-293, I move that the Planning Commission forward a recommendation of approval to City Council with the findings of fact as listed in the staff report.”

Commissioner Ehlers seconded; motion passed 5-0.

3. Morelli Annexation

ANX-2025-192

Consider a request by the Morelli Family Trust, U/A dated October 21, 2022, and Carla Morelli-Saurd iff to zone 2.56 acres from Mesa County Residential Single Family – 4 (RSF-4) to Mixed-Use Light Commercial (MU-2), Located Between 3105 E ½ Road and 3112 I-70B – Parcel No. 2943-103-00-101.

Staff Presentation

Tim Lehrbach, Principal Planner, introduced exhibits into the record and provided a presentation regarding the request.

Questions for Staff

There were no questions for staff.

Public Hearing

The public comment period was opened at 5:00 p.m. on Tuesday, January 6, 2026, via www.gjcity.org.

There were no comments from the public either in attendance or online.

The public hearing was closed at 6:09 p.m. on January 13, 2026.

Discussion

There was no additional discussion among the Commissioners.

Motion and Vote

Commissioner Quintero made the following motion “Madam Chair, on the Zone of Annexation request for the property located 3015 E ½ Road and 3112 I-70B, Parcel No. 2943-103-00-101, I move that the Planning Commission forward a recommendation of approval to City Council with the finding of fact as listed in the staff report.”

Commissioner Zyvan seconded; motion passed 5-0.

4. C ½ Road Gravel Pit CUP Extension

CUP-2021-616

Consider a request to extend Planning Commission’s conditional approval from August 22, 2023, of a Conditional Use Permit (CUP) to Allow Sand and Gravel Extraction on a Total of 27.8 acres in a Public, Civic, and Institutional Campus (P-2) Zone District Located at 2855 C 1/2 Road.

Staff Presentation

Jessica Johnsen, Zoning Supervisor, introduced exhibits into the record and provided a presentation regarding the request. She provided context for an additional exhibit that was submitted by the State of Colorado Department of Parks and Wildlife regarding the Riverfront Trail on the South side of the parcel.

Questions for Staff

Commissioner Quintero asked when the CUP was originally issued.

Mark Austin, with Austin Civil Group, spoke on behalf of the Applicant and provided some context for the extension request.

Public Hearing

The public comment period was opened at 5:00 p.m. on Tuesday, January 6, 2026, via www.gicity.org.

There were no comments from the public either in attendance or online.

The public comment period was closed at 6:23 p.m. on January 13, 2026.

There were no additional questions or comments for Staff or the Applicant.

The public hearing was closed at 6:23 p.m. on January 13, 2026.

Discussion

Commissioner Ehlers commented that the late additions by the Colorado Division of Parks and Wildlife were refining the original approval.

Commissioners Zyvan and Quintero echoed Commissioner Ehlers comments.

Motion and Vote

Commissioner Quintero made the following motion "Madam Chair, on the C ½ Road Gravel Pit to establish a Conditional Use Permit for a mining excavation operation, file number CUP-2021-616, I move that the Planning Commission approve the CUP with the findings of fact and conditions listed in the staff report."

Commissioner Ehlers seconded; motion passed 5-0.

5. Camelback Gardens ODP

PLD-2023-121

Consider a request by Camelback Gardens, LLC and Upland Homes, Inc for Review and Approval of a Planned Development (PD) Outline Development Plan (ODP) for the Camelback Gardens Development Proposed on a Total 10.29 Acres Located at 381 and 409 High Desert Road - **This item was moved to the January 27th, 2026, Planning Commission Hearing.**

6. Zoning Code Amendments – Quarter 1 2026

ZCA-2025-753

Consider a request by the City of Grand Junction to amend Sections of the Zoning and Development Code and 24 Road Corridor Design Standards (Title 21 and Title 25 of the Grand Junction Municipal Code) regarding Planned Development, Mixed-Use Downtown District Specific Standards, Short-Term Rentals, Accessory Uses and Structures, Shared Driveways, ROW Dedication, Multi-Unit Design Standards, Access to Public Streets, Open and Undeveloped Spaces, and Service and Storage Areas in the 24 Road Corridor.

Staff Presentation

Tim Lehrbach, Principal Planner, introduced exhibits into the record and provided a presentation regarding the request.

Questions for Staff

Commissioner Quintero asked about the nature of the requested code amendments and if the ultimate goal was just "cleaning up" the existing code language.

Commissioner Ehlers inquired about the proposed shared driveway amendments, including fire code standards, maximum driveway width, the requirements for HOA tract dedication rather than easements, and whether that requirement would necessitate the creation of an HOA.

Chair Weckerly asked if this change would be applied retroactively to parcels that are already accessed off a shared driveway.

There was additional discussion about the necessity of the amendments regarding property ownership and shared access on shared driveways, and their relation to HOA creation.

Commissioner Moore asked why this amendment was proposed and if staff had an example for the necessity of this change regarding property ownership and shared access on shared driveways. Commissioner Ehlers continued this question and its relation to HOA creation.

There was additional discussion about the necessity of the amendments regarding property ownership and shared access on shared driveways, and their relation to HOA creation.

Commissioner Ehlers asked for clarity about the strikethroughs for storm drainage, retention, and detention ponds in GJMC 21.09.060(b)(3) and why the proposal did not reference the Storm Water Management Manual (SWMM).

Chair Weckerly asked why the stormwater detention facilities were required to be planted.

There was discussion about continuing the amendments to stormwater facilities to a future hearing.

Public Hearing

The public comment period was opened at 5:00 p.m. on Tuesday, January 6, 2026, via www.gjcity.org.

Henry Brown commented on the strikethrough to 21.05.050(d)(2)(ii) regarding building access and its relation to Plan Principals 5 and 6 of the Comprehensive Plan.

The public comment period was closed at 7:10 p.m. on January 13, 2026.

Staff responded to Mr. Brown's comments and provided context on the code amendments.

The public hearing was closed at 7:11 p.m. on January 13, 2026.

Discussion

Commissioner Zyvan asked about ADA code.

Commissioner Moore commented that the access questions posed by Mr. Brown were discussed in previous workshops and the existing language had unforeseen constraints on development whereas the amendments provided additional flexibility.

Motion and Vote

Commissioner Ehlers made a motion the request to amend Title 21 Zoning and Development Code and Title 25 24 Road Corridor Design Standards of the Grand Junction Municipal Code, City file number ZCA-2025-753, I move that the Planning Commission forward a recommendation of approval to City Council with the finding of fact listed in the staff report with the exception that 21.05.020(e)(5)(ii) and 21.09.060 be remanded back to staff for further consideration.

Commissioner Moore seconded; There was discussion amongst the commissioners about Commissioner Ehler's motion.

Commissioner Ehlers withdrew the previous motion.

Commissioner Zyvan made the following motion: "Chair, on the request to amend Title 21 Zoning and Development Code and Title 25 24 Road Corridor Design Standards of the Grand Junction Municipal Code, City file number ZCA-2025-753, I move that the Planning Commission forward a recommendation of approval to City Council with the finding of fact listed in the staff report, remanding back Section 21.09.060(b)(3) referring to storm drainage, retention, and detention ponds for further consideration by staff."

Commissioner Quintero seconded; motion passed 4-1.

7. Zoning Code Amendments – Bicycle Storage & Parking **ZCA-2026-30**

Consider a request by the Housing Affordability Code Task Force to Amend Sections of the Zoning and Development Code (Title 21 of the Grand Junction Municipal Code) Regarding Bicycle Storage and Parking. She provided context for an additional exhibit that was submitted by John Gargasz, the developer for the Aspire Residential Multiunit development.

Staff Presentation

Daniella Acosta Stine, Principal Planner, introduced exhibits into the record and provided a presentation regarding the request. She provided context for an additional exhibit that was submitted by John Gargasz, the developer for the Aspire Residential Multi-unit development.

Questions for Staff

Commissioner Moore asked for clarification on the strikethrough for Subsection 2 of the Staff prepared alternative.

Commissioner Zyvan asked if there was a typo on the measurements in the short-term parking table. He asked what "enclosed" meant in regard to long-term bicycle parking and if it required the parking to be covered.

Members of the Housing Affordability Code Task Force (HACTF) provided some context for the request.

Commissioner Ehlers asked the applicant to summarize what was being requested by the HACTF.

Chair Weckerly noted that there were two prepared motions, and that either could be modified if the Commission so chose.

There was additional discussion regarding the long-term bicycle parking and its impact on housing affordability.

Public Hearing

The public comment period was opened at 5:00 p.m. on Tuesday, January 6, 2026, via www.gjcity.org.

David Lehman commented that the HACTF has failed to show how reduced costs for builders would make housing more affordable and agreed with Staff's findings that the request did not meet the goals of the Comprehensive Plan.

Henry Brown noted that HACTF presented no concrete metrics or figures for the cost of long-term bicycle parking and spoke about the difference in maintenance costs related to cars vs. bicycles. He commented that the current utilization of the bike parking at the "Slate on 25 Road" was impressive given the state of the surrounding cycle infrastructure.

Mark Austin with the HACTF provided context on the differing costs of long-term bike parking that he had stated earlier.

Mike Foster with the HACTF agreed with Mr. Brown's comments on existing cycle infrastructure but argued that the parking should be added as needed once the infrastructure was in place.

McKenzie Thorn with the HACTF asked what else they would put in the bike storage and commented that the current bike storage was not used, but if it was used for something else in the future it could be a safety issue.

The public comment period was closed at 8:41 p.m. on January 13, 2026.

Commissioner Moore asked if the \$4800 amount that was provided was for individual lockers at the Community Recreation Center.

Staff noted that the Zoning code does not give specific amounts required for bicycle storage, only that it is required. The developer has flexibility as to the design.

The public hearing was closed at 8:43 p.m. on January 13, 2026.

Discussion

Commissioner Ehlers reiterated the HACTFs comments that there is low utilization of the long-term bike parking at this time. He noted that the code language on providing bike parking ultimately determines who will pay for it. He disagreed with how bike parking was previously interpreted and implemented.

Motion and Vote

Commissioner Ehlers made a motion to approve Staff's alternative recommendations with the removal of the amendments to long-term bike parking.

Commissioner Quintero seconded; there was discussion about how to proceed with Commissioner Ehler's motion.

Motion failed 3-2.

Commissioner Ehlers made the following motion "Madam Chair, on the request to amend Title 21 of the Zoning and Development Code of the Grand Junction Municipal Code related to bicycle

parking requirements, I move that the Planning Commission forward a recommendation of approval to City Council, based on the findings of fact listed in the staff report."

Commissioner Zyvan seconded; Commissioner Moore suggested amending the motion to remand the long-term bicycle parking back to staff.

Staff clarified that the amended motion would leave the current code language for long-term bicycle parking.

Motion failed 2-3.

Commissioner Quintero made the following motion "Madam Chair, on the request to amend Title 21 of the Zoning and Development Code of the Grand Junction Municipal Code related to bicycle parking requirements, I move that the Planning Commission forward a recommendation of approval to City Council, based on the findings of fact listed in the staff report with the exception of long-term bicycle storage being reduced to 25% of the currently required ratios outlined in Table 21.08-5."

There was no second on that motion.

Chair Weckerly indicated that there would be no further discussion or motions for this item.

8. Zoning Code Amendments – Pedestrian Access

ZCA-2026-31

Consider a request by the Housing Affordability Code Task Force to amend Sections of the Zoning and Development Code (Title 21 of the Grand Junction Municipal Code) Regarding Pedestrian Access.

Staff Presentation

Thomas Lloyd, Planning Manager, introduced exhibits into the record and provided a presentation regarding the request.

Questions for Staff

Commissioner Moore asked for clarification on the "color and/or texture" requirements for pedestrian connections.

Commissioner Ehlers asked what a "curb extension" looked like in practice.

Commissioner Zyvan had questions on a previous draft of the ordinance. He asked if there was still intention to keep crossings as short as possible and away from vehicle conflicts.

Mike Foster requested that the Commission approve the Staff's suggested amendments.

Public Hearing

The public comment period was opened at 5:00 p.m. on Tuesday, January 6, 2026, via www.gjcity.org.

Henry Brown voiced his support for staff's recommendations with the exception of the pedestrian crossing being exempted for industrial uses.

David Lehman echoed Henry's comments and requested the Commission approve Staff's recommendations.

The public hearing was closed at 10:03 p.m. on January 13, 2026.

Discussion

There were no additional comments or questions from the Commission.

Motion and Vote

Commissioner Quintero made the following motion "Madam Chair, on the request to amend Title 21 of the Zoning and Development Code of the Grand Junction Municipal Code concerning pedestrian access, I move that the Planning Commission forward a recommendation of approval to City Council, based on the findings of fact listed in the staff report regarding the Staff's alternative recommendations."

Commissioner Ehlers seconded; motion passed 5-0.

9. Zoning Code Amendments – Fee Study Update

ZCA-2025-737

Consider a request by the City of Grand Junction to Amend Section 21.02.070(11)(ii) of the Zoning and Development Code regarding Review and Update of the Fee Study.

Staff Presentation

Tamra Allen, Community Development Director, introduced exhibits into the record and provided a presentation regarding the request.

Questions for Staff

There were no questions for Staff.

Public Hearing

The public comment period was opened at 5:00 p.m. on Tuesday, January 6, 2026, via www.gjcity.org.

There were no comments from the public either in attendance or online.

The public comment period was closed at 10:09 p.m. on January 13, 2026.

Commissioner Zyvan asked if there were any guidelines proposed for when fees should be updated.

The public hearing was closed at 10:12 p.m. on January 13, 2026.

Discussion

There were no additional questions or comments from the Commission.

Motion and Vote

Commissioner Quintero made the following motion “Madam Chair, on the request to amend Title 21 Zoning and Development Code of the Grand Junction Municipal Code, City file number ZCA-2025-737, I move that the Planning Commission forward a recommendation of approval to City Council with the findings of fact listed in the staff report.”

Commissioner Zyvan seconded; motion passed 5-0.

OTHER BUSINESS**ADJOURNMENT**

Commissioner Quintero made a motion to adjourn the meeting.

The vote to adjourn was 5-0.

The meeting adjourned at 10:14 p.m.

CITY OF GRAND JUNCTION, COLORADO

ORDINANCE NO. _____

**AN ORDINANCE AMENDING SECTIONS OF THE ZONING AND DEVELOPMENT
CODE (TITLE 21 OF THE GRAND JUNCTION MUNICIPAL CODE) REGARDING
PEDESTRIAN ACCESS**

Recitals

The City Council desires to maintain effective zoning and development regulations that implement the vision and goals of the Comprehensive Plan while being flexible and responsive to the community's desires and market conditions and has directed that the Code be reviewed and amended as necessary.

Staff has identified items that inadvertently conflict with standard practice, have challenges with implementation, require correction, or could use additional clarification.

After public notice and public hearing as required by the Grand Junction Zoning and Development Code, the Grand Junction Planning Commission recommended approval of the proposed amendments.

After public notice and public hearing, the Grand Junction City Council finds that the amendments to the Zoning & Development Code implement the vision and goals of the Comprehensive Plan and that the amendments provided in this Ordinance are responsive to the community's desires, encourage orderly development of real property in the City, and otherwise advance and protect the public health, safety, and welfare of the City and its residents.

**NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF
GRAND JUNCTION THAT:**

**The following sections of the Zoning and Development Code (Title 21 of the
Grand Junction Municipal Code) are amended as follows (deletions struck
through, added language underlined):**

21.05.020 REQUIRED IMPROVEMENTS

...

(8) Pedestrian Circulation.

(i) Applicability. This section applies to all development, excluding development within an Industrial zone district, Industrial Uses as listed in Table 21.04-1: Principal Use Table, and single-unit detached or duplex dwellings.

(ii) Required Pedestrian Connection Access.

(A) Each development with one or more buildings, except individual lot development of a single-unit detached or duplex dwelling, shall provide reasonably direct paved pedestrian-sidewalk connections from the front of the principal building's main entrances to: abutting public streets, between all principal buildings, between buildings and outlying parking areas, between buildings and transit facilities, and between the development and any abutting Active Transportation Corridor.

- a. abutting public sidewalk(s) or streets
- b. outlying parking areas
- c. transit facilities
- d. any abutting Active Transportation Corridor.

(B) Pedestrian circulation shall be given equal consideration to motor vehicle traffic.

(iii) Design Requirements.

(A) Each pedestrian sidewalk connection shall be a minimum of six four feet wide and shall be constructed of an impermeable material concrete.

(B) At least one pedestrian sidewalk connection between a principal building and an abutting street shall provide access to a public sidewalk allowing continuous travel to all abutting streets. The connection shall be separated from motor vehicle areas by a curb or other physical barrier approved by the Director, except that crossing a motor vehicle area is allowed when the following standards are met for each such crossing:

- a. The crossing shall be as close to a perpendicular angle to the vehicular path of travel as possible.
- b. The crossing shall be raised to a minimum of three inches above the height of the adjacent pavement.
- c. The crossing shall be constructed of concrete which contrasts in color and/or texture with the pavement of the motor vehicle area.
- d. The distance of the crossing shall be the minimum necessary. No crossing shall exceed 20 feet.

- e. Curb extensions shall be used to minimize crossing distance and maximize visibility.
- f. Vehicle turning movements shall be spaced as far as possible from the crossing.
- g. Advance warning signage and striping shall be provided.

(C) All other pedestrian sidewalk connections shall meet the following standards:

- a. The connection shall be clearly visible and provide adequate lighting.
- b. Where connections cross motor vehicle areas, each such crossing shall be constructed of concrete which contrasts in color and/or texture with the pavement of the motor vehicle area.
- c. Advance warning signage and striping shall be provided as necessary to facilitate circulation and improve public safety and awareness.

(B) When a pedestrian sidewalk connection crosses a vehicular area such as a travel lane of parking lot, the crossing shall be constructed so that it is clearly visible, by using techniques such as contrasts in color and/or texture.

(C) Curb extensions shall be used to minimize crossing distance.

INTRODUCED on first reading this 18th day of February 2026 and ordered published in pamphlet form.

ADOPTED on second reading this 4th day of March 2026 and ordered published in pamphlet form.

ATTEST:

Cody Kennedy
President of the City Council

Selestina Sandoval
City Clerk

City of Grand Junction
City Council
250 N. 5th Street
Grand Junction, CO 81501

Dear Mayor and Members of City Council,

On behalf of the Grand Junction Housing Affordability Code Task Force, I am writing to express support for the proposed changes to 21.05.020. Pedestrian Circulation.

Grand Junction is facing real housing supply and affordability challenges. Local policy must ensure that well-intended regulations do not unintentionally function as barriers to housing production. While pedestrian safety is essential, overly rigid design mandates can significantly increase development costs without delivering proportional safety improvements.

The proposed changes establish an important goal: ensuring pedestrians can move safely and directly between buildings, streets, parking areas, and transportation networks. The Housing Task Force supports this goal.

Every additional regulatory layer added to a housing project compounds cost. Even small increases in required infrastructure can translate directly into higher home prices or rents. In today's housing market, unnecessary cost burdens can determine whether projects are built at all.

Importantly, deregulation in this context does not mean lowering safety expectations. It means focusing regulations on what actually improves safety and removing requirements that primarily increase cost without clear public benefit. Grand Junction can maintain a high level of pedestrian safety while allowing flexibility in how that safety is achieved.

We encourage City Council to view pedestrian access standards through the dual lenses of safety and housing attainability. Policies should protect residents while also ensuring that regulatory structure does not unintentionally restrict housing supply or increase costs for future homeowners and renters.

Grand Junction has an opportunity to lead by demonstrating that strong safety outcomes and housing affordability can coexist when regulations are focused, efficient, and performance-based.

Thank you for your leadership and your continued work to support safe, attainable housing and responsible community growth.

Respectfully,


Kelly Maves
Chair, Grand Junction Housing Affordability Code Task Force



Grand Junction City Council

Regular Session

Item #2.b.i.

Meeting Date: February 18, 2026

Presented By: Daniella Acosta, Principal Planner

Department: Community Development

Submitted By:

Information

SUBJECT:

Introduction of an Ordinance for a Planned Development (PD) Outline Development Plan (ODP) for the Camelback Gardens Development Proposed on a 10.29 Acre Parcels Located a 381 and 409 High Desert Road over a 17-Year Timeframe and Setting a Public Hearing for March 4, 2026

RECOMMENDATION:

EXECUTIVE SUMMARY:

BACKGROUND OR DETAILED INFORMATION:

FISCAL IMPACT:

SUGGESTED MOTION:

Attachments

None



Grand Junction City Council

Regular Session

Item #3.a.

Meeting Date: February 18, 2026

Presented By: Randi Kim, Utilities Director

Department: Utilities

Submitted By: Lee Cooper, Wastewater Project Manager

Information

SUBJECT:

Authorize Change Order #8 with Burns & McDonnell Engineering Company, Inc. for the Persigo Wastewater Plant Phase 1 Expansion Project

RECOMMENDATION:

Authorize the City Purchasing Division to execute Change Order #8 with Burns & McDonnell Engineering Company, Inc. (BMcD) in the amount of \$804,160.80 for extending Burns & McDonnell's contract completion date 232-calendar days to October 19, 2026 for engineering and construction inspection services.

EXECUTIVE SUMMARY:

This request is for approving Change Order #8 with Burns & McDonnell Engineering Company, Inc. (BMcD) to extend their construction phase engineering and construction services on the Persigo Wastewater Treatment Plant Phase 1 Expansion Project. Due to project delays experienced to date, BMcD is requesting Change Order #8, which adds 232 calendar days to the contract with a new contract completion date of October 19, 2026. This contract time extension will also add \$804,160.80 to the contract amount, resulting in a total contract value of \$8,956,307.80. Currently, BMcD's Engineering and Construction Services Contract expires on March 1, 2026.

BACKGROUND OR DETAILED INFORMATION:

Burns & McDonnell Engineering (BMcD) is City's professional design engineering consultant responsible for the design of the Phase 1 Expansion Project. BMcD is the Engineer of Record for this project. BMcD has been providing engineering and construction inspection services to assist City staff and Garney Construction (Contractor) with design-related items during the construction phase. As the Engineer of Record, BMcD is responsible for certifying with the Colorado Department of Public Health and Environment (CDPHE) that the Phase 1 Expansion Project is being

constructed per the design, specifications, calculations, building code requirements, safety regulations, and the wastewater treatment process requirements as set forth by CDPHE and Mesa County. During the construction phase, which officially started on April 15, 2024, BMcD has been responsible for providing engineering services and construction inspection/oversight services.

The original intent of the engineering and construction services contract with BMcD estimated an active construction period of 24-months (2-years) beginning January 1, 2024. In addition to the 2-year construction period, BMcD also included an extra 2-months into the service scope for BMcD to provide and complete final project closeout items like producing as-built record drawings, organizing and producing the Operations & Maintenance (O&M) manuals, and certifying the project with CDPHE.

Recently, the City approved Change Order #7 with Garney Construction (Contractor) which extended Garney's contract completion date to August 21, 2026, from the previous completion date of April 29, 2026. Extending Garney's contract was necessary due to several delays experienced during construction. These delays included construction review and approval delays from CDPHE, delays resulting from the City's design change requests, delays in equipment lead-times and delivery times, and several weather-related delays.

As a result of these delays and Garney's contract extension to August 21, 2026, the City's Contract with BMcD also needs to be extended for continued engineering and construction services since BMcD is the Engineer of Record. The City's contract with BMcD currently ends on March 1, 2026. Change Order #8 with BMcD will extend their contract completion date to October 19, 2026 (232-calendar days) which is exactly 2-months past the construction completion date.

Change Order #8 will also add \$804,160.80 to the contract as a result of the 232-calendar day contract extension, increasing the total contract amount to \$8,956,307.80. BMcD's 2024 and 2025 Hourly Professional Billing Rates will remain the same for 2026.

FISCAL IMPACT:

Funding for Change Order #8 with Burns & McDonnell Engineering is available within the 2026 Joint Sewer System Capital Capacity Fund.

SUGGESTED MOTION:

I move to authorize the City Purchasing Division to execute Change Order #8 with Burns & McDonnell Engineering for a contract time extension of 232-calendar days creating October 19, 2026, as the new contract completion date, and with a Contract dollar amount increase of \$804,160.80 for the additional engineering and construction inspection services provided by Burns & McDonnell Engineering.

Attachments

1. Memorandum_Request for CO #8 Approval_BMcD_2026-02-04

Memorandum

To: Mike Bennett, City Manager

Through: Randi Kim, Utilities Director

From: Lee Cooper, Wastewater Project Manager

Cc: Aaron Rice, Wastewater Services Manager

Date: February 4, 2026

Subject: Change Order #8 with Burns & McDonnell Persigo WWTP Phase 1 Expansion Project

Change Order Request #8 (CO #8) from Burns & McDonnell (BMcD) is attached. CO #8 includes extending BMcD's engineering and construction services contract to October 19, 2026 (232 Calendar Days) and adds \$804,160.80 to BMcD's contract for the additional BMcD services. Attached to this memo is BMcD's Change Order #8 request.

BMcD's contract time currently expires on March 1, 2026. I'm planning to request City Council approval of CO #8 at the February 18, 2026 Council meeting.

BMcD is the Engineer of Record for this Phase 1 Expansion Project and BMcD has been responsible for designing and developing the plans and specifications for construction. As the Engineer of Record, BMcD is responsible for certifying with the Colorado Dept. of Public Health & Environment (CDPHE) that the Phase 1 Expansion Project has been constructed per the design, specifications, calculations, building code requirements, safety regulations, and the wastewater process requirements as set forth by CDPHE and Mesa County. During the construction phase, which officially started on April 15, 2024, BMcD has been providing engineering design services, as well as construction inspection/oversight services during the construction phase.

The original intent of the engineering and construction services contract with BMcD was for an active construction period of 24-months (2-years) beginning January 1, 2024. Since the beginning of this project, the City, BMcD, and the Contractor (Garney Construction) have estimated the Phase 1 Project to be a 2-year project. In addition to the 2-year construction period, BMcD also included an extra 2 months beyond the construction completion date for BMcD to complete final project closeout items like producing as-built record drawings, producing the Operations & Maintenance (O&M) manuals, and certifying the project with CDPHE.

Recently, the City approved Change Order #7 with Garney Construction which extends Garney's contract completion date to August 21, 2026, from the previous completion date of April 29, 2026. Extending Garney's contract time was necessary due to several delays



Memorandum

experienced during construction. These delays included construction review and approval delays as a result of CDPHE, delays resulting from Persigo's own design change requests, delays in equipment lead-times and delivery, and several weather delays.

As a result of these past delays and Garney's contract extension to August 21, 2026, the City's contract with BMcD also needs to be extended for continued engineering and construction services. The City's contract with BMcD currently ends on March 1, 2026. Change Order #8 with BMcD will extend the contract completion date to October 19, 2026 (232 Calendar Days) which is 2 months past the construction completion date.

Change Order #8 with BMcD will also add \$804,160.80 to the Contract price increasing the total Contract price to \$8,956,307.80. BMcD's 2024 and 2025 Hourly Professional Billing Rates will remain the same with the change order.

On behalf of the Phase 1 Expansion Project, I would like to request your signatures for approval of Change Order #8 to allow the City Purchasing Division to execute a Contract amendment revising Burns & McDonnell's Contract completion date to October 19, 2026, and approving the additional \$804,160.80 for the extra engineering and construction services.

The GL account for our Contract with BMcD is 904-660-975-C1064 and this account has 2026 funds available.

Recommended by: _____ Date _____
Randi Kim, Utilities Director

Approved by: _____ Date _____
Mike Bennett, City Manager



01-05-15 Form CO-1

CHANGE ORDER NO. 8
For Contract between Client and Burns & McDonnell

Project Name: Persigo WWTP Expansion BMcD Project No. 145443

Client: City of Grand Junction Client Project No. 904-F2107-F21

Engineer: Burns & McDonnell Contract No. 4972-22

The below noted modification(s) to subject Contract are directed by Client and accepted by Burns & McDonnell (any applicable attachments are specifically identified):

Services as detailed in Attachment A – Scope of Services for Change Order No.8

As a result of the modification(s) described above:

The revised Contract Price is:

Original Contract Price	\$ 3,340,568.00
Total net amount of all previous Change Orders	(+ or -) \$ 4,811,579.00
Total net amount of all previous variable quantity adjustments	(+ or -) \$ 0
Total net amount of this Change Order.....	(+ or -) \$ 804,160.80
Current Contract Price, including this Change Order.....	\$ 8,956,307.80

The revised Contract Time is:

	<u>Substantial Completion</u>	<u>Ready for Final Payment</u>
Original Completion Date(s).....	<u>08/01/2023</u>	
Total net time adjustment* of all previous Change Orders(+ or -) 0		
Total net time adjustment* of this Change Order.....(+ or -) 0		
* Time adjustment is specified in: <input type="checkbox"/> Working Days <input checked="" type="checkbox"/> Calendar Days <input type="checkbox"/> Other <u>232</u>		
Current Completion Date(s), including this Change Order	<u>10/19/2026</u>	

The price and/or time extension set forth in this Change Order is full compensation for all costs and delays, direct and indirect, incurred in connection with the conditions giving rise to this Change Order, the work specified herein, and any consequential costs, delays, or effects on unchanged work resulting therefrom.

This Change Order, when executed, constitutes a modification to the Contract and all provisions of the Contract, except as modified above and by any previous Change Orders, shall apply hereto.

CLIENT

BURNS & McDONNELL

By _____

By _____

Date _____

Date _____

Attachment A –SCOPE OF SERVICES:

This Contract amendment (“Amendment”) to the AGREEMENT is made by and between Burns & McDonnell Engineering Company, Inc. (Engineer) and City of Grand Junction (Owner), for the Persigo Wastewater Treatment Plant Expansion Phase 1 Project.

Whereas, it is the mutual desire of the parties hereto to amend the Professional Engineering Services Consultant for Wastewater Treatment Plant Expansion Projects RFP-4972-22-DH between Owner & Engineer entered into on the 7th day of April 2022, hereinafter called the “Existing Agreement.”

The construction schedule has been extended past the original final completion date and additional engineering services are required for the following tasks as originally contracted in Amendment 4. The scope of work for Amendment 8 shall be completed on or before the date indicated on the change order form. If construction is not completed within the timeline predicted, Engineer will request additional time and/or compensation for completion.

Construction Phase Engineering Services

- Task 901 – General Administration of Construction Contract
- Task 902 – Pre-Construction Conference
- Task 903 – Progress Meetings:
- Task 904 – Construction Observation and Residential Project Representative
- Task 905 – Compliance Submittals
- Task 906 – Work Compliance Site Visits
- Task 907 – Change Orders/Work Change Directives
- Task 908 – Pre-Start-Up Workshop
- Task 909 – Equipment Operation’s Training
- Task 910 – Processes Start-Up Assistance
- Task 911 – Operations & Maintenance Manual
- Task 912 – Conduct Final Inspection
- Task 913 – CDPHE Certifications
- Task 914 – Conforming to Construction Record Drawings

Schedule of Hourly Professional Service Billing Rates

Position Classification	Classification Level	Hourly Billing Rate
General Office *	5	\$76.00
Technician *	6	\$96.00
Assistant *	7	\$118.00
	8	\$160.00
	9	\$192.00
Staff *	10	\$219.00
	11	\$238.00
Senior	12	\$268.00
	13	\$272.00
Associate	14	\$279.00
	15	\$282.00
	16	\$283.00
	17	\$285.00

NOTES:

1. Position classifications listed above refer to the firm's internal classification system for employee compensation. For example, "Associate", "Senior", etc., refer to such positions as "Associate Engineer", "Senior Architect", etc.
2. For any nonexempt personnel in positions marked with an asterisk (*), overtime will be billed at 1.5 times the hourly labor billing rates shown.
3. For outside expenses incurred by Burns & McDonnell, such as authorized travel and subsistence, and for services rendered by others such as subcontractors, the client shall pay the cost to Burns & McDonnell plus 10%.
4. Monthly invoices will be submitted for payment covering services and expenses during the preceding month. Invoices are due upon receipt. A late payment charge of 1.5% per month will be added to all amounts not paid within 30 days of the invoice date.
5. The services of contract/agency and/or any personnel of a Burns & McDonnell parent, subsidiary or affiliate shall be billed to Owner according to the rate sheet as if such personnel is a direct employee of Burns & McDonnell.
6. The rates shown above are effective for services through January 1, 2024 through December 31, 2025. These rates are subject to revision thereafter.



Grand Junction City Council

Regular Session

Item #3.b.

Meeting Date: February 18, 2026

Presented By: Randi Kim, Utilities Director

Department: Utilities

Submitted By: Aaron Rice

Information

SUBJECT:

2026 Liquid Polymer Chemical Purchase for the Persigo WWTP

RECOMMENDATION:

Staff recommends City Council authorize the City Purchasing Division to enter into a contract renewal for 2026 for the purchase of liquid polymer from Polydyne, Inc. under an existing contract for as needed liquid polymer in the amount of \$240,043.00.

EXECUTIVE SUMMARY:

The purpose of the Contract for Liquid Polymer is to supply the Persigo Wastewater Treatment Plant with liquid polymer needed for treatment plant operation at a planned expense of \$240,043 for 2026.

BACKGROUND OR DETAILED INFORMATION:

Liquid Polymer is a chemical that is used at the wastewater treatment plant to help coagulate and flocculate digested sludge. This chemical is needed to ensure consistent, reliable, and safe operation of the facility. The Utilities Department has an existing contract with Polydyne, Inc. for liquid polymer. Polydyne, Inc. was selected through a competitive procurement process. The City entered into a contract with Polydyne, Inc. on March 24, 2023. The original contract amount was not to exceed \$81,144. The contract allowed for up to three additional one-year renewals. This renewal is the third and final renewal. This renewal will exceed \$200,000 for the first time, which requires Council approval.

FISCAL IMPACT:

The funding for liquid polymer is included in the 2026 Persigo Joint Sewer System Adopted Budget.

SUGGESTED MOTION:

I move to (authorize/not authorize) the City Purchasing Division to enter into a contract renewal for 2026 to purchase liquid polymer from Polydyne, Inc. in the amount of \$240,043.00.

Attachments

None



Grand Junction City Council

Regular Session

Item #3.c.

Meeting Date: February 18, 2026

Presented By: Jerod Timothy, Project Engineer

Department: General Services

Submitted By: Kyle Coltrrinari

Information

SUBJECT:

HVAC Roof Top Unit Replacement at the Grand Junction Convention Center

RECOMMENDATION:

Authorize the City Purchasing Division to Execute a Purchase Order to Trane US, Inc. for a Trane 130 ton RTU rooftop unit for the Grand Junction Convention Center in the amount of \$298,462.13.

EXECUTIVE SUMMARY:

This item relates to the lifecycle replacement of a 130-ton Trane rooftop HVAC unit serving the large ballroom at the Grand Junction Convention Center. The existing unit is nearing 20 years old, exceeding its expected useful life of approximately 15 years, and presents an increased risk of failure. The ballroom is a critical operational space requiring reliable heating and cooling to support scheduled events. Replacing the unit as part of a planned lifecycle strategy helps reduce operational risk and supports continued, reliable facility operations.

BACKGROUND OR DETAILED INFORMATION:

This project involves the lifecycle replacement of a 130-ton Trane rooftop HVAC unit serving the large ballroom at the Grand Junction Convention Center. The existing unit is approaching 20 years in age, which exceeds its expected useful life of approximately 15 years. As equipment ages beyond its intended lifespan, the likelihood of mechanical failure increases and overall reliability and efficiency decline.

The large ballroom is a critical operational space within the Convention Center and requires dependable heating and cooling to support scheduled events and maintain

occupant comfort. Failure of this unit could result in significant operational disruptions, including event cancellations.

Replacing the unit as part of a planned lifecycle strategy reduces the risk of unplanned outages, limits emergency repair costs, and supports continued reliable operation of the facility. The replacement unit will be procured through **Omnia Partners, a cooperative purchasing organization**, allowing the City to utilize competitively solicited pricing while streamlining the procurement process in compliance with City purchasing requirements.

FISCAL IMPACT:

The cost to purchase the 130 ton RTU is \$298,462.13. Funds for this project have been budgeted for in the 2026 Facilities capital plan.

SUGGESTED MOTION:

I move to authorize the City Purchasing Division to purchase a 130-ton Trane rooftop unit through Omnia Partners in the amount of \$298,462.13.

Attachments

None



Grand Junction City Council

Regular Session

Item #4.a.

Meeting Date: February 18, 2026

Presented By: Trenton Prall, Engineering & Transportation Director

Department: Engineering & Transportation

Submitted By: Trent Prall, Engineering & Transportation Director

Information

SUBJECT:

A Resolution Supporting a Grant Application for Highway Safety Improvement Funds for 28 Road & Orchard Avenue Intersection Improvements Project

RECOMMENDATION:

Authorize the City Manager to submit an application for the 28 Road and Orchard Avenue Improvements Project in response to the Colorado Department of Transportation (CDOT) call for projects for the Highway Safety Improvement Program (HSIP).

EXECUTIVE SUMMARY:

The Highway Safety Improvement Program (HSIP) is a federal funding program administered by the Colorado Department of Transportation. Applications for funding are due February 20, 2026.

City staff recommends the \$2.25 million intersection improvements project at 28 Road and Orchard Avenue be submitted for the HSIP funding opportunity. Conceptual designs for the intersection include construction of a single lane roundabout to improve safety at the intersection while also adding capacity.

BACKGROUND OR DETAILED INFORMATION:

The Highway Safety Improvement Program (HSIP) is a core federal-aid program to States for the purpose of achieving a significant reduction in fatalities and serious injuries on all public roads. The program provides federal funds (90% federal, 10% state/local) for projects that improve highway safety at locations where there is potential for crash reduction. The criteria in evaluating applications is the crash history, potential for crash reduction, and the cost benefit of the entire project. Safety improvements along all public roadways, including non-State owned roads within a local community

are eligible for HSIP funding.

The Colorado Department of Transportation (CDOT) issued a notice of funding opportunity requesting projects for HSIP funding in the fiscal year (FY) 2029 (July 2028 to June 2029) and reported that the FY2029 statewide allocation of HSIP funds for Colorado is estimated at \$21 Million.

The City Engineering & Transportation Department monitors accident history on the City's street network and had identified the 28 Road & Orchard Avenue Intersection as candidate for safety improvements in the City's 5-year Capital Improvement Program, which aligns with the timing of the funding opportunity through the HSIP for FY2029. Preliminary evaluations of accident history and modeling of the proposed safety improvements of the proposed roundabout at the 28 Road & Orchard Avenue intersection identify this improvement as a strong project meeting the goals of the HSIP.

The design of the project is proposed to begin following the notice of award of the grant funding in the summer of 2026 and extend through most of 2027, which would allow adequate time for public engagement processes prior to a construction start in 2028 when funding becomes available.

FISCAL IMPACT:

The project is estimated at \$2.25 million for construction of the proposed improvements. The City seeks to request \$2.0 million from the Highway Safety Improvement Program for construction of the project with a \$250,000 match to meet the requirements of the grant.

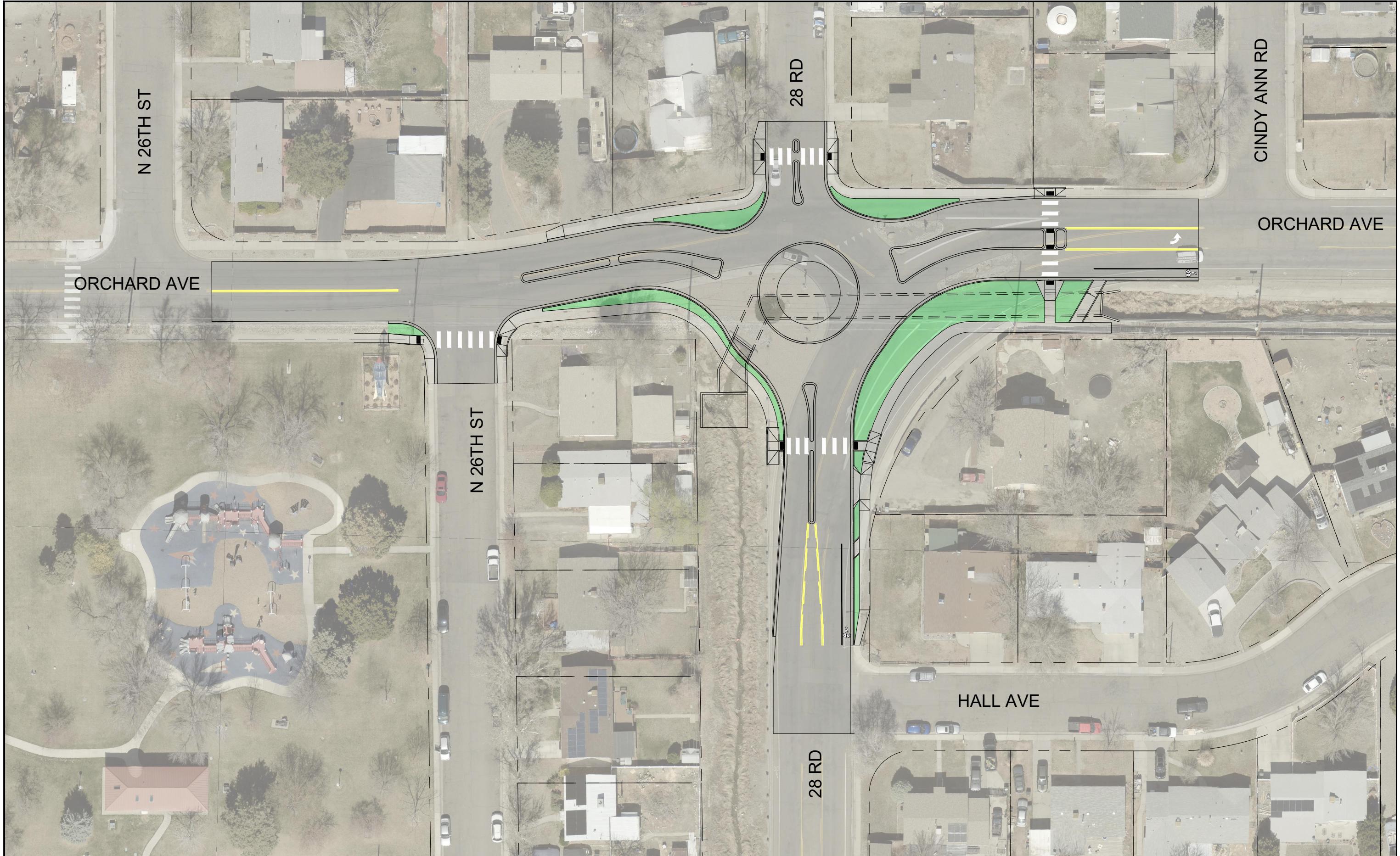
The matching funds are included City's 5-year Capital Improvements Plan within the 201 Fund.

SUGGESTED MOTION:

I move to adopt Resolution No. 18-26, a resolution approving the City Manager to submit an application for Highway Safety Improvement Funds for 28 Road & Orchard Avenue Intersection Improvements Project.

Attachments

1. 28 Rd & Orchard Ave Concept Plan
2. RES- 28 Rd & Orchard Ave Intersection HSIP Resolution 20250204



DESCRIPTION DATE DRAWN BY DJM DATE 4/2025
REVISION A - - - - -
REVISION A - - - - -

SCALES:
PLAN
0 12.5 25 50' 50'
HORIZONTAL 1" = 50'

CITY OF
Grand Junction
COLORADO

ENGINEERING AND
TRANSPORTATION DEPARTMENT
PROJECT NO. #####

28 Rd. & ORCHARD AVE. IMPROVEMENTS
OPTION #2
January 28, 2026

#

CITY OF GRAND JUNCTION, COLORADO

Resolution No. __-26

**A RESOLUTION SUPPORTING THE GRANT APPLICATION FOR
HIGHWAY SAFETY IMPROVEMENT PROGRAM (HSIP) FUNDS FOR
28 ROAD AND ORCHARD AVENUE INTERSECTION IMPROVEMENTS PROJECT**

The City Council of the City of Grand Junction, Colorado resolves that:

The City, by, with and through this Resolution supports and authorizes application to the Colorado Department of Transportation's (CDOT) Highway Safety Improvement Program (HSIP) Fund for the 28 Road and Orchard Avenue Intersection Improvements Project ("Project.") The intersection has an accident history that would be significantly reduced with funding and construction of the Project.

The HSIP is a core federal-aid program to States for the purpose of achieving a significant reduction in fatalities and serious injuries on all public roads. The HSIP provides federal funds (90% federal, 10% state/local) for projects that improve highway safety at locations where there is potential for crash reduction. The criteria in evaluating HSIP applications is the crash history including rates, types of crashes, and severity; reduction in crash rates and severity if the project was constructed, and the cost benefit of the entire project. Safety improvements along all public roadways, including non-State owned roads within a local community are eligible for HSIP funding.

CDOT's statewide allocation for state fiscal year (FY) 2029 (July 2028 to June 2029) is estimated at \$21 million. A call for projects has been issued.

In accordance with the grant purposes, the City Engineering & Transportation Department proposes to construct a single lane roundabout at the intersection of 28 Road and Orchard Avenue.

The Project is anticipated to start construction in 2028 with completion in 2029.

The construction cost estimate is \$2.25 million. City staff is seeking HSIP funding in the amount of \$2.0 million. The City will match \$250 thousand or 11% of the construction portion of the Project. The funding for the match is included in the City's Capital Improvement Plan.

The Grand Junction City Council supports and authorizes the expenditure of funds necessary to meet the terms and obligations, including established deadlines, of any HSIP grant(s) awarded for the Project. If a grant is awarded, the City Council hereby authorizes the City Manager to sign the CDOT/HSIP grant agreement for the Project. The City staff recommends that the City Council support the grant application and if awarded that the grant be utilized for the Project.

PASSED and ADOPTED this 18th day of February 2026.

Cody Kennedy
President of the Council

ATTEST:

Selestina Sandoval
City Clerk



Grand Junction City Council

Regular Session

Item #4.b.

Meeting Date: February 18, 2026

Presented By: Angela Padalecki

Department: City Manager's Office

Submitted By: Johnny McFarland, Asst. to the City Manager

Information

SUBJECT:

A Resolution Authorizing the Grand Junction Regional Airport Authority Grant

RECOMMENDATION:

Staff recommends approval of this item.

EXECUTIVE SUMMARY:

This item is to approve AIP Grant offer No. 3-08-0027-090-2026 in the amount of \$1,300,450 to rehabilitate sponsor-owned FAA Contract Tower and authorize the City Manager to execute the Co-Sponsorship Agreement.

BACKGROUND OR DETAILED INFORMATION:

The FAA Improvement Program Grant offer is intended to fund the replacement of the existing roof and mechanical equipment at the Air Traffic Control Tower (ATCT). The ATCT was built in 1966 and modernized in 1996. Most of the equipment and roofing assemblies to be replaced are past their life expectancy. As creators and co-sponsors of the Airport Authority, both the City Council and the County Commissioners must also approve FAA grant awards to the Airport Authority.

FISCAL IMPACT:

There is no fiscal impact associated with this item.

SUGGESTED MOTION:

I move to adopt Resolution No.19-26, a resolution authorizing the City to approve a Grant Offer for the FAA Airport Improvement Grant No. 3-08-0027-090-2026 in the amount of \$1,300,450, and authorize the City Manager to execute the Co-Sponsorship Agreement as Co-sponsor with the Grand Junction Regional Airport Authority

Attachments

1. 90.0 GJT-NMG-3-08-0027-090-2026-Grant Agreement_encrypted_
2. RES-AIP Grant 3-08-0027-090-2026 02112026 v2



**U.S. Department
of Transportation
Federal Aviation
Administration**

**Airports Division
Northwest Mountain Region
Colorado, Utah, Wyoming**

**Denver Airports District Office:
26805 E 68th Ave, Ste 224
Denver, CO 80249-6339**

February 2, 2026

Ms. Linde Marshall, Chair
Grand Junction Regional Airport Authority
800 Eagle Drive
Grand Junction, CO 81506

Mr. Mike Bennett, City Manager
City of Grand Junction
250 North Fifth Street
Grand Junction, CO 81501

Mr. James J. Fletcher, Chair
Mesa County Board of Commissioners
544 Rood Avenue
Grand Junction, CO 81501

Dear Ms. Marshall, Mr. Bennett, and Commissioner Fletcher:

The Grant Offer for Infrastructure Investment and Jobs Act (IIJA) Project No. 3-08-0027-090-2026 at Grand Junction Regional Airport is attached for execution. This letter outlines the steps you must take to properly enter into this agreement and provides other useful information. Please read the conditions, special conditions, and assurances that comprise the Grant Offer carefully.

You may not make any modification to the text, terms or conditions of the Grant Offer.

Steps You Must Take to Enter Into Agreement.

To properly enter into this agreement, you must do the following:

1. The governing body must give authority to execute the grant to the individual(s) signing the grant, i.e., the person signing the document must be the sponsor's authorized representative(s) (hereinafter "authorized representative").
2. The authorized representative must execute the grant by adding their electronic signature to the appropriate certificate at the end of the agreement.
3. Once the authorized representative has electronically signed the grant, the sponsor's attorney(s) will automatically receive an email notification.
4. On the same day or after the authorized representative has signed the grant, the sponsor's attorney(s) will add their electronic signature to the appropriate certificate at the end of the agreement.

5. If there are co-sponsors, the authorized representative(s) and sponsor's attorney(s) must follow the above procedures to fully execute the grant and finalize the process. Signatures must be obtained and finalized no later than **February 27, 2026**.

6. The fully executed grant will then be automatically sent to all parties as an email attachment.

Payment. Subject to the requirements in 2 CFR § 200.305 (federal payment), each payment request for reimbursement under this grant must be made electronically via the Delphi eInvoicing System. Please see the attached Grant Agreement for more information regarding the use of this system.

Project Timing. The terms and conditions of this agreement require you to complete the project without undue delay and no later than the Period of Performance end date four (4) years from the grant execution date). We will be monitoring your progress to ensure proper stewardship of these federal funds. We expect you to submit payment requests for reimbursement of allowable incurred project expenses consistent with project progress. Your grant may be placed in "inactive" status if you do not make draws on a regular basis, which will affect your ability to receive future Grant Offers. Costs incurred after the Period of Performance ends are generally not allowable and will be rejected unless authorized by the FAA in advance.

Reporting. Until the grant is completed and closed, you are responsible for submitting formal reports as follows:

- For all grants, you must submit by December 31st of each year this grant is open:
 1. A signed/dated SF-270 (Request for Advance or Reimbursement for non-construction projects) or SF-271 or equivalent (Outlay Report and Request for Reimbursement for Construction Programs), and
 2. An SF-425 (Federal Financial Report).
- For non-construction projects, you must submit [FAA Form 5100-140, Performance Report](#) within 30 days of the end of the federal fiscal year.
- For construction projects, you must submit [FAA Form 5370-1, Construction Progress and Inspection Report](#), within 30 days of the end of each federal fiscal quarter.

Audit Requirements. As a condition of receiving federal assistance under this award, you must comply with audit requirements as established under 2 CFR Part 200. Subpart F requires non-federal entities that expend \$1,000,000 or more in federal awards to conduct a single or program specific audit for that year. Note that this includes federal expenditures made under other federal-assistance programs. Please take appropriate and necessary action to ensure your organization will comply with applicable audit requirements and standards.

Closeout. Once the project(s) is completed and all costs are determined, we ask that you work with your FAA contact indicated below to close the project without delay and submit the necessary final closeout documentation as required by your Region/Airports District Office.

FAA Contact Information. Todd Minnich, (303) 342-1279, todd.e.minnich@faa.gov is the assigned program manager for this grant and is readily available to assist you and your designated representative with the requirements stated herein.

We sincerely value your cooperation in these efforts and look forward to working with you to complete this important project.

Sincerely,

A handwritten signature in blue ink that reads "Jesse A. Lyman".

Jesse A. Lyman
Manager, Denver Airports District Office



**U.S. Department
of Transportation
Federal Aviation
Administration**

FEDERAL AVIATION ADMINISTRATION

FY 2026

FAA CONTRACT TOWER (FCT) PROGRAM GRANT AGREEMENT

Part I - Offer

Federal Award Offer Date February 2, 2026

Airport/Planning Area Grand Junction Regional Airport

Airport Grant Number 3-08-0027-090-2026 [Contract Number: DOT-FA26NM-1002]

Unique Entity Identifier P2MUNC6N7YM6

TO: Grand Junction Regional Airport Authority, City of Grand Junction, Colorado, and County of Mesa, Colorado

(herein called the "Sponsor") (For Co-Sponsors, list all Co-Sponsor names. The word "Sponsor" in this Grant Agreement also applies to a Co-Sponsor.)

FROM: The United States of America (acting through the Federal Aviation Administration, herein called the "FAA")

WHEREAS, the sponsor has submitted to the FAA a Project Application dated April 23, 2025 and amended on January 15, 2026, for a grant of federal funds for a project at or associated with the Grand Junction Regional Airport, which is included as part of this Grant Agreement; and

WHEREAS, the FAA has approved a project for the Grand Junction Regional Airport (herein called the "Project") consisting of the following:

Rehabilitate Sponsor Owned FAA Contract Tower

which is more fully described in the Project Application.

NOW THEREFORE, Pursuant to and for the purpose of carrying out Title 49, United States Code (U.S.C.), Chapters 471 and 475; 49 U.S.C. §§ 40101 et seq. and 48103; Consolidated Appropriations Act, 2024 (Public Law Number (P.L.) 118-42); Consolidated Appropriations Act, 2025 (P.L. 119-4); FAA Reauthorization Act of 2024 (P.L. 118-63); Infrastructure Investment and Jobs Act of 2021 (IIJA) (P.L. 117-58) (as applicable); and the representations contained in the Project Application; and in consideration of: (a) the sponsor's adoption and ratification of the most recently published Grant Assurances; (b) the sponsor's acceptance of this offer; and (c) the benefits to accrue to the United States and the public from the accomplishment of the project, and compliance with the Grant Assurance and conditions as herein provided;

THE FEDERAL AVIATION ADMINISTRATION, FOR AND ON BEHALF OF THE UNITED STATES, HEREBY OFFERS AND AGREES to pay (100) % of the allowable costs incurred accomplishing the Project as the United States' share of the Project.

Assistance Listings Number(s): 20.117.

This Offer is made on and SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

CONDITIONS

1. **Maximum Obligation.** The maximum obligation of the United States payable under this Offer is \$1,300,450.

The following amounts represent a breakdown of the maximum obligation for the purpose of establishing allowable amounts for any future grant amendment, which may increase the foregoing maximum obligation of the United States under the provisions of 49 U.S.C. § 47108(b):

\$0 for planning

\$1,300,450 for airport development or noise program implementation; and,

\$0 for land acquisition.

2. **Grant Performance.** This Grant Agreement is subject to the following federal award requirements:

- a. Period of Performance:

i. Start Date: The date the recipient formally accepts this agreement and the date signed by the last signatory to the agreement.

ii. End Date: Four (4) years to the calendar day from the date of acceptance.

iii. Extension of the Period of Performance (PoP): The recipient may request a one-time extension of up to one year after the PoP end date by submitting a request to the FAA. The request must include, at a minimum, supporting justification for the request and the amount of additional time requested. The request must be submitted at least 10 calendar days before the PoP end date. This one-time extension may not be exercised for the sole purpose of using unobligated balances.

The PoP end date, or any extension as approved by FAA, shall not affect, relieve, or reduce recipient obligations and assurances that extend beyond the closeout of this Grant Agreement.

- b. Budget Period:

i. For a single year Grant Offer, the budget period follows the same start and end date as the PoP provided in paragraph 2(a), and any extension of the PoP end date.

ii. For a multi-year Grant Offer, per the authority provided in 49 U.S.C. § 47108 and § 47114, the budget period is from the initial PoP start date through the end of the final fiscal year identified on a multi-year Grant Offer (See Multi-Year Grant Special Condition, if applicable).

c. Appropriation Period of Availability and Expenditure:

- i. The FAA must obligate appropriated funds within the period of availability identified in the appropriation.
- ii. In accordance with 31 U.S.C. § 1552, by September 30th of the fifth fiscal year after the period of availability, FAA must liquidate and close expired appropriations, and any remaining balance (whether obligated or unobligated) must be canceled and thereafter shall not be available for obligation or expenditure for any purpose.
- iii. IIJA and Supplemental AIP funding are subject to this condition.

d. Close Out:

Recipients shall begin the closeout process upon physical completion of the project identified in this agreement. Closeout shall proceed expeditiously and without delay, even if the PoP end date has not been reached. In accordance with 2 Code of Federal Regulations (CFR) 200, unless the FAA authorizes a written extension, the recipient must submit all grant closeout documentation and liquidate (pay-off) all obligations incurred under this award no later than 120 calendar days after the PoP end date. If the recipient does not submit all required closeout documentation within this period, the FAA will proceed to close out the grant within one year of the PoP end date with the information available at the end of 120 days.

e. Termination:

The FAA may terminate this agreement and all of its obligations under this agreement if any of the following occur:

- i. The recipient fails to comply with the terms and conditions of this agreement;
- ii. The recipient fails to obtain or provide any recipient grant contribution as requested by the agreement;
- iii. There is a material failure to comply with the Project Schedule even if it is beyond the reasonable control of the recipient;
- iv. Any project changes that the FAA determines are inconsistent with the FAA's basis for selecting the project to receive a grant;
- v. Continued grant payment inactivity, generally defined as no drawdowns over a 12-month period;
- vi. The recipient requests that the FAA terminate the agreement under this section; or
- vii. The FAA determines that termination of this agreement is in the public interest.

In terminating this agreement under this section, the FAA may elect to consider only the interests of the FAA.

3. Ineligible or Unallowable Costs. In accordance with 49 U.S.C. § 47110, the sponsor is prohibited from including any costs in the grant funded portions of the project that the FAA has determined to be ineligible or unallowable, including costs incurred to carry out airport development implementing

policies and initiatives repealed by Executive Order 14148, provided such costs are not otherwise permitted by statute.

4. **Indirect Costs - Sponsor.** The sponsor may charge indirect costs under this award by applying the indirect cost rate identified in the project application, as accepted by the FAA, to allowable costs for sponsor direct salaries and wages.
5. **Determining the Final Federal Share of Costs.** The United States' share of allowable project costs will be made in accordance with 49 U.S.C. § 47109, the regulations, policies, and procedures of the Secretary of Transportation ("Secretary"), and any superseding legislation. Final determination of the United States' share will be based upon the final audit of the total amount of allowable project costs, and settlement will be made for any upward or downward adjustments to the federal share of costs.
6. **Completing the Project Without Delay and in Conformance with Requirements.** The sponsor must carry out and complete the project without undue delay, and in accordance with this agreement, 49 U.S.C. Chapters 471 and 475, IIJA (P.L. 117-58) (as appropriate), and the regulations, policies, and procedures of the Secretary. Per 2 CFR § 200.308, the sponsor agrees to report and request prior FAA approval for any disengagement from performing the project that exceeds three months, or a 25 percent reduction in time devoted to the project. The report must include a reason for the project stoppage. The sponsor also agrees to comply with the grant assurances, which are part of this agreement.
7. **Amendments or Withdrawals before Grant Acceptance.** The FAA reserves the right to amend or withdraw this offer at any time prior to its acceptance by the sponsor.
8. **Offer Expiration Date.** This offer will expire and the United States will not be obligated to pay any part of the costs of the project unless this offer has been accepted by the sponsor on or before February 27, 2026, or such subsequent date as may be prescribed in writing by the FAA.
9. **Improper Use of Federal Funds and Mandatory Disclosure.**
 - a. The sponsor must take all steps, including litigation, if necessary, to recover federal funds spent fraudulently, wastefully, or in violation of federal antitrust statutes, or misused in any other manner for any project upon which federal funds have been expended. For the purposes of this Grant Agreement, the term "federal funds" means funds however used or dispersed by the sponsor, that were originally paid pursuant to this or any other federal grant agreement. The sponsor must obtain the approval of the Secretary as to any determination of the amount of the federal share of such funds. The sponsor must return the recovered federal share, including funds recovered by settlement, order, or judgment, to the Secretary. Upon request, the sponsor must furnish to the Secretary all documents and records pertaining to the determination of the amount of the federal share, or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the sponsor, in court or otherwise, involving the recovery of such federal share require advance approval by the Secretary.
 - b. The sponsor, a recipient, and a subrecipient under this federal grant must promptly comply with the mandatory disclosure requirements as established under 2 CFR § 200.113, including reporting requirements related to recipient integrity and performance in accordance with Appendix XII to 2 CFR Part 200.

10. United States Not Liable for Damage or Injury. The United States is not responsible or liable for damage to property or injury to persons which may arise from, or be incident to, compliance with this Grant Agreement.

11. System for Award Management (SAM) Registration and Unique Entity Identifier (UEI).

- a. Requirement for System for Award Management (SAM): Unless the sponsor is exempted from this requirement under 2 CFR § 25.110, the sponsor must maintain the currency of its information in the SAM until the sponsor submits the final financial report required under this grant, or receives the final payment, whichever is later. This requires that the sponsor review and update the information at least annually after the initial registration and more frequently if required by changes in information or another award term. Additional information about registration procedures may be found at the SAM website (currently at <http://www.sam.gov>).
- b. Unique entity identifier (UEI) means a 12-character alpha-numeric value used to identify a specific commercial, nonprofit, or governmental entity. A UEI may be obtained from SAM.gov at <https://sam.gov/content/entity-registration>.

12. Electronic Grant Payment(s). Unless otherwise directed by the FAA, the sponsor must make each payment request under this agreement electronically via the Delphi eInvoicing System for Department of Transportation (DOT) Financial Assistance Awardees.

13. Informal Letter Amendment of Projects. If, during the life of the project, the FAA determines that the maximum grant obligation of the United States exceeds the expected needs of the sponsor by \$25,000 or five percent, whichever is greater, the FAA can issue a letter amendment to the sponsor unilaterally reducing the maximum obligation.

The FAA can also issue a letter to the sponsor increasing the maximum obligation if there is an overrun in the total actual eligible and allowable project costs to cover the amount of the overrun, provided it will not exceed the statutory limitations for grant amendments. The FAA's authority to increase the maximum obligation does not apply to the "planning" component of Condition No. 1, Maximum Obligation.

The FAA can also issue an informal letter amendment that modifies the grant description to correct administrative errors or to delete work items if the FAA finds it advantageous, and in the best interests of the United States.

An informal letter amendment has the same force and effect as a formal grant amendment.

14. Environmental Standards. The sponsor is required to comply with all applicable environmental standards, as further defined in the Grant Assurances, for all projects in this grant. If the sponsor fails to comply with this requirement, the FAA may suspend, cancel, or terminate this Grant Agreement.

15. Financial Reporting and Payment Requirements. The sponsor will comply with all federal financial reporting requirements and payment requirements, including submittal of timely and accurate reports.

16. Buy American. Unless otherwise approved in advance by the FAA, in accordance with 49 U.S.C. § 50101, the sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured goods produced outside the United States to be used for any project for which funds are provided under this grant. The sponsor will include a provision implementing Buy American in every contract and subcontract awarded under this grant.

17. Build America, Buy America. The sponsor must comply with the requirements under the Build America, Buy America Act (P.L. 117-58).

18. Maximum Obligation Increase. In accordance with 49 U.S.C. § 47108(b)(2), as amended, the maximum obligation of the United States, as stated in Condition No. 1, Maximum Obligation, of this grant:

- a. May not be increased for a planning project;
- b. May be increased by not more than 15 percent for development projects, if funds are available;
- c. May be increased by not more than the greater of the following for a land project, if funds are available:
 - i. 15 percent; or
 - ii. 25 percent of the total increase in allowable project costs attributable to acquiring an interest in the land.

If the sponsor requests an increase, any eligible increase in funding will be subject to the United States Government share as provided in 49 U.S.C. § 47109, or other superseding legislation if applicable, for the fiscal year appropriation with which the increase is funded. The FAA is not responsible for the same federal share provided herein for any amount increased over the initial grant amount. The FAA may adjust the federal share as applicable through an informal letter of amendment.

19. Audits for Sponsors.

- a. PUBLIC SPONSORS. The sponsor must provide for a Single Audit or program-specific audit in accordance with 2 CFR Part 200. The sponsor must submit the audit reporting package to the Federal Audit Clearinghouse on the Federal Audit Clearinghouse's Internet Data Entry System at <http://harvester.census.gov/facweb/>. Upon request of the FAA, the sponsor shall provide one copy of the completed audit to the FAA. Sponsors that expend less than \$1,000,000 in federal awards and are exempt from federal audit requirements must make records available for review or audit by the appropriate federal agency officials, state, and Government Accountability Office. The FAA and other appropriate federal agencies may request additional information to meet all federal audit requirements.

20. Suspension or Debarment. When entering into a "covered transaction" as defined by 2 CFR § 180.200, the sponsor must:

- a. Verify the non-federal entity is eligible to participate in this federal program by:
 - i. Checking the System for Award Management (SAM.gov) exclusions to determine if the non-federal entity is excluded or disqualified; or
 - ii. Collecting a certification statement from the non-federal entity attesting they are not excluded or disqualified from participating; or
 - iii. Adding a clause or condition to covered transactions attesting the individual or firm are not excluded or disqualified from participating.
- b. Require prime contractors to comply with 2 CFR § 180.330 when entering into lower-tier transactions with their contractors and sub-contractors.

- c. Immediately disclose in writing to the FAA whenever (1) the sponsor learns they have entered into a covered transaction with an ineligible entity or (2) the public sponsor suspends or debars a contractor, person, or entity.

21. Ban on Texting While Driving.

- a. In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving, October 1, 2009, and DOT Order 3902.10, Text Messaging While Driving, December 30, 2009, the sponsor is encouraged to:
 - i. Adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers, including policies to ban text messaging while driving when performing any work for, or on behalf of, the Federal Government, including work relating to a grant or subgrant.
 - ii. Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as:
 - a) Establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving; and
 - b) Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.
- f. The sponsor must insert the substance of this clause on banning texting while driving in all subgrants, contracts, and subcontracts funded with this grant.

22. Trafficking in Persons.

- a. *Posting of contact information.*
 - i. The sponsor must post the contact information of the national human trafficking hotline (including options to reach out to the hotline such as through phone, text, or TTY) in all public airport restrooms.
- b. *Provisions applicable to a sponsor that is a private entity.*
 - i. Under this grant, the sponsor, its employees, subrecipients under this grant, and subrecipient's employees must not engage in:
 - a) Severe forms of trafficking in persons;
 - b) The procurement of a commercial sex act during the period of time that the grant or cooperative agreement is in effect;
 - c) The use of forced labor in the performance of this grant; or any subaward; or
 - d) Acts that directly support or advance trafficking in persons, including the following acts:
 - 1. Destroying, concealing, removing, confiscating, or otherwise denying an employee access to that employee's identity or immigration documents;
 - 2. Failing to provide return transportation or pay for return transportation costs to an employee from a country outside the United States to the country from which the employee was recruited upon the end of employment if requested by the employee, unless:

- a. Exempted from the requirement to provide or pay for such return transportation by the federal department or agency providing or entering into the grant; or
- b. The employee is a victim of human trafficking seeking victim services or legal redress in the country of employment or witness in a human trafficking enforcement action;
- 3. Soliciting a person for the purpose of employment, or offering employment, by means of materially false or fraudulent pretenses, representations, or promises regarding that employment;
- 4. Charging recruited employees a placement or recruitment fee; or
- 5. Providing or arranging housing that fails to meet the host country's housing and safety standards.

- ii. The FAA may unilaterally terminate this grant or take any remedial actions authorized by 22 U.S.C. § 7104b(c), without penalty, if any private entity under this grant:
 - a) is determined to have violated a prohibition in paragraph (2)(a) of this grant; or
 - b) has an employee that is determined to have violated a prohibition in paragraph(ii)(a) of this grant through conduct that is either:
 1. Associated with the performance under this grant; or
 2. Imputed to the recipient or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR Part 180, "OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Nonprocurement)," as implemented by the FAA at 2 CFR Part 1200.

- c. *Provisions applicable to a sponsor other than a private entity.*
 - i. The FAA may unilaterally terminate this award or take any remedial actions authorized by 22 U.S.C. § 7104b(c), without penalty, if subrecipient is a private entity under this award:
 - a) is determined to have violated a prohibition in paragraph (2)(a) of this grant or
 - b) has an employee that is determined to have violated a prohibition in paragraph (2)(a) of this grant through conduct that is either:
 1. Associated with the performance under this grant; or
 2. Imputed to the sponsor or subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR Part 180, "OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Nonprocurement)," as implemented by the FAA at 2 CFR Part 1200.

- d. *Provisions applicable to any sponsor or subrecipient.*
 - i. The sponsor or subrecipient must inform the FAA and the DOT Inspector General immediately of any information you receive from any source alleging a violation of a prohibition in paragraph (2)(a) of this grant.
 - ii. The FAA's right to unilaterally terminate this grant as described in paragraphs (2)(b) or (3)(a) of this grant, implements the requirements of 22 U.S.C. chapter 78, and is in

addition to all other remedies for noncompliance that are available to the FAA under this grant.

- iii. The sponsor must include the requirements of paragraph (2)(a) of this grant award term in any subaward it makes to a private entity.
- iv. If applicable, the sponsor must also comply with the compliance plan and certification requirements in 2 CFR 175.105(b).

e. *Definitions. For purposes of this grant award, term:*

- i. “Employee” means either:
 - a) An individual employed by the sponsor or a subrecipient who is engaged in the performance of the project or program under this grant; or
 - b) Another person engaged in the performance of the project or program under this grant and not compensated by the sponsor or a subrecipient including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing requirements.
- ii. “Private Entity” means:
 - a) Any entity, including for-profit organizations, nonprofit organizations, institutions of higher education, and hospitals. The term does not include foreign public entities, Indian Tribes, local governments, or states as defined in 2 CFR 200.1.
 - b) The terms “severe forms of trafficking in persons,” “commercial sex act,” “sex trafficking,” “abuse or threatened abuse of law or legal process,” “coercion,” “debt bondage,” and “involuntary servitude” have the meanings given at section 103 of the Victims of Trafficking and Violence Protection Act of 2000, as amended (22 U.S.C. § 7102).

23. Grant Funded Work Included in a PFC Application. Within 120 days of acceptance of this Grant Agreement, the sponsor must submit to the FAA an amendment to any approved Passenger Facility Charge (PFC) application that contains an approved PFC project also covered under this Grant Agreement as described in the project application. The sponsor may not make any expenditure under this Grant Agreement until project work addressed under this Grant Agreement is removed from an approved PFC application by amendment.

24. Exhibit “A” Property Map. The Exhibit “A” Property Map dated July 11, 2023, is incorporated herein by reference, or is submitted with the project application and made part of this Grant Agreement.

25. Employee Protection from Reprisal. In accordance with 2 CFR § 200.217 and 41 U.S.C. § 4701, an employee of a grantee, subgrantee contractor, recipient, or subrecipient must not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a person or body described in 41 U.S.C. § 4712(a)(2) information that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant. The grantee, subgrantee, contractor, recipient, or subrecipient must inform their employees in writing of employee whistleblower rights and protections under 41 U.S.C. § 4712. See statutory requirements for whistleblower protections at 10 U.S.C. § 4701, 41 U.S.C. § 4712, 41 U.S.C. § 4304, and 10 U.S.C. § 4310.

26. Co-Sponsor. The co-sponsors understand and agree that they jointly and severally adopt and ratify the representations and assurances contained therein and that the word “sponsor” as used in the application and other assurances is deemed to include all co-sponsors.

27. Prohibited Telecommunications and Video Surveillance Services and Equipment. The sponsor agrees to comply with mandatory standards and policies relating to use and procurement of certain telecommunications and video surveillance services or equipment in compliance with the National Defense Authorization Act [P.L. 115-232 § 889] and 2 CFR § 200.216.

28. Critical Infrastructure Security and Resilience. The sponsor acknowledges that it has considered and addressed physical and cybersecurity and resilience in its project planning, design, and oversight, as determined by the DOT and the Department of Homeland Security (DHS). For airports that do not have specific DOT or DHS cybersecurity requirements, the FAA encourages the voluntary adoption of the cybersecurity requirements from the Transportation Security Administration and Federal Security Director identified for security risk Category X airports.

29. Title VI of the Civil Rights Act. As a condition of a grant award, the sponsor shall demonstrate that it complies with the provisions of Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and implementing regulations (49 CFR Part 21), the Airport and Airway Improvement Act of 1982 (49 U.S.C. § 47123), the Age Discrimination Act of 1975 (42 U.S.C. § 6101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794 et seq.), the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101, et seq.), U.S. Department of Transportation and Federal Aviation Administration (FAA) Assurances, and other relevant civil rights statutes, regulations, or authorities, including any amendments or updates thereto. This may include, as applicable, providing a current Title VI Program Plan to the FAA for approval, in the format and according to the timeline required by the FAA, and other information about the communities that will be benefited and impacted by the project. The sponsor shall affirmatively ensure that when carrying out any project supported by this grant that it complies with all federal nondiscrimination and civil rights laws based on race, color, national origin, sex, creed, age, disability, and genetic information, in consideration for federal financial assistance. The Department's and FAA's Office of Civil Rights may provide resources and technical assistance to recipients to ensure full and sustainable compliance with federal civil rights requirements. Failure to comply with civil rights requirements will be considered a violation of the agreement or contract and be subject to any enforcement action as authorized by law.

30. Applicable Federal Anti-Discrimination Laws. The sponsor agrees:

- That its compliance in all respects with all applicable federal anti-discrimination laws is material to the government's payment decisions for purposes of 31 U.S.C. § 3729(b)(4) and
- To certify that it does not operate any programs promoting Diversity, Equity, and Inclusion (DEI) that violate any applicable federal anti-discrimination laws.

31. National Airspace System Requirements.

- The sponsor shall cooperate with FAA activities installing, maintaining, replacing, improving, or operating equipment and facilities in or supporting the National Airspace System, including waiving permitting requirements and other restrictions affecting those activities to the maximum extent possible, and assisting the FAA in securing waivers of permitting or other restrictions from other authorities. The sponsor shall not take actions that frustrate or prevent the FAA from installing, maintaining, replacing, improving, or operating equipment and facilities in or supporting the National Airspace System.
- If FAA determines that the sponsor has violated subsection a., the FAA may impose a remedy, including:
 - Additional conditions on the award;

- ii. Consistent with 49 U.S.C Chapter 471, any remedy permitted under 2 CFR §§ 200.339–200.340, including withholding of payments; disallowance of previously reimbursed costs, requiring refunds from the recipient to the DOT; suspension or termination of the award; or suspension and debarment under 2 CFR part 180; or
- iii. Any other remedy legally available.

- c. In imposing a remedy under this condition, the FAA may elect to consider the interests of only the FAA.
- d. The sponsor acknowledges that amounts that the FAA requires the sponsor to refund to the FAA due to a remedy under this condition constitute a debt to the Federal Government that the FAA may collect under 2 CFR 200.346 and the Federal Claims Collection Standards (31 CFR Parts 900–904).

32. Signage Costs for Construction Projects. The sponsor agrees that it will require the prime contractor of a federally-assisted airport improvement project to post signs consistent with a DOT/FAA-prescribed format, as may be requested by the DOT/FAA, and further agrees to remove any signs posted in response to requests received prior to February 1, 2025.

SPECIAL CONDITIONS

- 33. Solid Waste Recycling Plan.** The sponsor certifies that it has a solid waste recycling plan as part of an existing Airport Master Plan, as prescribed by 49 U.S.C. § 47106(a)(6).
- 34. Buy American Executive Orders.** The sponsor agrees to abide by applicable Executive Orders in effect at the time this Grant Agreement is executed, including Executive Order 14005, Ensuring the Future Is Made in All of America by All of America's Workers.
- 35. Construction Safety Phasing Plan.** In accordance with FAA Advisory Circular 150/5370-2G, Operational Safety on Airports During Construction, and any applicable amendment or update to the Advisory Circular, the sponsor understands and agrees that construction will not commence until FAA has approved the Construction Safety Phasing Plan and Points of Interest airspace case for the project(s) described in this grant, and the project application.

The sponsor's acceptance of this offer and ratification and adoption of the Project Application incorporated herein shall be evidenced by execution of this instrument by the sponsor, as hereinafter provided, and this offer and acceptance shall comprise a Grant Agreement, constituting the contractual obligations and rights of the United States and the sponsor with respect to the accomplishment of the project and compliance with the Grant Assurances, terms, and conditions as provided herein. Such Grant Agreement shall become effective upon the sponsor's acceptance of this offer.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.¹

UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION



(Signature)

Jesse A Lyman

(Typed Name)

Manager, Denver Airports District Office

(Title of FAA Official)

¹ Knowingly and willfully providing false information to the Federal Government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

Part II - Acceptance

The sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing offer, and does hereby accept this offer and by such acceptance agrees to comply with all of the Grant Assurances, terms, and conditions in this offer and in the Project Application.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.²

Dated _____

Grand Junction Regional Airport Authority

(Name of Sponsor)

(Signature of Sponsor's Authorized Official)

By: _____

(Typed Name of Sponsor's Authorized Official)

Title: _____

(Title of Sponsor's Authorized Official)

² Knowingly and willfully providing false information to the Federal Government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

CERTIFICATE OF SPONSOR'S ATTORNEY

I, _____, acting as Attorney for the Sponsor do hereby certify:

That in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of Colorado. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor and Sponsor's official representative, who has been duly authorized to execute this Grant Agreement, which is in all respects due and proper and in accordance with the laws of the said State; and Title 49, United States Code (U.S.C.), Chapters 471 and 475; 49 U.S.C. §§ 40101 et seq., and 48103; FAA Reauthorization Act of 2018 (P.L. 115-254); the Department of Transportation Appropriations Act, 2021 (P.L. 116-260, Division L); the Consolidated Appropriations Act, 2022 (P.L. 117-103); Consolidated Appropriations Act, 2023 (P.L. 117-328); Consolidated Appropriations Act, 2024 (P.L. 118-42); FAA Reauthorization Act of 2024 (P.L. 118-63); and the representations contained in the Project Application. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.³

Dated at _____

By: _____

(Signature of Sponsor's Attorney)

³ Knowingly and willfully providing false information to the Federal Government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

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I declare under penalty of perjury that the foregoing is true and correct.⁴

Dated _____

City of Grand Junction, Colorado

(Name of Sponsor)

(Signature of Sponsor's Authorized Official)

By: _____

(Typed Name of Sponsor's Authorized Official)

Title: _____

(Title of Sponsor's Authorized Official)

⁴ Knowingly and willfully providing false information to the Federal Government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

CERTIFICATE OF SPONSOR'S ATTORNEY

I, _____, acting as Attorney for the Sponsor do hereby certify:

That in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of Colorado. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor and Sponsor's official representative, who has been duly authorized to execute this Grant Agreement, which is in all respects due and proper and in accordance with the laws of the said State; and Title 49, United States Code (U.S.C.), Chapters 471 and 475; 49 U.S.C. §§ 40101 et seq., and 48103; FAA Reauthorization Act of 2018 (P.L. 115-254); the Department of Transportation Appropriations Act, 2021 (P.L. 116-260, Division L); the Consolidated Appropriations Act, 2022 (P.L. 117-103); Consolidated Appropriations Act, 2023 (P.L. 117-328); Consolidated Appropriations Act, 2024 (P.L. 118-42); FAA Reauthorization Act of 2024 (P.L. 118-63); and the representations contained in the Project Application. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

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I declare under penalty of perjury that the foregoing is true and correct.⁵

Dated at _____

By: _____

(Signature of Sponsor's Attorney)

⁵ Knowingly and willfully providing false information to the Federal Government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

The sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing offer, and does hereby accept this offer and by such acceptance agrees to comply with all of the Grant Assurances, terms, and conditions in this offer and in the Project Application.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.⁶

Dated _____

County of Mesa, Colorado

(Name of Sponsor)

(Signature of Sponsor's Authorized Official)

By:

(Typed Name of Sponsor's Authorized Official)

Title:

(Title of Sponsor's Authorized Official)

⁶ Knowingly and willfully providing false information to the Federal Government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

CERTIFICATE OF SPONSOR'S ATTORNEY

I, _____, acting as Attorney for the Sponsor do hereby certify:

That in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of Colorado. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor and Sponsor's official representative, who has been duly authorized to execute this Grant Agreement, which is in all respects due and proper and in accordance with the laws of the said State; and Title 49, United States Code (U.S.C.), Chapters 471 and 475; 49 U.S.C. §§ 40101 et seq., and 48103; FAA Reauthorization Act of 2018 (P.L. 115-254); the Department of Transportation Appropriations Act, 2021 (P.L. 116-260, Division L); the Consolidated Appropriations Act, 2022 (P.L. 117-103); Consolidated Appropriations Act, 2023 (P.L. 117-328); Consolidated Appropriations Act, 2024 (P.L. 118-42); FAA Reauthorization Act of 2024 (P.L. 118-63); and the representations contained in the Project Application. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

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Dated at _____

By: _____

(Signature of Sponsor's Attorney)

⁷ Knowingly and willfully providing false information to the Federal Government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

ASSURANCES
AIRPORT SPONSORS

A. General.

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Title 49, U.S.C., subtitle VII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
3. Upon acceptance of this Grant Offer by the sponsor, these assurances are incorporated in and become part of this Grant Agreement.

B. Duration and Applicability.

1. Airport Development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.

The terms, conditions and assurances of this Grant Agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a Grant Offer of federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

2. Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.

The preceding paragraph (1) also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of federal aid for the project.

3. Airport Planning Undertaken by a Sponsor.

Unless otherwise specified in this Grant Agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 23, 25, 30, 32, 33, 34, 37, and 40 in Section C apply to planning projects. The terms, conditions, and assurances of this Grant Agreement shall remain in full force and effect during the life of the project; there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport.

C. Sponsor Certification.

The sponsor hereby assures and certifies, with respect to this grant that:

1. General Federal Requirements

It will comply with all applicable federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance, and use of federal funds for this grant. Performance under this agreement shall be governed by and in compliance with the following requirements, as applicable, to the type of organization of the Sponsor and any applicable sub-recipients. The applicable provisions to this agreement include, but are not limited to, the following:

FEDERAL LEGISLATION

- a. 49 U.S.C. subtitle VII, as amended.
- b. Davis-Bacon Act, as amended — 40 U.S.C. §§ 3141-3144, 3146, and 3147, et seq.¹
- c. Federal Fair Labor Standards Act — 29 U.S.C. § 201, et seq.
- d. Hatch Act — 5 U.S.C. § 1501, et seq.²
- e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. § 4601, et seq.^{1, 2}
- f. National Historic Preservation Act of 1966 — Section 106 — 54 U.S.C. § 306108.¹
- g. Archeological and Historic Preservation Act of 1974 — 54 U.S.C. § 312501, et seq.¹
- h. Native Americans Grave Repatriation Act — 25 U.S.C. § 3001, et seq.
- i. Clean Air Act, P.L. 90-148, as amended — 42 U.S.C. § 7401, et seq.
- j. Coastal Zone Management Act, P.L. 92-583, as amended — 16 U.S.C. § 1451, et seq.
- k. Flood Disaster Protection Act of 1973 — Section 102(a) - 42 U.S.C. § 4012a.¹
- l. 49 U.S.C. § 303, (formerly known as Section 4(f)).
- m. Rehabilitation Act of 1973 — 29 U.S.C. § 794.
- n. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.) (prohibits discrimination on the basis of race, color, national origin).
- o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.) (prohibits discrimination on the basis of disability).
- p. Age Discrimination Act of 1975 — 42 U.S.C. § 6101, et seq.
- q. American Indian Religious Freedom Act, P.L. 95-341, as amended.
- r. Architectural Barriers Act of 1968, as amended — 42 U.S.C. § 4151, et seq.¹
- s. Powerplant and Industrial Fuel Use Act of 1978 — Section 403 — 42 U.S.C. § 8373.¹
- t. Contract Work Hours and Safety Standards Act — 40 U.S.C. § 3701, et seq.¹
- u. Copeland Anti-kickback Act — 18 U.S.C. § 874.¹

- v. National Environmental Policy Act of 1969 – 42 U.S.C. § 4321, et seq.¹
- w. Wild and Scenic Rivers Act, P.L. 90-542, as amended – 16 U.S.C. § 1271, et seq.
- x. Single Audit Act of 1984 – 31 U.S.C. § 7501, et seq.²
- y. Drug-Free Workplace Act of 1988 – 41 U.S.C. §§ 8101 through 8105.
- z. The Federal Funding Accountability and Transparency Act of 2006, as amended (P.L. 109-282, as amended by section 6202 of P.L. 110-252).
- aa. Civil Rights Restoration Act of 1987, P.L. 100-259.
- bb. Infrastructure Investment and Jobs Act, P.L. 117-58, Title VIII.
- cc. Build America, Buy America Act, P.L. 117-58, Title IX.
- dd. Endangered Species Act – 16 U.S.C. 1531, et seq.
- ee. Title IX of the Education Amendments of 1972, as amended – 20 U.S.C. 1681–1683 and 1685–1687.
- ff. Drug Abuse Office and Treatment Act of 1972, as amended – 21 U.S.C. 1101, et seq.
- gg. Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, P.L. 91-616, as amended – 42 U.S.C. § 4541, et seq.
- hh. Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, P.L. 91-616, as amended – 42 U.S.C. § 4541, et seq.
- ii. Appropriated Funds to Influence Certain Federal Contracting and Financial Transactions – 31 U.S.C. § 1352.

EXECUTIVE ORDERS

- a. Executive Order 11990 – Protection of Wetlands
- b. Executive Order 11988 – Floodplain Management
- c. Executive Order 12372 – Intergovernmental Review of Federal Programs
- d. Executive Order 12699 – Seismic Safety of Federal and Federally Assisted New Building Construction¹
- e. Executive Order 14005 – Ensuring the Future is Made in all of America by All of America’s Workers
- f. Executive Order 14149 – Restoring Freedom of Speech and Ending Federal Censorship
- g. Executive Order 14151 – Ending Radical and Wasteful Government DEI Programs and Preferencing
- h. Executive Order 14154 – Unleashing American Energy
- i. Executive Order 14168 – Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government
- j. Executive Order 14173 – Ending Illegal Discrimination and Restoring Merit-Based Opportunity

FEDERAL REGULATIONS

- a. 2 CFR Part 180 – OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).
- b. 2 CFR Part 200 and 1201 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.^{3, 4, 5}
- c. 2 CFR Part 1200 – Nonprocurement Suspension and Debarment.
- d. 14 CFR Part 13 – Investigative and Enforcement Procedures.
- e. 14 CFR Part 16 – Rules of Practice for Federally-Assisted Airport Enforcement Proceedings.
- f. 14 CFR Part 150 – Airport Noise Compatibility Planning.
- g. 28 CFR Part 35 – Nondiscrimination on the Basis of Disability in State and Local Government Services.
- h. 28 CFR § 50.3 – U.S. Department of Justice Guidelines for the Enforcement of Title VI of the Civil Rights Act of 1964.
- i. 29 CFR Part 1 – Procedures for Predetermination of Wage Rates.¹
- j. 29 CFR Part 3 – Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States.¹
- k. 29 CFR Part 5 – Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (Also Labor Standards Provisions Applicable to Nonconstruction Contracts Subject to the Contract Work Hours and Safety Standards Act).¹
- l. 41 CFR Part 60 – Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and Federally-assisted contracting requirements).¹
- m. 49 CFR Part 20 – New Restrictions on Lobbying.
- n. 49 CFR Part 21 – Nondiscrimination in Federally-Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964.
- o. 49 CFR Part 23 – Participation by Disadvantage Business Enterprise in Airport Concessions.
- p. 49 CFR Part 24 – Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally-Assisted Programs.^{1, 2}
- q. 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs.
- r. 49 CFR Part 27 – Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance.¹
- s. 49 CFR Part 28 – Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities Conducted by the Department of Transportation.
- t. 49 CFR Part 30 – Denial of Public Works Contracts to Suppliers of Goods and Services of Countries That Deny Procurement Market Access to U.S. Contractors.
- u. 49 CFR Part 32 – Governmentwide Requirements for Drug-Free Workplace (Financial Assistance).

- v. 49 CFR Part 37 – Transportation Services for Individuals with Disabilities (ADA).
- w. 49 CFR Part 38 – Americans with Disabilities Act (ADA) Accessibility Specifications for Transportation Vehicles.
- x. 49 CFR Part 41 – Seismic Safety.

FOOTNOTES TO ASSURANCE (C)(1)

- ¹ These laws do not apply to airport planning sponsors.
- ² These laws do not apply to private sponsors.
- ³ 2 CFR Part 200 contains requirements for state and local governments receiving federal assistance. Any requirement levied upon state and local governments by this regulation shall apply where applicable to private sponsors receiving federal assistance under Title 49, United States Code.
- ⁴ Cost principles established in 2 CFR Part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.
- ⁵ Audit requirements established in 2 CFR Part 200 subpart F are the guidelines for audits.

SPECIFIC ASSURANCES

Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in this Grant Agreement.

2. Responsibility and Authority of the Sponsor.

a. Public Agency Sponsor:

It has legal authority to apply for this grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

b. Private Sponsor:

It has legal authority to apply for this grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this Grant Agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

3. Sponsor Fund Availability.

It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this Grant Agreement which it will own or control.

4. Good Title.

- a. It, a public agency or the Federal Government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.

- b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

5. Preserving Rights and Powers.

- a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this Grant Agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.
- b. Subject to 49 U.S.C. § 47107(a)(16) and (x), it will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which federal funds have been expended, for the duration of the terms, conditions, and assurances in this Grant Agreement without approval by the Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this Grant Agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this Grant Agreement.
- c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.
- d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.
- e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.
- f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to ensure that the airport will be operated and maintained in accordance with Title 49, United States Code, the regulations and the terms, conditions and assurances in this Grant Agreement and shall ensure that such arrangement also requires compliance therewith.
- g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors

of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of Sec. 136 of Public Law 112-95 and the sponsor assurances.

6. Consistency with Local Plans.

The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the state in which the project is located to plan for the development of the area surrounding the airport.

7. Consideration of Local Interest.

It has given fair consideration to the interest of communities in or near where the project may be located.

8. Consultation with Users.

In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

9. Public Hearings.

In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

10. Metropolitan Planning Organization.

In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

11. Pavement Preventive Maintenance-Management.

With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

12. Terminal Development Prerequisites.

For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under 49 U.S.C. § 44706, and all the security equipment required by rule or regulation, and has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

13. Accounting System, Audit, and Record Keeping Requirements.

- a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this grant, the total cost of the project in connection with which this grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.
- b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a grant or relating to the project in connection with which this grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than six (6) months following the close of the fiscal year for which the audit was made.

14. Minimum Wage Rates.

It shall include, in all contracts in excess of \$2,000 for work on any projects funded under this Grant Agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor under 40 U.S.C. §§ 3141-3144, 3146, and 3147, Public Building, Property, and Works), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

15. Veteran's Preference.

It shall include in all contracts for work on any project funded under this Grant Agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in 49 U.S.C. § 47112. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

16. Conformity to Plans and Specifications.

It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this Grant Agreement, and, upon approval of the Secretary, shall be incorporated into this Grant Agreement. Any modification to the approved plans, specifications, and schedules shall also be subject to approval of the Secretary, and incorporated into this Grant Agreement.

17. Construction Inspection and Approval.

It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in

accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

18. Planning Projects.

In carrying out planning projects:

- a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.
- b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.
- c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.
- d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.
- e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.
- f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.
- g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.
- h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a federal airport grant.

19. Operation and Maintenance.

- a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, state, and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for:
 1. Operating the airport's aeronautical facilities whenever required;
 2. Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and
 3. Promptly notifying pilots of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood, or other climatic conditions

interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.

- b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which federal funds have been expended.

20. Hazard Removal and Mitigation.

It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

21. Compatible Land Use.

It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the airport, of the noise compatibility program measures upon which federal funds have been expended.

22. Economic Nondiscrimination.

- a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.
- b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to:
 - 1. Furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and
 - 2. Charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
- c. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.
- d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.
- e. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers

which make similar use of such airport and utilize similar facilities, subject to reasonable classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.

- f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees (including, but not limited to maintenance, repair, and fueling) that it may choose to perform.
- g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.
- h. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.
- i. The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

23. Exclusive Rights.

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

- a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and
- b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

24. Fee and Rental Structure.

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the federal share of an airport development, airport planning or noise compatibility project for

which a grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

25. Airport Revenues.

- a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:
 - 1. If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.
 - 2. If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor's acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.
 - 3. Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at 49 U.S.C. § 47102), if the FAA determines the airport sponsor meets the requirements set forth in Section 813 of Public Law 112-95.
- b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.
- c. Any civil penalties or other sanctions will be imposed for violation of this assurance in accordance with the provisions of 49 U.S.C. § 47107.

26. Reports and Inspections.

It will:

- a. submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports available to the public; make available to the

public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;

- b. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;
- c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this Grant Agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and
- d. in a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:
 - 1. all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and
 - 2. all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

27. Use by Government Aircraft.

It will make available all of the facilities of the airport developed with federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that:

- a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or
- b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

28. Land for Federal Facilities.

It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein as the Secretary considers necessary or desirable for construction, operation, and maintenance at federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

29. Airport Layout Plan.

- a. The airport owner or operator will maintain a current airport layout plan of the airport showing:
 - 1. boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto;
 - 2. the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and roads), including all proposed extensions and reductions of existing airport facilities;
 - 3. the location of all existing and proposed non-aviation areas and of all existing improvements thereon; and
 - 4. all proposed and existing access points used to taxi aircraft across the airport's property boundary.
- b. Subject to subsection 49 U.S.C. § 47107(x), the Secretary will review and approve or disapprove the plan and any revision or modification of the plan before the plan, revision, or modification takes effect.
- c. The owner or operator will not make or allow any alteration in the airport or any of its facilities unless the alteration—
 - 1. is outside the scope of the Secretary's review and approval authority as set forth in subsection (x); or
 - 2. complies with the portions of the plan approved by the Secretary.
- d. When the airport owner or operator makes a change or alteration in the airport or the facilities which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary:
 - 1. eliminate such adverse effect in a manner approved by the Secretary; or
 - 2. bear all costs of relocating such property or its replacement to a site acceptable to the Secretary and of restoring the property or its replacement to the level of safety, utility, efficiency, and cost of operation that existed before the alteration was made, except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport sponsor.

30. Civil Rights.

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, color, and national origin (including limited English proficiency) in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d to 2000d-4); creed and sex per 49 U.S.C. § 47123 and related requirements; age per the Age Discrimination Act of 1975 and related requirements; or disability per the Americans with Disabilities Act of 1990 and related requirements, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any program and activity conducted with, or benefiting from, funds received from this grant.

a. Using the definitions of activity, facility, and program as found and defined in 49 CFR §§ 21.23(b) and 21.23(e), the sponsor will facilitate all programs, operate all facilities, or conduct all programs in compliance with all non-discrimination requirements imposed by or pursuant to these assurances.

b. Applicability

1. Programs and Activities. If the sponsor has received a grant (or other federal assistance) for any of the sponsor's program or activities, these requirements extend to all of the sponsor's programs and activities.
2. Facilities. Where it receives a grant or other federal financial assistance to construct, expand, renovate, remodel, alter, or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.
3. Real Property. Where the sponsor receives a grant or other federal financial assistance in the form of, or for the acquisition of real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.

c. Duration.

The sponsor agrees that it is obligated to this assurance for the period during which federal financial assistance is extended to the program, except where the federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the assurance obligates the sponsor, or any transferee for the longer of the following periods:

1. So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or
2. So long as the sponsor retains ownership or possession of the property.

d. Required Solicitation Language. It will include the following notification in all solicitations for bids, Requests For Proposals for work, or material under this Grant Agreement and in all proposals for agreements, including airport concessions, regardless of funding source:

"The (Grand Junction Regional Airport Authority, City of Grand Junction, Colorado, and County of Mesa, Colorado), in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders or offerors that it will affirmatively ensure that for any contract entered into pursuant to this advertisement, all businesses will be afforded full and fair opportunity to submit bids in response to this invitation and no businesses will be discriminated against on the grounds of race, color, national origin (including limited English proficiency), creed, sex , age, or disability in consideration for an award."

e. Required Contract Provisions.

1. It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in federally-assisted programs of the Department of Transportation (DOT), and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in federally-assisted programs of the DOT acts and regulations.
2. It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.

3. It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.
4. It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin (including limited English proficiency), creed, sex, age, or disability as a covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the sponsor with other parties:
 - a. For the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
 - b. For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
- f. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.
- g. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

31. Disposal of Land.

- a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:
 1. Reinvestment in an approved noise compatibility project;
 2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);
 3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. §§ 47114, 47115, or 47117;
 4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport; or
 5. Payment to the Secretary for deposit in the Airport and Airway Trust Fund.

If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development project that would otherwise be eligible for grant funding or any permitted use of airport revenue.

- b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United

States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, upon application to the Secretary, be reinvested or transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:

1. Reinvestment in an approved noise compatibility project;
2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);
3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. §§ 47114, 47115, or 47117;
4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport; or
5. Payment to the Secretary for deposit in the Airport and Airway Trust Fund.

c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.

d. Disposition of such land under (a), (b), or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

32. Engineering and Design Services.

If any phase of such project has received federal funds under Chapter 471 subchapter 1 of Title 49 U.S.C., it will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services in the same manner as a contract for architectural and engineering services is negotiated under Chapter 11 of Title 40 U.S.C., or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

33. Foreign Market Restrictions.

It will not allow funds provided under this grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

34. Policies, Standards, and Specifications.

It will carry out any project funded under an Airport Improvement Program Grant in accordance with policies, standards, and specifications approved by the Secretary including, but not limited to, current FAA Advisory Circulars (https://www.faa.gov/airports/aip/aip_pfc_checklist) for AIP projects as of April 23, 2025.

35. Relocation and Real Property Acquisition.

- a. It will be guided in acquiring real property, to the greatest extent practicable under state law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.
- b. It will provide a relocation assistance program offering the services described in Subpart C of 49 CFR Part 24 and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.
- c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

36. Access By Intercity Buses.

The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

37. Disadvantaged Business Enterprises.

The sponsor shall not discriminate on the basis of race, color, national origin, or sex, in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49 CFR Part 23. In addition, the sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its Disadvantaged Business Enterprise (DBE) and Airport Concessions Disadvantaged Business Enterprise (ACDBE) programs or the requirements of 49 CFR Parts 23 and 26. The sponsor shall take all necessary and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession contracts. The sponsor's DBE and ACDBE programs, as required by 49 CFR Parts 26 and 23, and as approved by DOT, are incorporated by reference in this agreement. Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the sponsor of its failure to carry out its approved program, the Department may impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. § 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. §§ 3801-3809, 3812).

38. Hangar Construction.

If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.

39. Competitive Access.

- a. If the airport owner or operator of a medium or large hub airport (as defined in 49 U.S.C. § 47102) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that:
 - 1. Describes the requests;
 - 2. Provides an explanation as to why the requests could not be accommodated; and

3. Provides a time frame within which, if any, the airport will be able to accommodate the requests.
- b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.

40. Access to Leaded Aviation Gasoline

- a. If 100-octane low lead aviation gasoline (100LL) was made available at an airport, at any time during calendar year 2022, an airport owner or operator may not restrict or prohibit the sale of, or self-fueling with, 100-octane low lead aviation gasoline.
- b. This requirement remains until the earlier of December 31, 2030, or the date on which the airport or any retail fuel seller at the airport makes available an unleaded aviation gasoline that has been authorized for use by the FAA as a replacement for 100-octane low lead aviation gasoline for use in nearly all piston-engine aircraft and engine models; and meets either an industry consensus standard or other standard that facilitates the safe use, production, and distribution of such unleaded aviation gasoline, as determined appropriate by the FAA.
- c. An airport owner or operator understands and agrees, that any violation of this grant assurance is subject to civil penalties as provided for in 49 U.S.C. § 46301(a)(8).

RESOLUTION ____-26

AUTHORIZING THE CITY MANAGER TO SIGN AND SUBMIT A GRANT AGREEMENT AND SUPPLEMENTAL CO-SPONSORSHIP AGREEMENT IN SUPPORT OF THE GRAND JUNCTION REGIONAL AIRPORT

RECITALS:

The Grand Junction Regional Airport Authority (GJRAA or Airport) has requested that the City Council consider and approve grant offer 3-08-0027-090-2026, in the form of a Reimbursable Agreement ("Grant") for the FAA to fund the rehabilitation of the Air Traffic Control Tower (ATCT) at the Grand Junction Regional Airport. As creators and co-sponsors of the Airport Authority, both the County Commissioners and the City Council must approve grant awards from the FAA to GJRAA. The Board of County Commissioners is scheduled to review the Grant on February 17, 2026.

The Grant is for \$1,300,450.00 which will provide funding for the rehabilitee of the ATCT.

Having been fully advised in the premises, the City Council by and with this Resolution affirms and directs the execution of the Grant Agreement(s) from the Federal Aviation Administration in the amount of \$1,300,450.00 in support of the GJRAA as described generally herein and in more detail in Airport Infrastructure Grant Agreement Number 3-08-0027-090-2026.

NOW THEREFORE, the City Council of the City of Grand Junction authorizes the execution of the Grant Agreements(s) Number 3-08-0027-090-2026 in the amount of \$1,300,450.00 between the Federal Aviation Administration, Mesa County, the City of Grand Junction, and the Grand Junction Regional Airport Authority and the Co-Sponsorship Agreement between the City of Grand Junction and the Grand Junction Regional Airport Authority and authorize the City Manager and City Attorney to sign.

Cody Kennedy
President of the City Council

ATTEST:

Selestina Sandoval
City Clerk

RESOLUTION NO. __-25

A RESOLUTION AUTHORIZING THE CITY MANAGER TO SIGN A PURCHASE AND SALE AGREEMENT WITH PUBLIC SERVICE COMPANY OF COLORADO (DBA XCEL ENERGY) FOR THE ACQUISITION OF PROPERTY IDENTIFIED BY MESA COUNTY TAX ASSESSOR PARCEL NUMBER 2945-041-00-164 WITH A FINDING THAT SUCH PROPERTY IS NECESSARY FOR THE CONSTRUCTION OF THE FOUR CANYONS PARKWAY IN GRAND JUNCTION.

RECITALS:

The Four Canyons Parkway (fka and aka F 1/2 Parkway) ("Project") is a key transportation expansion initiative aimed at improving connectivity and supporting regional growth. Phase 1 of the Project, which included the construction of the roundabout at 24 1/2 Road and Four Canyons Parkway, was completed on January 9, 2025. That construction provided critical infrastructure to support expanding to Phase 2 of the Project between 24 1/2 and Patterson Roads.

Public Service Company of Colorado owns a 2.52-acre parcel of land along the proposed alignment for the Project ("Xcel Property.") The Xcel Property is necessary for the construction of the Project.

City Council passed Resolution 25-25 on May 21, 2025 authorizing the City Manager to purchase the Xcel Property and enter into a License Agreement. The City's appraiser determined that the reasonable market value and just compensation for the City's acquisition of the Xcel Property is \$301,850.00. That appraisal would serve as a basis for the acquisition of the Xcel Property by eminent domain, if necessary. Although the City has been in communication with Xcel for approximately two years before Resolution 25-25, including having discussions of a use agreement, and by offering to purchase the Xcel Property for the appraised value, the Company proposed to sell the Xcel Property using a Purchase and Sale Agreement (Sale in lieu of Condemnation) ("Agreement."), which is included in Resolution 25-25. Because the agreement will take additional time to consummate, Xcel Energy offered the City the right to begin construction on the Xcel Property by way of a License Agreement. While the License Agreement did allow the City to begin construction of the Project on the Xcel Property it does not confer any ownership, and if the Purchase and Sale Agreement is not finalized, Xcel Energy could require that the City remove any work on the Project performed in accordance with the License Agreement. Since the passage of Resolution 25-25, the City has constructed and installed improvements onto the Xcel Property under the License Agreement.

Xcel conducted their own appraisal for the parcel which valued the parcel at \$400,000.00. The City and Xcel have negotiated for the purchase price of the Xcel Property given the difference between the City's \$301,850.00 appraised value and Xcel's \$400,000.00 appraised valuation. Xcel was only willing to lower their offer to \$385,000.00

This Resolution authorizes the City Manager to sign a Purchase and Sale Agreement with Xcel Energy for the acquisition of the property for the negotiated price of \$385,000.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION, COLORADO:

1. That in consideration of the Recitals and with the finding that the acquisition of the Xcel Property is necessary for the construction of the Four Canyons Parkway in Grand Junction the City Council hereby authorizes the purchase of the Xcel Property for \$385,000.00.
2. That the City Council hereby authorizes the expenditure of \$385,000.00 to be paid at closing plus normal and customary closing costs for the purchase of the Property as provided in the Agreement.
3. That the officers, employees and agents of the City are hereby authorized and directed to take all actions necessary or appropriate to effectuate the provisions of this Resolution and the Purchase and Sale Agreement included in Resolution 25-25, including, without limitation, the execution and delivery of such certificates, documents and payment as may be necessary or desirable to complete the use and purchase of the Xcel Property for Project purposes, all to support and advance the public health, safety and welfare.

PASSED and ADOPTED this ____ day of February 2026.

Cody Kennedy
President of the City Council

ATTEST:

Selestina Sandoval
City Clerk



Grand Junction City Council

Regular Session

Item #5.a.i.

Meeting Date: February 18, 2026

Presented By: Thomas Lloyd, Planning Manager

Department: Community Development

Submitted By: Thomas Lloyd, Planning Manager

Information

SUBJECT:

An Ordinance Rezoning Approximately 3.60 Acres from MU-1 (Mixed-Use Neighborhood) and RM-12 (Residential Medium 12) to MU-2 (Mixed -Use Light Commercial), Located at the Northeast Corner of the Intersection of Patterson Road and 29 Road

RECOMMENDATION:

The Planning Commission heard this request at the January 13, 2025 meeting and voted (5-0) to recommend approval of the request.

EXECUTIVE SUMMARY:

Lucky Me Premises LLC, property owner, is requesting a rezone of a total of 3.60 acres from MU-1 (Mixed-Use Neighborhood) and RM-8(Residential Medium 8) to MU-2 (Mixed-Use Light Commercial), located at the northeast corner of the intersection of Patterson Road and 29 Road. The requested MU-2 zone district would be consistent with the Comprehensive Land Use Map designation of Commercial, if approved.

BACKGROUND OR DETAILED INFORMATION:

BACKGROUND

The subject properties are situated on the northeast corner of 29 Road and Patterson Road. The property consists of eight parcels and hosts an existing convenience store with a fuel station and carwash. The property owner would like to rezone the property in anticipation of redeveloping the property. The current zoning of the properties is MU-1 on 2 acres and RM-8 on 1.60 acres. The owner of the property would like to rezone the property to the MU-2 zone district. The Comprehensive plan assigns this property a land use designation of Commercial. The Land Use Map, as adopted, supports the MU-2 zone district. The "Commercial" land use designation is implemented through zone districts which are comprised of commercial uses, offices, retail, medical offices, higher

density housing, small warehouses, light industrial uses, and places of worship.

The request for a rezone anticipates future commercial and residential uses on the property, however it is important to note that all uses allowed in the MU-2 zone district would be permitted in this property.

The purpose of the MU-2 district is to accommodate commercial, employment, multi-unit, and other uses along transportation corridors to promote development that is comfortable accessible via all modes of transportation, including motor vehicles, bicycles, and walking. Commercial uses in the MU-2 district may be larger in scale and more flexible than the MU-1 district, including more auto-oriented uses such as gas stations. While ground stories along streets are intended for commercial uses, the upper stories are appropriate for residential and/or office uses.

In addition to the MU-2 zoning requested by the applicant, the following zone districts would also be consistent with the Comprehensive Plan designation of Commercial:

- a. CG (Commercial General)
- b. P-2 (Public, Civic, and Institutional Campus)
- c. PD (Planned Development)

The properties adjacent to the subject property to the north and east are zoned RL-5 (Residential Low 5). The properties to the west across 29 Road are zoned P-2. The properties to the south across Patterson Road are zoned PD.

NOTIFICATION REQUIREMENTS

A Neighborhood Meeting regarding the proposed rezone request was held virtually on April 9, 2025, at 5:30 pm, in accordance with Section 21.02.030(c) of the Zoning and Development Code. City staff were present along with the applicant, their consultants, and 5 attendees. Information was presented regarding the request, the timeline of the request, opportunities for public comments, and public notifications for the rezone request.

Notice was consistent with the provisions in Section 21.02.030(g) of the Zoning and Development Code. The subject properties were posted with a public hearing notice sign. Mailed notice of the public hearings before Planning Commission and City Council in the form of notification cards was sent to surrounding property owners within 500 feet of the subject property on December 12, 2025. The notice of this public hearing was published December 13, 2025, in the Grand Junction Daily Sentinel.

ANALYSIS

The criteria for review are set forth in Section 21.02.050(m)(3)(ii) of the Zoning and Development Code, which provides that an applicant for rezoning has the burden of producing evidence that proves each of the following criteria:

(A) Consistency. The proposed zoning is generally consistent with applicable provisions of the Comprehensive Plan.

The proposed rezone to MU-2 implements the following Plan principles, goals, and policies of the Comprehensive Plan:

Land Use Plan: Relationship to Existing Zoning

Requests to rezone properties should be considered based on the Implementing Zone Districts assigned to each Land Use Designation. As a guide to future zoning changes, the Comprehensive Plan states that requests for zoning changes are required to implement the Comprehensive Plan. The requested zoning of MU-2 is compatible with and is an implementing zone district for the Comprehensive Plan Land Use Map designation of Mixed Use.

Plan Principle 2: Resilient and Diverse Economy

Plan Principle 2 of the Comprehensive Plan emphasizes encouraging economic diversity and focuses on strengthening Grand Junction's long-term economic health by supporting a diversity of business types, encouraging locations where business can thrive with good visibility and access, and creating land use patterns that are able to adapt to economic shifts over time. MU-2 is one of the City's most effective tools for implementing principle 2 because it creates a development environment where economic diversity and resilience can occur. MU-2 allows a broader range of commercial uses than MU-1 while also allowing residential uses that can help support the commercial uses, making them more resilient. MU-2 is also designed for parcels located along transportation corridors. This location at the corner of two arterials in Patterson and 29 Road is a logical place for corridor commercial mixed use. MU-2 therefore strengthens the resilience of the local economy by diversifying use types and enabling incremental redevelopment along key corridors.

Plan Principle 3: Responsible and Managed Growth

Plan Principle 3 focuses on guiding development into areas within the City where the City has already invested in transportation, utilities, public safety, parks, and other core services. It encourages infill, reinvestment, and land-use efficiency rather than fringe greenfield development. Rezoning this property to MU-2 channels growth to areas with existing infrastructure capacity. This area already has adequate road infrastructure, existing water and sewer systems, and public safety areas with short response times. By zoning this to MU-2 consistent with the comprehensive plan, the City leverages past capital investments rather than extending infrastructure and increasing density in new greenfield areas and creating a long-term fiscal burden. MU-2 also encourages redevelopment and intensification on parcels that are partially developed and underutilized. This property is ripe for redevelopment and is currently underutilized with a large portion of it being undeveloped property. Rezoning the property to MU-2 will encourage more compact development forms and gives the property more options for redevelopment. MU-2 also allows the level of intensity and mix of uses appropriate for corridor sites, ensuring that these high-visibility, high-accessibility locations are used to their full potential. Further, by accommodating additional housing and commercial space inside the existing urban footprint, MU-2 helps limit sprawl and the need for new infrastructure extensions.

Plan Principle 5: Strong Neighborhoods and Housing Choices

Plan Principle 5 aims to ensure that Grand Junction develops as a community with strong, connected neighborhoods supported by a diverse range of housing options. Its purpose is to provide housing that meets the needs of people at all stages of life and income levels, while promoting walkable, mixed-use environments with access to services, amenities, and transportation. By encouraging reinvestment, housing variety, and neighborhood vitality, this principle guides land-use decisions that create resilient, inclusive, and vibrant neighborhoods across the city. MU-2 expands the variety of housing types available. It allows apartments, single family attached, and mixed-use residential, providing multiple options beyond the limited choices permitted in traditional residential zone districts. MU-2 also supports housing for a range of incomes and household types. By enabling higher-density uses, MU-2 helps accommodate diverse housing needs, including housing for young professionals, workforce households, and smaller families.

Plan Principle 6: Efficient & Connected Transportation

Plan Principle 6 of the Comprehensive Plan calls for development patterns that support efficient, multimodal transportation networks. MU-2 zoning directly advances Principle 6 by establishing the land-use pattern, intensity, and walkable urban form needed to support multimodal transportation along key corridors. By allowing higher residential densities and mixed-use development, MU-2 produces the population, employment, and service concentrations necessary to sustain transit, enhance bicycle connectivity, and encourage walking. The district's design standards promote buildings that frame the street, reduce reliance on vehicles, and create safe, comfortable environments for all travel modes. This compact, corridor-focused development pattern improves the efficiency of the transportation system, reduces vehicle miles traveled, and aligns with the Comprehensive Plan's long-term strategy of creating connected, multimodal corridors that serve both residents and businesses.

Thus, staff finds that this criterion has been met.

(B) Development Patterns. The proposed zoning will result in logical and orderly development pattern(s).

The requested rezoning to MU-2 is appropriate given the subject property's location and its relationship to surrounding land uses. MU-2 is specifically designed for corridor-scale mixed-use development, making it a logical and orderly progression from lower-intensity residential districts such as RM-8 and MU-1 to more intensive commercial or employment uses typically found along major transportation routes. This zoning district supports both vertical and horizontal transitions, allowing ground-floor commercial uses with residential units above, which provides an effective buffer between corridor activity and adjacent lower-density neighborhoods while still maximizing the property's potential. The corridor framework also means that supporting infrastructure—streets, utilities, transit access, and related improvements—is generally already in place or planned to accommodate higher-intensity development, enabling the City to capitalize on existing public investments rather than extending services outward. Additionally,

rezoning to MU-2 encourages infill and redevelopment instead of greenfield expansion, reinforcing the community's goals for compact, efficient, and walkable urban form. This type of development pattern reduces sprawl, makes more efficient use of infrastructure, and aligns directly with the Comprehensive Plan's emphasis on reinvesting within established areas to create sustainable, mixed-use neighborhoods

Thus, staff finds that this criterion has been met.

(C) Benefits. The community or area, as decided by the reviewing body, derives an overall benefit(s) from the proposed zoning.

Rezoning the property to MU-2 provides several strategic benefits that directly support community priorities and implement key goals of the Comprehensive Plan. Increasing zoning capacity enables a broader variety of multi-unit housing types in close proximity to services, advancing Principle 5's objective of offering diverse housing choices and helping the city address long-term housing supply and affordability. The MU-2 district also facilitates commercial and employment-generating uses, allowing the site to contribute to corridor-based economic development consistent with Principle 2, which emphasizes building a resilient and diverse local economy. Concentrating new growth within transportation corridors enhances walkability, supports transit use, and strengthens multimodal mobility options, aligning with Principle 6's directive to promote efficient and connected transportation systems while reducing automobile dependence and improving sustainability. The more intensive, mixed-use development pattern allowed in MU-2 also makes more efficient use of existing public infrastructure and services, lowering per-unit service costs and improving the long-term fiscal sustainability of public investments. In addition, MU-2 encourages active, vibrant street environments by supporting ground-level commercial uses, pedestrian activity, and residential density, contributing to high-quality placemaking along the corridor. Finally, because the rezoning directly implements the Comprehensive Plan's long-range growth vision, the benefits extend well beyond the current development proposal, supporting the community's broader goal of creating resilient, well-connected, and economically vibrant neighborhoods.

Thus, staff finds that this criterion has been met.

RECOMMENDATION AND FINDINGS OF FACT

After reviewing the Lucky Me Premises LLC rezone request, a total of 3.60 acres from MU-1 (Mixed-Use Neighborhood) and RM-8(Residential Medium 8) to MU-2 (Mixed-Use Light Commercial), located at the northeast corner of the intersection of Patterson Road and 29 Road, the following findings of facts have been made:

The request has met the criteria identified in Section 21.02.050(m)(3)(ii) of the Zoning and Development Code.

The Planning Commission heard this request at the January 13, 2026 meeting and voted (5-0) to recommend approval of the request.

FISCAL IMPACT:

There is no associated fiscal impact with this request.

SUGGESTED MOTION:

I move to adopt Ordinance No.5309, an ordinance rezoning a a total of 3.60 Acres from MU-1 (Mixed-Use Neighborhood) and RM-12 (Residential Medium 12) to MU-2 (Mixed - Use Light Commercial), located at the northeast corner of the intersection of Patterson Road and 29 Road, City file number RZN-2025-293

Attachments

None