

**GRAND JUNCTION CITY COUNCIL
CITY HALL AUDITORIUM, 250 NORTH 5TH STREET
AGENDA**

WEDNESDAY, DECEMBER 19, 2001, 7:30 P.M.

CALL TO ORDER

Pledge of Allegiance
Invocation - Rocky Shrable, Sonrise Church of God

APPOINTMENTS

APPOINTMENT TO THE HOUSING AUTHORITY

CERTIFICATES OF APPOINTMENT

TO PLANNING COMMISSION AND BOARD OF APPEALS MEMBERS

CITIZEN COMMENTS

*** * * CONSENT CALENDAR * * ***

1. **Minutes of Previous Meetings** [Attach 1](#)

Action: Approve the Summary of the December 3, 2001 Workshop and the Minutes of the December 5, 2001 Regular Meeting

2. **Setting a Hearing on Ordinance Adopting Amendments to Retirement Plans for Specified City of Grand Junction Employee Groups** [Attach 2](#)

The City of Grand Junction, Colorado Employees Retirement Plan, The New Hire Fire Money Purchase Plan and the New Hire Police Money Purchase Plan have been amended to incorporate Internal Revenue Code (IRC) amendments that have been passed by Congress since 1994. These amendments must be incorporated into the aforementioned Plans by February 28, 2002 in order for the Plans to retain their tax-qualified status. Two minor amendments requested by the respective Plan Boards to add flexibility to the Plans are also included herein.

This agenda is intended as a guideline for the City Council. Items on the agenda are subject to change as is the order of the agenda.

*** *Indicates New Item*
* *Requires Roll Call Vote*

Proposed Ordinance Adopting Amendments to Retirement Plans for Specified City of Grand Junction Employee Groups

Action: Adopt Proposed Ordinance on First Reading and Set a Hearing for January 2, 2002

Staff presentation: Ron Lappi, Administrative Services Director

3. **Indemnification Agreement at Redlands Mesa Golf Club** [Attach 4](#)

As a condition of approval of the Redlands Mesa development, a public trail is required through parcel 9 and the golf course property. The developer has agreed to provide the trail easement provided the City indemnifies the golf landowner and developer from any claims, actions, damages, costs or liabilities arising from errant golf balls striking a user of the public trail easement.

Action: Authorize the City Manager to Sign the Indemnification Agreement

Staff presentation: Dan Wilson, City Attorney

4. **Use of Undergrounding Funds for the Independent Avenue Project** [Attach 5](#)

Overhead to Underground funds have been programmed for the Independent Avenue Project, from North 1st Street to approximately 200' west of 25 ½ Road.

Resolution No. 132-01 – A Resolution Authorizing Public Service Company of Colorado D/B/A XCEL Energy to Use the City of Grand Junction Overhead to Underground One Percent (1%) Funds for the Project Defined as Independent Avenue from North 1st Street to Approximately 200' West of 25 ½ Rd.

**Action: Adopt Resolution No. 132-01*

Staff presentation: Tim Moore, Public Works Manager

5. **Sub-recipient Contract with the Grand Junction Housing Authority for the City's Community Development Block Grant (CDBG) Program** [File #CDGB-1999-1] [Attach 6](#)

This contract formalizes the City's Award of \$205,000 to the Grand Junction Housing Authority for purchase of the building at 2853 North Avenue, which is

presently used as a temporary homeless shelter. These funds were allocated from the City's 1999 Community Development Block Grant Program.

Action: Authorize the City Manager to Sign the Subrecipient Contract with the Grand Junction Housing Authority

Staff presentation: Kristen Ashbeck, Senior Planner

***** END OF CONSENT CALENDAR *****

***** ITEMS NEEDING INDIVIDUAL CONSIDERATION *****

6. **Authorization to Issue Warning Tickets for Parking Violations** [Attach 3](#)

Approval of this measure would give the Grand Junction Police Department the authority to issue warning tickets for the first part of January 2002 to all overtime and illegal parking violations. The warning does not apply to handicapped parking violations which will continue to be enforced. These warning tickets would advise the citizen that the fines for parking violations as well as the meter rates have increased.

Action: Approval of this Measure

Staff presentation: Ron Lappi, Administrative Services Director

7. **Public Hearing - Revisions to Zoning and Development Code and Review Fees for Growth Plan Amendment Requests** [File # TAC-2001-203] [Attach 7](#)

The Grand Junction Zoning and Development Code was adopted on March 7, 2000, with an effective date of April 22, 2000. As requested by the City Council, this is a review of the Code provisions to determine whether any changes are needed. The majority of the proposed amendments are clerical corrections, formatting and clarifications. The report to the Planning Commission and City Council for the July 30th Workshop listed 22 specific issues that were raised by those who commented on the Code. This update has incorporated those that Planning Commission and Council directed staff to change.

A. Code Revision Ordinance

Ordinance No. 3390 – An Ordinance for the Annual Update of the Zoning and Development Code for the City of Grand Junction

**Action:* Adopt Ordinance No. 3390 on Second Reading

B. Review Fee Resolution

Resolution 133-01 – A Resolution Amending the Development Application Fee Schedule

**Action:* Adopt Resolution No. 133-01

Staff presentation: Kathy Portner, Planning Manager

8. **Public Hearing – Growth Plan Consistency Review and Rezoning which includes the Outline Development Plan for 12th Street Medical Plaza and Hospice Care Located at 3090 & 3150 North 12th Street** [File #GPA-2001-179]

[Attach 8](#)

The applicant is requesting a consistency review for a 100,570 square foot medical office and Hospice development at the site formerly referred to as the Miller Homestead Planned Development. Accompanying the application is a request to rezone the property to a new Planned Development zone and approve an Outline Development Plan (ODP). At its hearing of November 20, 2001 the Planning Commission recommended approval of these requests.

A. Growth Plan Consistency Review

Resolution No. 134-01 – Finding the 12th Street Medical Plaza and Hospice Planned Development Located at 3090 and 3150 North 12th Street to be Consistent with the Growth Plan

**Action:* Adopt Resolution No. 134-01

B. Rezone

Ordinance No. 3391 – An Ordinance Zoning Two Parcels Located at 3090 and 3150 North 12th Street from PD (For Miller Homestead) to PD for the 12th Street Medical Plaza and Hospice Care Planned Development

**Action: Adopt Ordinance No. 3391 on Second Reading*

Staff presentation: Bill Nebeker, Senior Planner

9. **Public Hearing – Madaris Annexation Located at 539 31 ½ Road** [File# ANX-2001-214] [Attach 9](#)

Resolution for Acceptance of Petition to Annex and Second Reading of the annexation ordinance for the Madaris Annexation located at 539 31 ½ Road. The 5.852–acre Madaris Annexation consists of one parcel of land.

A. Accepting Petition

Resolution No. 135-01 – A Resolution Accepting Petitions for Annexation, Making Certain Findings, Determining that Property Known as Madaris Annexation is Eligible for Annexation Located at 539 31 ½ Road

B. Annexation Ordinance

Ordinance No. 3392 – An Ordinance Annexing Territory to the City of Grand Junction, Colorado, Madaris Annexation, Approximately 5.852 acres, Located at 539 31½ Road

**Action: Adopt Resolution No. 135-01 and Ordinance No. 3392 on Second Reading*

Staff presentation: Dave Thornton, Principal Planner

10. **Public Hearing - Zoning for the Madaris Annexation Located at 539 31 ½ Road** [File #ANX-2001-214] [Attach 10](#)

Zoning ordinance for the Madaris Annexation located at 539 31 ½ Road . The 5.852-acre Madaris Annexation consists of one parcel of land. Planning Commission recommended a Residential Single Family with a maximum of four units per acre (RSF-4) zone district. State law requires the City to zone newly annexed areas within 90 days of the annexation. The proposed City zoning confirms to the Growth Plan's Future Land Use map and recommendation for Residential Medium Low, with residential land uses between 2 and 4 units per acre for this area.

Ordinance No. 3393 – An Ordinance Zoning Property Known as the Madaris Annexation to RSF-4 Located at 539 31 ½ Road

**Action: Adopt Ordinance No. 3393 on Second Reading*

Staff presentation: Dave Thornton, Principal Planner

11. **NON-SCHEDULED CITIZENS & VISITORS**

12. **OTHER BUSINESS**

13. **EXECUTIVE SESSION**

A. PRIVILEGED ATTORNEY - CLIENT COMMUNICATION - To receive legal advice regarding acquisition of right-of-way based on major street plans, the Colorado River Corridor Plan and similar planning efforts. Open Meetings Act, section 402 (4)(b).

B. ONGOING NEGOTIATIONS - To instruct our negotiators regarding the acquisition of right-of-way to be needed for the Colorado River Corridor Plan. Open Meetings Act, section 402 (4)(e).

C. ONGOING NEGOTIATIONS - To instruct our negotiations regarding the City's lease purchase of fire fighting equipment, and relating thereto, legal advice regarding the City's options regarding the Colorado EMS Foundation. Open Meetings Act, section 402 (4)(a) and (4)(e) and (4)(b).

D. PRIVILEGED ATTORNEY - CLIENT COMMUNICATION- To receive legal advice regarding the City's relationship with the DDA, including specific current issues. Open Meetings Act, section (4)(b).

14. **ADJOURNMENT**

Attach 1
Minutes Dec. 3 and Dec. 5, 2001

GRAND JUNCTION
CITY COUNCIL WORKSHOP

December 3, 2001

The City Council of the City of Grand Junction, Colorado, met on Monday, December 3, 2001 at 7:09 p.m. in the City Auditorium to discuss workshop items. Those present were Harry Butler, Dennis Kirtland, Bill McCurry, Jim Spehar, Reford Theobald, Janet Terry and President of the Council Cindy Enos-Martinez.

Summaries and action on the following topics:

1. **EVENTS CENTER:** The Chamber of Commerce Regional Hub Committee presented the concept to City Council. Mike Anton introduced the rest of the Committee members present. Dan Roberts then made a presentation to Council. Mr. Roberts stated the idea is only a concept at this time, actual construction would be 3 to 5 years out to ensure that everything is made known and presented. The Committee requested that a staff person be identified for the Committee to occasionally ask for input and assistance. The Committee also asked Council for a representative on the Committee.

Action summary: Council identified City Manager Arnold as the contact person for the City. Council declined having an elected official participating on the Committee since it might be awkward if and when the Committee ever approaches Council for funding. Mr. Arnold agreed saying that Staff could participate as long as it is just a concept. Once it gets further, Staff would also have to decline. Councilmember Kirtland suggested that the same presentation be given at a regular Council meeting to give the Committee an opportunity for broadcasting the idea.

2. **GRAND JUNCTION COMMISSION ON ARTS AND CULTURE:** The Commission presented the updated and revised Strategic Cultural Plan. Arts Commission Chair LeRoy Donegan introduced the rest of the Commission members present and gave an overview of the plan and the reason for the update.

Action summary: Councilmember Terry was concerned about the wording and the position it puts the Council in as far as facilities needs. If the Council adopts it, then the perception is that it becomes the Council's plans. Councilmember Spehar agreed, paralleling this with other plans

that were adopted and the corresponding budget constraints. It was suggested that the plan be discussed further at the Council retreat on December 13th. Then the decision as to whether an approval request should go on the next agenda can be made.

3. **GRAND JUNCTION ECONOMIC PARTNERSHIP:** This group briefed Council on a company they are working with to locate to Grand Junction. (Councilmember Spehar excused himself due to a conflict. He left the meeting at 8:15 p.m.) Denny Granum, GJEP President reviewed the request.

Action summary: Councilmember Theobold expressed concern that this is a start-up company and the capital investment in the community is not significant.. Mr. Granum responded that the trade-off is that Grand Junction will be their corporate headquarters, the incentive is less than others per job and no money will be given until they perform. The vesting period also does not begin until full employment is achieved and then it is a five-year period. If the company does not perform, then the incentive must be repaid. Council directed that the request be placed on the December 5th Agenda.

ADJOURNED at 8:40 p.m.

**GRAND JUNCTION CITY COUNCIL
MINUTES OF THE REGULAR MEETING**

DECEMBER 5, 2001

The City Council of the City of Grand Junction convened into regular session the 5th day of December, 2001 at 7:32 p.m. in the City Auditorium. Those present were Harry Butler, Dennis Kirtland, Bill McCurry, Janet Terry, Reford Theobald, Jim Spehar and President of the Council Cindy Enos-Martinez. Also present were City Manager Kelly Arnold, City Attorney Dan Wilson and City Clerk Stephanie Tuin.

Council President Enos-Martinez called the meeting to order and Councilmember Butler led in the pledge of allegiance. The audience remained standing for the Invocation by Retired Chaplain Eldon Coffey.

APPOINTMENTS

Appointments to the Planning Commission

Councilmember Spehar moved to reappoint Terri Binder and Bill Putnam to four-year term, appoint Roland Cole to a four-year term and appoint John Redifer fill the remainder of a two-year term to the Grand Junction Planning Commission. Councilmember Kirtland seconded, and the motion carried with Councilmember Theobald voting no on the re-appointment of Terri Binder.

Appointment to the Planning Commission Board of Appeals

Councilmember Spehar moved to appoint Bill Pitts to the Board of Appeals and as first alternate to the Planning Commission. Councilmember McCurry seconded, and the motion carried.

Councilmember Spehar stated that both appointments would be effective January 1, 2002. There were no objections.

PRESENTATION OF CERTIFICATES OF APPOINTMENTS

To Commissioner for the Arts and Culture Karen Kiefer

To Commissioners for the Planning Commission Richard Blosser and John Evans

PRE-SCHEDULED VISITORS

Ouray Chamber of Commerce Mayoral Skijoring Challenge. Judy Roberts presented the challenge to Mayor Enos-Martinez, or her representative, to attend the annual Ouray Skijoring contest. She noted that Grand Junction did not participate in the contest last

year and that they are undoubtedly anxious to redeem themselves this year. She asked Council for a \$100 donation and an answer to the challenge by the 28th of December.

CONSENT CALENDAR

It was moved by Councilmember Theobold, seconded by Councilmember McCurry and carried by a roll call vote to approved Consent Items # 1 through 11.

Councilmember Theobold suggested to Downtown Development Authority members present that they should consider a de-brucing vote to avoid a mill levy credit as was just adopted by resolution.

1. Minutes of Previous Meetings

Action: Approve the Summary of the November 19, 2001 Workshop and the Minutes of the November 21, 2001 Regular Meeting

2. Authorizing a Contract for Banking Services with Alpine Bank, Grand Junction

Based on the triennial request for proposals for city banking services, it is recommended the selection of Alpine Bank for a three-year banking services contract as being in the City's best interest.

Resolution No. 119-01 – A Resolution Designating a Depository and Approving an Agreement for Banking Services Between the City of Grand Junction, Colorado and Alpine Bank, Grand Junction

Action: Adopt Resolution No. 119-01

3. Levying Property Taxes for Collection in the Year 2002

The resolutions set the mill levies of the City of Grand Junction, Ridges Metropolitan District #1 and #2, Grand Junction West Water and Sanitation District, and the Downtown Development Authority. The City and DDA mill levies are for operations; the others are for debt service only. The City is establishing temporary credit mill levies for the General Fund and the DDA for the purpose of refunding revenue collected in 2000 in excess of the limitations set forth in the Tabor Amendment, Article X, Section 20 of the Colorado Constitution. The temporary credits are pursuant to CRS 39-5-121 (SB 93-255). The City will levy a temporary credit of 0.556 mills for the purpose of refunding \$245,084, and for the DDA, a credit mill levy of 0.482 to refund \$12,135.

- a. Resolution No. 120-01 – A Resolution Levying Taxes for the Year 2001 in the City of Grand Junction, Colorado
- b. Resolution No. 121-01 – A Resolution Levying Temporary Credit Taxes for the Year 2001 in the City of Grand Junction, Colorado
- c. Resolution No. 122-01 – A Resolution Levying Taxes for the Year 2001 in the City of Grand Junction, Colorado, Downtown Development Authority
- d. Resolution No. 123-01 – A Resolution Levying Temporary Credit Taxes for the Year 2001 in the Downtown Development Authority of the City of Grand Junction, Colorado
- e. Resolution No. 124-01 – A Resolution Levying Taxes for the Year 2001 in the Ridges Metropolitan District a Part of the City of Grand Junction, Colorado
- f. Resolution No. 125-01 – A Resolution Levying Taxes for Year 2001 the Grand Junction West Water and Sanitation District a Part of the City of Grand Junction, Colorado

Action: Adopt Resolutions No. 120-01, 121-01, 122-01, 123-01, 124-01 and 125-01

4. **City/County Intergovernmental Agreement for Designated Emergency Response Authority (DERA) and Superfund Amendment Reauthorization Act (SARA)**

The DERA services are for response to accidents involving the release of hazardous materials. The SARA program involves collection of information regarding storage, handling, and manufacturing of hazardous materials.

Action: Authorize the Mayor to Sign the City/County Intergovernmental Agreement for DERA Services and the SARA Program

5. **2001 Program Year Community Development Block Grant for Marillac Clinic**
[File# CDBG 2001-4]

This contract formalizes the City's Award of \$200,000 to Marillac Clinic for construction of an addition on their medical facility located at 2333 North 6th Street. The addition will house the relocation and expansion of their dental

facility and other support services. These funds were allocated from the City's 2001 Community Development Block Grant Program.

Action: Authorize City Manager to Sign Subrecipient Contract with CDBG for Marillac Clinic

6. **Setting a Hearing on the Revisions to Zoning and Development Code**
[File # TAC-2001-203]

The Grand Junction Zoning and Development Code was adopted on March 7, 2000, with an effective date of April 22, 2000. As requested by the City Council, this is a review of the Code provisions to determine whether any changes are needed. The majority of the proposed amendments are clerical corrections, formatting and clarifications. The report to the Planning Commission and City Council for the July 30th Workshop listed 22 specific issues that were raised by those who commented on the Code. This update has incorporated those that Planning Commission and Council directed staff to change.

Proposed Ordinance for the Annual Update of the Zoning and Development Code for the City of Grand Junction

Action: Adopt Proposed Ordinance on First Reading and Set a Hearing for December 19, 2001

7. **Setting a Hearing on the Rezone from Planned Development (PD-for Miller Homestead) to PD (for 12th Street Medical Plaza & Hospice Care), located at 3090 & 3150 North 12th Street** [File #GPA-2001-179]

The applicant requests to rezone the site formerly known as the Miller Homestead Planned Development to the 12th Street Medical Plaza and Hospice Care Planned Development. At its hearing of November 20, 2001 the Planning Commission recommended approval of this rezone request.

Proposed Ordinance Zoning Two Parcels Located at 3090 and 3150 North 12th Street from PD (For Miller Homestead) to PD for the 12th Street Medical Plaza and Hospice Care Planned Development

Action: Adopt Proposed Ordinance on First Reading and Set a Hearing for December 19, 2001

8. **Setting a Hearing on the Zoning for the Madaris Annexation located at 539 31 ½ Road** [File #ANX-2001-214]

First reading of the annexation zoning ordinance for the Madaris Annexation located at 539 31 ½ Road. The 5.852-acre Madaris Annexation consists of one parcel of land. Planning Commission recommended a Residential Single Family with a maximum of four units per acre (RSF-4) zone district. State law requires the City to zone newly annexed areas within 90 days of the annexation. The proposed City zoning confirms to the Growth Plan's Future Land Use map and recommendation for Residential Medium Low, with residential land uses between 2 and 4 units per acre for this area.

Proposed Ordinance Zoning Property Known as the Madaris Annexation located at 539 31 ½ Road to RSF-4

Action: Adopt Proposed Ordinance on First Reading and Set a Hearing for December 19, 2001

9. **Setting a Hearing on the Annexation of Cimarron Mesa Annexation, Located at the Southwest Corner of Linden Avenue and B ½ Road**

Resolution for Referral of Petition to Annex/First reading of the Annexation Ordinance/Exercising Land Use Jurisdiction Immediately for the Cimarron Mesa Annexation Located at the Intersection (southwest corner) of Linden Avenue and B ½ Road. The 32.567-acre Cimarron Mesa Annexation consists of one parcel of land.

a. Referral of Petition, Setting a Hearing and Exercising Land Use Control and Jurisdiction

Resolution No. 126-01 – A Resolution 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, and Exercising Land Use Control, Cimarron Mesa Annexation, Located at the Southwest Corner of Linden Avenue and B ½ Road

Action: Adopt Resolution No. 126-01

b. Set a Hearing on Proposed Ordinance

Proposed Ordinance Annexing Territory to the City of Grand Junction, Colorado Cimarron Mesa Annexation, Approximately 32.567 Acres, Located at the Southwest Corner of Linden Avenue and B ½ Road

Action: Adopt Proposed Ordinance on First Reading and Set a Hearing for January 16, 2002

10. **Revisions to the Pre-Qualification Regulations**

This revision includes some administrative adjustments, revised financial categories, and terminology to include record of safety responsiveness in the process to review initial and continued pre-qualification status.

Resolution No. 127-01 – A Resolution Adopting Revised Rules and Procedures to Pre-Qualify Contractors to Bid on City Public Works and Utility Projects

Action: Adopt Resolution No. 127-01

11. **Award of Design/Construction Contract for the Old Mill Bridge Slope Stabilization Project**

Three proposals were obtained to design and construct a slope stabilization system to support the south abutment of the Old Mill Bridge. This is a bicycle/pedestrian bridge that was constructed across the Colorado River near Eagle Rim Park in 1997.

Yenter Companies	Arvada & Silt CO	\$178,700
Mays Construction Specialties	Grand Junction	\$180,295
R.W. Jones Construction Inc.	Fruita, CO	\$250,614

Action: Authorize the City Manager to Execute a Design/Construction Contract for the Old Mill Bridge and Trail Slope Stabilization Project with Yenter Companies, Inc. in the Amount of \$178,700

END OF CONSENT CALENDAR

ITEMS NEEDING INDIVIDUAL CONSIDERATION

Grand Junction Economic Partnership Incentive Request

The Economic Partnership is requesting an incentive for a new business that provides comprehensive employee absence and disability management in an amount of \$500,000.

Councilmember Spehar excused himself from the discussion, as his brother is involved in the new company. He stepped down from the dais.

Grand Junction Economic Partnership President, Denny Granum, reviewed this item. He assured Council that any incentive received would be based on performance. The length of the contracts the company has with the three insurance companies are: Hartford three years with a one year extension, Signet Group signed an agreement for one year with automatic renewals, Sun Life Group since has been involved 1998 and Liberty Mutual Life Insurance Company isn't specifically stated, but are in the process of negotiation.

Councilmember Terry asked Mr. Granum to reiterate some of the presentation given at Monday night's Workshop for the benefit of the viewing audience and public.

Mr. Granum explained that the company is a start-up company in Grand Junction, but has been in business in Toronto, Canada. They will be locating their corporate headquarters to Grand Junction. He stated that Grand Junction is competing with Scottsdale, Arizona for this company. He then turned the discussion over to Wade Haerle, a committee member. Mr. Haerle explained that the company is an absence management company who allows large employers to outsource some of their Human Relations function. They team with large insurance companies who sell disability insurance. This company both explains the selling of the insurance and then tracks the disability of the employee and their return to work.

It was moved by Councilmember Theobald, seconded by Councilmember McCurry and carried by a roll call vote to approve the incentive request, with Councilmember Spehar abstaining.

Lease/Purchase Agreement with Buck S. Oda and Yo Oda to Secure Land for Future Expansion of the City's Maintenance Compound

The proposed action will authorize the lease and purchase of approximately 15 acres located adjacent to the River Road Operations Center.

Tim Moore, Public Works Manager, reviewed this item. The agreement allows the Odas to continue living on the property for a period of time. It is the only possible property that would be adjacent to the existing shops and allow expansion on one parcel. Staff feels it is an excellent opportunity.

City Manager Arnold pointed out that a portion of the property is in the floodplain so there is only about 15 acres developable outside the floodplain. Also it is the last piece of agricultural land in the area so it might be considered in the future to use a portion as a community garden.

Resolution No. 128-01 – A Resolution Authorizing the Lease and Purchase by the City of Certain Real Property Owned by Buck S. Oda and Yo Oda

It was moved by Councilmember Terry, seconded by Councilmember Spehar and carried by roll call vote to authorize the Lease Purchase by Adopting Resolution No. 128-01.

Public Hearing - 2002 Annual Appropriation

The total appropriation for all accounting funds budgeted by the City of Grand Junction (including the Ridges Metropolitan District, Grand Junction West Water and Sanitation District and the Downtown Development Authority) is \$92,804,708. Although not a planned expenditure, an additional \$2,250,000 is appropriated as an emergency reserve in the General Fund pursuant to Article X, Section 20 of the Colorado Constitution.

The public hearing was opened at 8:01 p.m.

Ron Lappi, Administrative Services and Finance Director reviewed this item.

There were no public comments.

Councilmember Spehar stated the amount of the 2002 Budget to be over \$92 million. Mr. Lappi explained the increase, which is in part due to inflation, and that the amount includes all funds, including the reconstruction of the sewer lines in parts of downtown Grand Junction. Also this budget includes all funds including the Capital funds.

City Manager Arnold noted the County Commissioners did approve the sewer fund budget.

Councilmember Kirtland expressed his enthusiasm to get out into the public and explain this budget and what the outlook is and what the plans and forecasts are. Councilmember Spehar added that in the future the City expects reduced revenues. He also emphasized the plans for revenues to be in the area of expanding the River Road project along with the 29 Road completion. He also commented on the change in focus away from parks.

Mr. Lappi said sales tax revenues are still expected to grow but are predicting a 6½% growth for next year, which is a smaller growth than the City has been in the past years.

Councilmember Theobald indicated that this budget is different in that monies are being shifted from capital to operations and he disagrees with the structure.

The public hearing was closed at 8:08 p.m.

Ordinance No. 3387 – The Annual Appropriation Ordinance Appropriating Certain Sums of Money to Defray the Necessary Expenses and Liabilities of the City of Grand Junction, Colorado, the Ridges Metropolitan District, and the Grand Junction West Water and Sanitation District, for the Year Beginning January 1, 2002 and Ending December 31, 2002

Upon a motion by Councilmember Kirtland, seconded by Councilmember Spehar, and carried by roll call vote with Councilmember Theobold voting **NO**, Ordinance No. 3387 was approved.

Resolution No. 129-01 – A Resolution Adopting the Budget for the Purpose of Defraying the expenses and Liabilities for the Fiscal Years Ending December 31, 2002 and 2003

Upon a motion by Councilmember Kirtland, seconded by Councilmember Terry, and carried by roll call vote with Councilmember Theobold voting **NO**, Resolution No. 129-01 was approved.

City Policy on the Use of Bond or Loan Proceeds from TIF Financing

The resolution formally establishes the policy and guidelines to be followed by the Downtown Development Authority and City staff in spending TIF borrowed proceeds for capital projects and their related administrative costs. It also sets out in some detail what are considered appropriate administrative costs and those that are not based on City of Grand Junction polices and practices.

Ron Lappi, Administrative Services and Finance Director, reviewed this item.

Councilmember Spehar recalled the direction of this policy was that the policy not be quite as limited as City policy. He asked if that is included in this resolution. Mr. Lappi said yes in the second paragraph of Exhibit A

Resolution No. 130-01 - A Resolution Establishing the City of Grand Junction Policy Relative to the Use of Bond and Loan Proceeds from the Tax Increment Financed Debt Issued by the City of Grand Junction

Upon a motion by Councilmember Theobold, seconded by Councilmember Kirtland, and carried by roll call vote, Resolution No. 130-01 was approved.

Loan to the DDA/TIF Capital Fund

Since the TIF district already has a significant amount of debt outstanding totaling \$2,535,000, a short-term line of credit from the City's pooled cash and investment program is being requested in-lieu of issuing additional public debt at this time. Any additional debt issued at this time would be subordinate to both outstanding bond issues, would have to be relatively small in size, and overall not be a very cost-effective move. The outstanding debt has a current average interest rate of 4.48%, and it would not be fiscally responsible to borrow at a higher rate to defease this debt.

Administrative Services and Finance Director Ron Lappi reviewed this item.

As directed by City Manager Arnold, Mr. Lappi said it is a new proposal but a form and process was developed to allow the Downtown Development Authority to have some capital resources, borrowing against future TIF resources.

City Manager Arnold stated that there is a \$600,000 cap, but the DDA does want some assurances that a project for which more is needed, more consideration would be given. Mr. Lappi pointed out that the interest is the same rate as the City investments earn. It is taken from internal pooled investments. Mr. Arnold added that the only risk would be if a bond couldn't be issued. Mr. Lappi said the biggest risk is if there would be a catastrophic economic decline. The \$600,000 is not tied to any specific project.

Councilmember Spehar stated that there are some projects existing, and that Council has a vested interest in downtown and would consider any project brought forth.

Councilmember Terry requested there be clarification in the resolution by adding, "as identified in Resolution No. 130-01". Council agreed.

Resolution No. 131-01 - A Resolution Authorizing a Line of Credit Loan of Up to \$600,000 to the DDA/TIF Capital Improvement Fund for a Period Beginning January 1, 2002 Through December 31, 2003

Upon a motion by Councilmember Kirtland, seconded by Councilmember Spehar, and carried by roll call vote, Resolution No. 131-01 was approved with the noted amendment.

DDA Operating Subsidy for 2001

At the November 19, 2001 City Council Workshop, the Board of Directors of the DDA, represented by their Chairperson and Vice Chair, requested the City of Grand Junction to subsidize their operating fund at the end of 2001 to cover the expected fund balance

deficit expected to be less than \$200,000 accumulated over the past two calendar years.

Administrative Services and Finance Director Ron Lappi reviewed this item.

The proposal is as directed by Council to cover the DDA's deficit.

Councilmember Theobold noted that Council is funding the DDA's 2001 budget from the City's 2002 budget. He asked if some of the funding could come from this year's budget. Mr. Lappi said the \$90,000 remaining this year would be added to the contingency fund next year.

Councilmember Kirtland commended the DDA board for their pledge to manage their funds more appropriately.

Upon a motion by Councilmember Kirtland, seconded by Councilmember Spehar, and carried by roll call vote Council approved the Use of General Fund Contingency Effective January 1, 2002 from the 2002 Budget, to Transfer to the DDA Operating Fund up to \$200,000 to Balance this Fund's Beginning Resources to Zero, and Directing the Finance Director to Make the Necessary Transfer When the Final Revenue and Expense Numbers are Known

Public Hearing - Rezoning the Chiroconnection Subdivision, Located at 1715 and 1705 N. 1st Street [File #RZ-2001-199]

The Petitioner has requested a rezoning of the property located at 1715 and 1705 N. 1st Street, from RMF-5 (Residential Multi-family, not to exceed 5 units per acre) to the zoning designation of RMF-8 (Residential Multi-family, not to exceed 8 units per acre). The applicants have received approval for a 3-lot subdivision.

The public hearing was opened at 8:28 p.m.

Tim Brady, applicant, reviewed this item. Mr. Brady located the property at Mesa Avenue and North First. The proposal calls for a three-lot subdivision, leaving one lot vacant. Mr. Brady would like to put a duplex on that vacant lot. It will eliminate one access point off of North 1st. The current zoning will not allow a duplex to be on the property.

Councilmember Theobold asked if the duplex is on Lot 2. Dr. Brady indicated that it would be on Lot 3 facing Mesa Avenue.

Lori Bowers, Associate Planner, reviewed the request and stated that Staff and the Planning Commission recommend approval noting it is consistent with the Growth Plan.

Councilmember Theobald stated that he thought it was supposed to be zoned RO. Ms. Bowers stated that originally the applicant requested a zone of RO, but that it was opposed by neighborhood so he is back requesting this zone change.

Councilmember Theobald suggested that perhaps he was thinking of 7th Street.

There were no public comments.

The public hearing closed at 8:32 p.m.

Ordinance No. 3388 – An Ordinance Rezoning the Chiroconnection Subdivision, Located at 1715 and 1705 N. 1st Street from RMF-5 to RMF-8

Upon a motion by Councilmember Spehar, seconded by Councilmember Kirtland, and carried by roll call vote, Ordinance No. 3388 was approved.

Public Hearing - Zoning the Cantrell Annexation, Located at 2930 North Avenue
[File #ANX-2001-052]

The 3.09-acre Cantrell Annexation area consists of two parcels of land, approximately 2.71 acres in size. The remaining acreage is comprised of right-of-way along North Avenue. There were no existing structures on the site at the time of annexation, but 2 new commercial buildings have been constructed since then. This zoning request is partially consistent with the Growth Plan and is entirely consistent with the previous Mesa County zoning.

The public hearing opened at 8:34 p.m.

Lori Bowers, Associate Planner, reviewed this item. The applicant was not present.

The property was annexed several months ago. There was an issue with access, which has never been resolved. The zoning being proposed is identical to the previous County zoning.

There were no public comments.

The public hearing closed at 8:35 p.m.

Ordinance No. 3389 – An Ordinance Zoning the Cantrell Annexation to C-1 (Light Commercial and RSF-8 (Residential family, not to exceed 8 units per acre) Located at 2930 North Avenue

Upon a motion by Councilmember Theobold, seconded by Councilmember McCurry, and carried by roll call vote, Ordinance No. 3389 was approved.

NON-SCHEDULED CITIZENS & VISITORS

Roland Cole thanked Council for his appointment to Planning Commission. Mayor Enos-Martinez thanked him for his willingness to participate.

OTHER BUSINESS

Councilmember Terry stated that she feels that if attendees are present for an item on individual consideration it is appropriate to allow attendees to speak even if there is no public hearing scheduled.

EXECUTIVE SESSION TO DISCUSS PERSONNEL MATTERS

Mayor Enos-Martinez explained that Council is going into executive session and will not be returning.

Upon a motion by Councilmember Kirtland, seconded by Councilmember Spehar, and carried by roll call vote, Council went into Executive Session as allowed by the Open Meetings Law, Section 402(4)(f) to discuss personnel matters namely the evaluation process, and possibly the evaluation itself, for the City Manager, the City Attorney, and the Municipal Judge and to discuss the City Manager's expected January maternity leave with no plans to return.

ADJOURNMENT

The meeting adjourned into Executive Session at 8:40 p.m.

Attach 2
Retirement Plan Amendments

CITY COUNCIL AGENDA
CITY OF GRAND JUNCTION

<i>CITY COUNCIL</i>			
Subject:	An Ordinance to Amend Retirement Plans for Specified City of Grand Junction Employee Groups		
Meeting Date:	December 19, 2001		
Date Prepared:	December 13, 2001		
Author:	Claudia Hazelhurst	Human Resources Manager	
Presenter Name:	Ron Lappi	Administrative Services Director	
	Workshop	X	Formal Agenda

Subject: An Ordinance to Adopt Amendments to the Employees Retirement Plan and the New Hire Police and New Hire Fire Money Purchase Defined Contribution Retirement Plans

Summary: The City of Grand Junction, Colorado Employees Retirement Plan, the New Hire Fire Money Purchase Plan and the New Hire Police Money Purchase Plan have been amended to incorporate Internal Revenue Code (IRC) amendments that have been passed by Congress since 1994. These amendments must be incorporated into the aforementioned Plans by February 28, 2002 in order for the Plans to retain their tax-qualified status. Two minor amendments requested by the respective Plan Boards to add flexibility to the Plans are also included herein.

Background Information: In 1994, the City of Grand Junction submitted the above-referenced Plans to the Internal Revenue Service (IRS) for a determination letter affirming each Plan's tax-qualified status. The desired determination letters were received from the IRS in 1994 affirming that the Plans were qualified. Various IRC amendments have been made since 1994. These tax law changes have little or no substantive effect on the operation of the Plans yet must be incorporated into the Plans in order to retain their tax-qualified status. Furthermore, the Plans must be filed with the IRS by the end of February 2002 in order to receive a new IRS determination that the Plans have been tax-qualified from 1994 through 2001. Attached is a brief explanation of the Plan amendments. The City Clerk has a full copy of each Plan document.

Budget: N/A

Action Requested/Recommendation: Pass the Ordinance on First Reading with Adoption on January 2, 2002 after a Public Hearing and Second Reading.

Citizen Presentation:	<input type="checkbox"/>	No	<input type="checkbox"/>	Yes	If Yes,
Name:					
Purpose:					

Report results back to Council:	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	Yes	When:	
Placement on Agenda:	<input checked="" type="checkbox"/>	Consent	<input type="checkbox"/>	Indiv. Consideration	<input type="checkbox"/>	Workshop

**Explanation of Amendments to
City of Grand Junction, Colorado
Employees Retirement Plan
New Hire Fire Money Purchase Defined Contribution Plan
New Hire Police Money Purchase Defined Contribution Plan**

The Plans are being amended to comply with various tax law changes that Congress has passed since 1994, the year the City last requested and received an IRS determination that these three Plans were tax-qualified. The tax law changes incorporated into these Plans have little or no substantive effect on the operation of the Plans. Nonetheless, the changes must be made in order to satisfy the IRS requirements to keep the Plans tax-qualified. In addition, the Plans must be filed with the IRS by February 28, 2002 in order to receive an IRS determination that the Plans have been tax-qualified from 1994 through December 31, 2001. It is important to keep the Plans tax-qualified. Otherwise, participants could be taxed on their vested Plan accounts and the trusts could be taxed on investment earnings.

All three of the Plans include the following amendments:

1. Required wording regarding service credit and contributions for periods of military service, as required by federal law.
2. Wording that allows participants more flexibility in choosing the form and timing of payments from the Plan, subject to tax law requirements. This amendment was initiated by the respective Retirement Boards.
3. Revised wording to describe new, more liberal, rules regarding annual limits on contributions to participants' accounts.
4. Clarification that Plan communications may be electronic instead of written to the extent permitted by IRS rules.
5. Correction of out-of-date references to Colorado statutes.
6. Clarification of loan rules.
7. A rule allowing a participant who transfers to a job covered by another Grand Junction Plan to transfer his account balance to that other Plan (subject to the conditions that the participant's account must be 100% vested, must have no outstanding loans and must not be paid from the other Plan before the individual leaves employment with the City). This amendment was initiated by the respective Retirement Boards.

ORDINANCE NO.

ORDINANCE ADOPTING AMENDMENTS TO RETIREMENT PLANS FOR SPECIFIED CITY OF GRAND JUNCTION EMPLOYEE GROUPS AND AUTHORIZING PUBLICATION OF THE RETIREMENT PLANS BY PAMPHLET

Recitals:

Article XI, Paragraph 88 of the Grand Junction City Charter requires that the City Council act by ordinance to continue, alter, establish, provide for and amend pension plans. Consistent with that authority and given that the Congress has changed the tax laws and that those changes must be incorporated into certain governmental retirement plans by February 28, 2002 in order for the plans to retain their tax-qualified status, this ordinance is enacted. Particular amendments to particular plans are shown in the plans but because of the bulk of the plans the Council has determined that the plans may be published in a book or pamphlet form.

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

1. The amended plans bearing the following titles for certain City retirement programs, which plans are incorporated by this reference as if fully set forth, are hereby adopted in accordance with Article XI, Section 88 of the Charter of the City of Grand Junction.
 - a. *City of Grand Junction, Colorado Employees Retirement Plan*; and,
 - b. *City of Grand Junction New Hire Fire Money Purchase Defined Contribution Plan*; and,
 - c. *City of Grand Junction New Hire Police Money Purchase Defined Contribution Plan*.
2. All lawful acts heretofore taken by the City and its officers, agents and employees and the employees benefiting from the plans, in funding, managing and administering the plans, in whatever capacity, are hereby ratified.
3. All amendments are necessary or required by law and the amendments are in accordance with law.
4. Because of the bulk of the plans, publication by book or pamphlet is authorized in accordance with Charter Article VI, paragraph 51.

5. The hearing prior to final passage shall be held on January 2, 2002. The purpose of such hearing being the consideration of the amendment of the City employee retirement plans stated in this ordinance.
6. The book or pamphlet containing the plans shall be available for inspection in the City Human Resources Department, 250 N.5th Street, Grand Junction CO. Hours for inspections shall be 8:00 a.m. to 5:00 p.m., Monday through Friday except legal holidays.
7. All ordinances or parts of ordinances inconsistent with the provisions of this ordinance are hereby repealed.

INTRODUCED ON FIRST READING this 19th day of December 2001.

PASSED, ADOPTED AND APPROVED this _____ day of _____ 2002.

ATTEST:

President of the Council

City Clerk

CITY OF GRAND JUNCTION, COLORADO

EMPLOYEES RETIREMENT PLAN

**Restated to Include Amendments
Through December 31, 2001**

Original Effective Date: January 1, 1985

**CITY OF GRAND JUNCTION, COLORADO
EMPLOYEES RETIREMENT PLAN**

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**CITY OF GRAND JUNCTION, COLORADO
EMPLOYEES RETIREMENT PLAN**

The City of Grand Junction, Colorado in the following form, hereby amends and restates in its entirety its Employees Retirement Plan for the exclusive benefit of certain employees and their beneficiaries under the following terms and conditions:

ARTICLE I DEFINITIONS

1.1 General. The rights of a Participant who terminates Employment on or after the Restatement Date shall be covered by the Plan as in effect at the time of such termination of Employment. Unless specifically provided herein to the contrary, the rights of an employee who terminated covered Employment before the Restatement Date shall be determined by the terms of the Plan in effect at the time such employment terminated.

1.2 Beneficiary. The individual designated by the Participant, according to Section 6.3(c), to receive distribution of the Participant's Account upon death.

1.3 Board of Retirement ("Board"). The Board of Retirement appointed, in accordance with all applicable statutes or ordinances, to oversee the Plan's operations. The Board consists of five individuals, the City Manager or designee, Personnel Manager, Finance Director and two employees elected by the Participants.

1.4 Break in Service. A Plan Year during which an Employee fails to complete more than 500 Hours of Service.

1.5 Code. The Internal Revenue Code as amended from time to time and the regulations and rulings in effect thereunder.

1.6 Compensation. The total wages or salary, and any other taxable remuneration earned while a Participant from the Employer during the Plan Year, as reported on Form W-2, plus employer contributions made through a salary reduction agreement described in sections 125, 401, 403, 414(h) or 457 of the Internal Revenue Code of 1986, but excluding overtime bonuses, commissions, special allowances or compensation and accumulated leave paid upon separation from employment. Compensation for any Plan Year will be limited to the first \$200,000 of Compensation (or such other amount determined in accordance with Code section 415(d)). Effective prior to January 1, 1997 in determining the Compensation of a Participant who is a Highly Compensated Employee for purposes of this limitation, the rules of Code section 414(q)(6) shall apply, except the term "family" shall include only the spouse of the Participant and any lineal descendants of the Participant who have not attained age 19 before the close of the year. Effective for Plan Years beginning on or after January 1, 1996, the \$200,000 limit is reduced to \$150,000, subject to adjustment as provided in Code section 401(a)(17).

1.7 Defined Benefit Plan. A Plan under which a Participant's benefit is determined by a formula contained in the Plan under which no individual accounts are maintained for Participants.

1.8 Defined Contribution Plan. A Plan under which individual accounts are maintained for each Participant to which all contributions, forfeitures, investment income and gains or losses, and expenses are credited or deducted. A Participant's benefit under such Plan is based solely on the fair market value of his or her account balance.

1.9 Disability. An illness or injury of a potentially permanent nature certified by a physician selected by or satisfactory to the Plan Administrator which prevents the Employee from engaging in his or her occupation for wage or profit for which the Employee is reasonably fitted by training, education or experience.

1.10 Employee. Employee shall mean any individual who occupies a Council approved full-time position of the Employer excluding the City Manager, City Attorney, elected officials, nonclassified positions appointed by the City Manager who participate in other Employer sponsored Code section 401 or 457 plans as an alternative to this Plan and sworn Police and Fire personnel who participate in other Employer-sponsored Code section 401 plans.

1.11 Employer. City of Grand Junction, Colorado.

1.12 Entry Date. The date on which an Employee begins employment as an Employee.

1.13 Forfeiture. The portion of a Participant's Account which, according to Article VIII, the Participant is not entitled to receive.

1.14 Fund. All contributions received by the Trustee under this Plan and Trust, investments thereof and earnings and appreciation thereon.

1.15 Hour of Service.

(a) Each hour for which an Employee is paid, or entitled to payment, for the performance of duties for the Employer. These hours shall be credited to the Employee for the computation period in which the duties are performed; and

(b) Each hour for which an Employee is paid, or entitled to payment, by the Employer on account of a period of time during which no duties are performed due to vacation, holiday, illness, incapacity (including Disability), jury duty, military duty or leave of absence, but excluding leave hours accrued by the Employee which are paid to the Employee upon separation from employment. No more than 501 Hours of Service shall be credited under this paragraph for any single continuous period (whether or not such period occurs in a single computation period); and

(c) Each hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by the Employer. The same Hours of Service shall not be credited both under paragraph (a) or paragraph (b), as the case may be, and under this paragraph (c). These hours shall be credited to the Employee for the computation period or periods to which the award or agreement pertains rather than the computation period in which the award, agreement or payment is made.

(d) Hours of Service shall be credited for employment with the Employer and with other members of an affiliated service group (as defined in section 414(m) of the Code), a controlled group of corporations (as defined in section 414(b) of the Code), or a group of trades or businesses under common control (as defined in section 414(c) of the Code) of which the adopting Employer is a member, and any other entity required to be aggregated with the Employer pursuant to section 414(o) and the regulations thereunder. Hours of Service shall also be credited for any individual considered an Employee for purposes of this Plan under section 414(n) or section 414(o) and the regulations thereunder.

(e) Solely for purposes of determining whether a Break in Service, as defined in paragraph 1.4, for participation and vesting purposes has occurred in a computation period, an individual who is absent from work for maternity or paternity reasons shall receive credit for the Hours of Service which would otherwise have been credited to such individual but for such absence, or in any case in which such hours cannot be determined, eight Hours of Service per day of such absence. For purposes of this paragraph, an absence from work for maternity or paternity reasons means an absence by reason of the pregnancy of the individual, by reason of a birth of a child of the individual, by reason of the placement of a child with the individual in connection with the adoption of such child by such individual, or for purposes of caring for such child for a period beginning immediately following such birth or placement. The Hours of Service credited under this paragraph shall be credited in the computation period in which the absence begins if the crediting is necessary to prevent a Break in Service in that period, or in all other cases, in the following computation period. No more than 501 hours will be credited under this paragraph.

(f) Hours of Service shall be on the basis of actual hours for which an Employee is paid or entitled to payment.

1.16 Life Expectancy. Life Expectancy and Joint and Last Survivor Expectancy are computed by use of the expected return multiples in Tables V and VI of section 1.72-9 of the Income Tax Regulations, using the attained age of the Participant (or designated beneficiary) as of the Participant's (or designated beneficiary's) birthday in the applicable calendar year reduced by one for each calendar year which has elapsed since the date life expectancy was

first calculated. The applicable calendar year shall be the first distribution calendar year, and if life expectancy is being recalculated such succeeding calendar year. If distribution is in the form of an immediate annuity, purchased after the Participant's death with the Participant's remaining interest, the applicable calendar year is the year of purchase. If life expectancy is being recalculated, the applicable life expectancy shall be the life expectancy as so recalculated. Unless otherwise elected by the Participant by the time distributions are required to begin, Life Expectancies shall be recalculated annually. Such election shall be irrevocable as to the Participant and shall apply to all subsequent years. The Life Expectancy of a nonspouse beneficiary may not be recalculated.

1.17 Limitation Year. The calendar year or such other 12 consecutive month period designated by the Employer for purposes of determining the maximum annual addition to a Participant's account.

1.18 Mandatory Employee Pre-Tax Contributions. Employer Contributions made to the Plan after December 31, 1991 on behalf of the Participant, which are designated as Employer contributions pursuant to section 414(h)(2) of the Code in lieu of cash compensation, and contributions made pursuant to a salary reduction agreement or other deferral mechanism.

1.19 Normal Retirement Age. Shall mean the date in which a Participant has reached his 55th birthday.

1.20 Participant. Any Employee who has met the eligibility requirements and is participating in the Plan.

1.21 Plan. The City of Grand Junction Employees Retirement Plan described by the provisions in this document.

1.22 Plan Administrator. The Board of Retirement.

1.23 Plan Year. The period July 1, 1969 throughout December 31, 1969 and each 12 consecutive month period commencing on January 1, and ending on December 31.

1.24 Qualified Deferred Compensation Plan. Any pension, profit sharing or other plan which meets the requirements of section 401 of the Code which includes a trust exempt from tax under section 501(a) of the Code and any annuity plan described in section 403(a) of the Code.

1.25 Restatement Date. December 31, 2001. The Plan was originally effective July 1, 1969 and was amended in its entirety on January 1, 1985 and January 1, 1992.

1.26 Rollover Contribution. A contribution made by a Participant of an amount distributed to such Participant from another Qualified Deferred Compensation Plan in accordance with sections 402(a)(5), (6) and (7) of the Code.

1.27 Spouse (Surviving Spouse). The spouse or surviving spouse of the Participant, provided that a former spouse will be treated as the spouse or surviving spouse and a current spouse will not be treated as the spouse or surviving spouse to the extent provided under a qualified domestic relations order as described in section 414(p) of the Code.

1.28 Trustee. Wells Fargo West, N.A.

1.29 Valuation Date. The last day of the Plan Year and the following date(s) on which Participant accounts are revalued in accordance with Article V: March 31, June 30 and September 30.

1.30 Voluntary After-Tax Contribution. An Employee contribution which is not tax-deductible and which is not required as a condition for participation in the Plan.

1.31 Year of Service. A Plan Year during which an Employee has not less than 1,000 Hours of Service.

ARTICLE II ELIGIBILITY REQUIREMENTS

2.1 Participation. An Employee shall become a Participant in the Plan on the first day of employment as an Employee. Participants in the Plan that was in effect on December 31, 1991 shall remain a Participant in this restated Plan. An Employee who satisfied the eligibility requirements and subsequently terminated employment shall become a Participant immediately upon returning to the employ of the Employer.

2.2 Employment Rights. Participation in the Plan shall not confer upon a Participant any employment rights, nor shall it interfere with the Employer's right to terminate the employment of any Employee at any time.

2.3 Change in Classification of Employment. In the event a Participant becomes ineligible to participate because he or she is no longer a member of an eligible class of Employees, such Employee shall participate immediately upon his or her return to an eligible class of Employees.

ARTICLE III EMPLOYER CONTRIBUTIONS

3.1 Matching Employer Contributions. The Employer shall contribute to the Plan for each payroll period an amount equal to 100% of each Participant's contribution to the Plan for that payroll period, reduced by any Forfeitures used to replace such Matching Employer Contributions according to Section 8.6. However, the Employer's Contribution for any Plan Year shall be subject to the limitations on allocations contained in Article IX.

3.2 Transfer Contributions. Subject to the direction of the Employer, the Trustee is authorized to receive and add to the Trust Fund as a direct transfer assets attributable to the vested interest of any Participant in a retirement plan qualified under Code section 401(a) if such individual is a Participant in this Plan. Transfers shall be credited to the particular Participant's Transfer Account, shall always be fully vested and nonforfeitable, and shall be distributed pursuant to Section 7.1 hereof.

3.3 Expenses and Fees. The Employer shall also be authorized to reimburse the Fund for all expenses and fees incurred in the administration of the Plan or Trust that were paid out of the assets of the Fund. Such expenses shall include, but shall not be limited to, fees for professional services, printing, postage and brokerage or other commissions, subject to the limits of Code section 415.

3.4 Responsibility for Contribution. The Trustee shall not be required to determine if the Employer has made a contribution or if the amount contributed is in accordance with the Plan or the Code. The Employer shall have sole responsibility in this regard.

3.5 Return of Contributions. Contributions made to the Fund by the Employer shall be irrevocable, except as follows:

(a) Any contribution made to the Employer because of a mistake of fact must be returned to the Employer within one year of the contribution.

(b) In the event that the Commissioner of Internal Revenue determines that the Plan is not initially qualified under the Internal Revenue Code, any contribution made incident to that initial qualification by the Employer must be returned to the Employer within one year after the date the initial qualification is denied, but only if the application for the qualification is made by the time prescribed by law for filing the Employer's return for the taxable year in which the Plan is adopted, or such later date as the Secretary of the Treasury may prescribe.

3.6 Military Service. Effective on and after December 12, 1994, notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Code section 414(u).

ARTICLE IV EMPLOYEE CONTRIBUTIONS

4.1 Mandatory Employee Pre-Tax Contributions. A Participant shall be required to contribute toward the cost of the Plan, from amounts the Participant would otherwise receive as Compensation, an amount equal to 4% of the Participant's Compensation for the period January 1, 1992 through December 31, 1992, 4-1/2% of the Participant's Compensation for the period January 1, 1993 through December 31, 1993, 5% of the Participant's Compensation for the period January 1, 1994 through December 31, 1994, 5-1/2% of the Participant's Compensation for the period January 1, 1995 through December 31, 1995 and 6% of the Participant's compensation for periods after December 31, 1995. They shall be designated as Employee Contributions pursuant to section 414(h)(2) of the Internal Revenue Code of 1986, contingent upon the contributions being excluded from the Participant's gross income for federal income tax purposes.

4.2 Voluntary Employee Contributions. A Participant may make Voluntary After-Tax Contributions to the Plan. Such Voluntary After-Tax Contributions will be limited to 10% of annual Compensation.

4.3 Rollover Contribution. A Participant may make a Rollover Contribution to the Plan of all or any part of an amount distributed or distributable to him or her from a Qualified Deferred Compensation Plan provided the Rollover Contribution constitutes a direct transfer of eligible rollover distributions described in section 401(a)(31) of the Code or a rollover described in section 402(c) of the Code.

Such Rollover Contribution may also be made through an Individual Retirement Account (IRA) qualified under section 408 of where the Code where the IRA was used as a conduit from the Qualified Deferred Compensation Plan, the Rollover Contribution is made in accordance with the rules of Code section 402(c) and the Rollover Contribution does not include any regular IRA contributions, or earnings thereon, that the Participant may have made to the IRA. The Trustee shall not be held responsible for determining whether Rollover Contributions made hereunder meet the requirements of this Section 4.3.

ARTICLE V PARTICIPANT ACCOUNTS

5.1 Separate Accounts. The Plan Administrator shall establish a separate bookkeeping account for each Participant showing the total value of his or her interest in the Fund. Each Participant's Account shall be separated for bookkeeping purposes into the following subaccounts:

- (a) Matching Employer Contributions.
- (b) Transfer Contributions, which shall include subaccounts as necessary for Employer Contributions, after-tax employee contributions and before-tax employee contributions.
- (c) Mandatory Employee Before-Tax Contributions.
- (d) Voluntary Employee Contributions.
- (e) Rollover Contributions.

5.2 Adjustments To Participant Accounts. As of each Valuation Date of the Plan, the Plan Administrator shall credit to or deduct from each Account:

- (a) the Participant's share of the Employer's Contribution and forfeitures,
- (b) any Employee Contributions made by the Participant since the last Valuation Date,
- (c) withdrawals, and
- (d) the Participant's proportionate share of any investment earnings and increases or decreases in the fair market value of the Fund since the last Valuation Date as determined according to the Adoption Agreement.

All allocations made hereunder will be made in a nondiscriminatory manner. Accounts with segregated investments shall receive only the income or loss on such segregated investments. Terminated Participants' vested account balances shall be credited with any investment earnings and increase or decrease in the fair market value of the Fund until the Valuation Date preceding distribution. Terminated Participants' nonvested account balances shall be credited with any investment earnings and increase or decrease in the fair market value of the Fund until forfeited pursuant to Section 8.5.

5.3 Participant Statements. The Plan Administrator shall at least annually prepare a statement for each Participant showing the additions to and subtractions from his or her account since the last Valuation Date and the fair market value of his or her account as of the current Valuation Date.

ARTICLE VI ELIGIBILITY FOR BENEFITS

6.1 Retirement. If a Participant's Employment terminates for any reason on or after his Normal Retirement Age, he shall be eligible to receive the entire amount then credited to his account, which shall be fully vested and nonforfeitable.

6.2 Disability. If a Participant's Employment terminates because of his Disability at any time, he shall be eligible to receive the entire amount then credited to his account, shall be fully vested and nonforfeitable.

6.3 Death.

(a) Before Termination of Employment. If a Participant's Employment terminates because of his death, the entire amount then credited to his account shall become vested and nonforfeitable and payable pursuant to subsection 6.3(c).

(b) After Termination of Employment. If a Participant (including a former Participant) dies after terminating Employment, the Plan shall pay the then undistributed vested balance, if any, of the Participant's account pursuant to subsection (c) below.

(c) Recipient of Payment After Death and Timing Payment. Each Employee, upon becoming a Participant and on a form provided by the Plan and filed with the Plan Administrator, may designate a Beneficiary and may, in addition, name a contingent Beneficiary. Any Participant may at any time revoke or change his designation of Beneficiary by filing a written notice of the revocation or change with the Plan Administrator. The Plan shall distribute benefits payable pursuant to subsection (a) or (b) above to the deceased Participant's Beneficiary identified pursuant to a Beneficiary designation in effect at the time of his death or, if no such designation exists, to the Participant's surviving spouse or, if none, to his estate. The method and duration of payment shall be consistent with the limits imposed in Article VII. If distribution had commenced to the Participant prior to his death, it shall continue being paid after the Participant's death at least as rapidly as under the method of distribution being made as of the Participant's death. If distribution had not begun before the Participant's death, full distribution shall occur over period described in (i), (ii) or (iii) below:

(i) Non-Spouse Beneficiary. If the distribution is payable to a designated Beneficiary who is not the Participant's spouse, the distribution shall occur over a period no longer than the Beneficiary's Life

Expectancy, commencing on or before December 31 of the calendar year immediately following calendar year of the Participant's death.

(ii) Spouse Beneficiary. If the distribution is payable to a designated Beneficiary who is the Participant's spouse, the distribution shall occur over a period no longer than the spouse's Life Expectancy, commencing no later than of [a] December 31 of the calendar year immediately following the calendar year in which the Participant died, or [b] December 31 of the calendar year in which the Participant would have attained age 70-1/2. The surviving spouse may elect to have the distribution of the Account commence within 90 days after Participant's death.

(iii) No Designated Beneficiary. In all other cases, i.e., in the absence of a designated Beneficiary, the distribution shall occur over a period ending no later December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(d) Proof of Death. The Plan Administrator may require such proper proof of death and such evidence as to a person's right to receive payment from a deceased Participant's account as the Plan Administrator reasonably deems appropriate.

6.4 Termination of Employment Before Retirement, Disability or Death. If a Participant's employment with the Employer terminates prior to his Normal Retirement Date for any reason other than his death or Disability, the Participant shall be eligible to receive the vested portion of his account, determined according to Article VIII.

6.5 Claims Procedures. Upon retirement, death, or other severance of employment, the Participant or representative of such Participant may request of the Plan Administrator payment of benefits due and the manner of payment. If a request for benefits is made, the Plan Administrator shall accept, reject, or modify such request and, in the case of a denial or modification, the Plan Administrator shall:

- (a) state the specific reason or reasons for the denial,
- (b) provide specific reference to pertinent Plan provisions on which the denial is based,
- (c) provide a description of any additional material or information necessary for the Participant or his or her representative to perfect the claim and an explanation of why such material or information is necessary, and

(d) explain the Plan's claim review procedure as contained herein.

In the event the request is rejected or modified, the Participant or his or her representative may within 60 days following receipt by the Participant or representative of such rejection or modification, submit a written request for review by the Plan Administrator of its initial decision. Within 60 days following such request for review, the Plan Administrator shall render its final decision in writing to the Participant or representative stating specific reasons for such decision. If the Participant or representative is not satisfied with the Plan Administrator's final decision, the Participant or representative can institute an action in a federal court of competent jurisdiction; for this purpose, process would be served on the Plan Administrator.

6.6 Disposition of Unclaimed Payments. If the Trustee is unable to make any payment due under the Plan to any person because it does not know the identity or post office address of such person, the Trustee shall suspend all further payment until it has received written direction from the Plan Administrator.

ARTICLE VII PAYMENTS

7.1 Commencement of Payments. The distribution of all or any portion of a Participant's account shall commence in accordance with the Participant's election, not earlier than termination of the Participant's employment (unless specifically authorized elsewhere herein). Distribution of a Participant's account shall commence no later than the April 1 of the calendar year following the later of (a) the calendar year in which the Participant attains age 70-1/2 or (b) the calendar year in which the Participant's employment with the Employer terminates. Distributions shall be made in accordance with Treasury Regulations under Internal Revenue Code section 401(a)(9). Distribution may commence less than 30 days after the notice required under section 402(f) of the Code is given, provided that:

(a) the Board clearly informs the Participant that the Participant has a right to a period of at least 30 days after receiving the notice to consider the decision of whether or not to elect a distribution (and, if applicable, a particular distribution option), and

(b) the Participant, after receiving the notice, affirmatively elects a distribution.

7.2 Method of Payment. Distribution in relation to a Participant shall occur in cash, in one of the following methods as chosen by the Participant:

(a) Lump Sum. A single, lump sum distribution of the entire amount in the Participant's account. Payment shall be in a lump sum if the Participant's account is less than 100% vested or if the value of the Participant's vested account (excluding Voluntary Deductible Employer Contributions and before payments begin) is not greater than \$5,000.

(b) Partial Lump Sum. A lump sum distribution of a portion of a Participant's account, which the Participant may choose to receive separately from other Plan distributions.

(c) Installment Payments. In substantially equal monthly, quarterly, semiannual or annual payments. Such installments, whether paid from the Plan assets or an annuity contract, shall be of such amount and on such a schedule that the distribution is consistent with section 401(a)(9) of the Code and applicable regulation, which the Plan hereby incorporates by reference. Subject to such requirements, installment payments may be accelerated, delayed or paid in a lump sum at the direction of the Participant. With respect to distributions under the Plan made for calendar years beginning on or after January 1, 2001,

the Plan will apply the minimum distribution requirements under section 401(a)(9) that were proposed on January 17, 2001, notwithstanding any provision of the Plan to the contrary. This shall continue in effect until the end of the last calendar year beginning before the effective date of final regulations under section 401(a)(9) or such other date specified in guidance published by the Internal Revenue Service.

7.3 Direct Rollover. This Section applies to distributions made on or after January 1, 1993. Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this Section, a distributee may elect, at the time and in the manner prescribed by the Board, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

(a) Eligible rollover distribution: An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under section 401(a)(9) of the Code; and the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities).

(b) Eligible retirement plan: An eligible retirement plan is an individual retirement account described in section 408(a) of the Code, an individual retirement annuity described in section 408(b) of the Code, an annuity plan described in section 403(a) of the Code, or a qualified trust described in section 401(a) of the Code, that accepts the distributee's eligible rollover distribution. However, in the case of an eligible rollover distribution to the surviving spouse, an eligible retirement plan is an individual retirement account or individual retirement annuity. For distributions made after December 31, 2001, an eligible retirement plan shall also mean an annuity contract described in section 403(b) of the Code and an eligible plan under section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan. The definition of eligible retirement plan shall also apply in the case of a distribution to a Surviving Spouse, or to a Spouse or former Spouse who is the alternate payee under a qualified domestic relation order, as defined in section 414(p) of the Code.

(c) Distributee: A distributee includes an employee or former employee. In addition, the employee's or former employee's surviving spouse and the employee's or former employee's spouse or former spouse who

is the alternate payee under a qualified domestic relations order, as defined in section 414(p) of the Code, are distributees with regard to the interest of the spouse or former spouse.

(d) Direct rollover: A direct rollover is a payment by the plan to the eligible retirement plan specified by the distributee.

7.4 In-Service Withdrawals.

(a) Voluntary Contributions and Rollover Contributions.
A Participant who is employed by the Employer may withdraw all or any part of his or her account attributable to Voluntary Contributions or Rollover Contributions upon written request to the Plan Administrator.

(b) Other Requirements. Such request shall include the Participant's address, social security number, birth date, and amount of the withdrawal.

7.5 Transfer to Another City Plan Upon Termination of Participation. If a Participant ceases to be eligible to participate in this Plan, continues employment with the Employer and becomes a participant in another retirement Plan ("Plan II") of the Employer that is qualified under section 401(a) of the Code, the Participant may direct the Trustee to transfer the Participant's Account in this Plan to Plan II, provided the Participant has no outstanding loan from this Plan, the Participant is 100% vested in his account in this Plan and Plan II contains language restricting distribution of the Participant's transferred account as required by Rev. Rul. 94-76.

**ARTICLE VIII
VESTING**

8.1 Employee Contributions. A Participant shall always have a 100% vested and nonforfeitable interest in his or her Mandatory Employee Pre-Tax Contributions, Transfer Contributions, Voluntary After-Tax Contributions, and Rollover Contributions plus the earnings thereon. No forfeiture of Employer related contributions will occur solely as a result of an Employee's withdrawal of any Employee Contributions.

8.2 Employer Contributions. Effective January 1, 1992, a Participant shall vest in his or her account attributable to Employer Contributions in accordance with the table stated below, provided that if a Participant is not already fully vested, he or she shall become so upon attaining Normal Retirement Age, upon death prior to Normal Retirement Age, or upon termination due to Disability, or upon termination of the Plan.

<u>Years of Service</u>	<u>Percentage Vested and Nonforfeitable</u>
Less than 2 years	0%
2 years	25%
3 years	50%
4 years	75%
5 years	100%

8.3 Years of Service Upon Rehire. In the event a former Employee is rehired, such Employee shall be credited for vesting with all Years of Service, except that Years of Service before a Break in Service shall be canceled if the Participant's Break in Service lasts at least one year and the Participant has experienced a Forfeiture.

8.4 Calculating Vested Interest. A Participant's vested and nonforfeitable interest shall be calculated by multiplying the fair market value of his or her account attributable to Employer Contributions on the Valuation Date preceding payment by the vested percentage as of his or her termination date. A Participant's vested percentage shall be determined according to the Participant's Years of Service and the vesting schedule stated in Section 8.2.

8.5 When Forfeiture Occurs. A Participant's forfeiture if any, of his or her nonvested account balance derived from Employer Contributions shall occur as of the last day of the Plan Year in which the Participant incurs five consecutive one-year Breaks in Service.

8.6 Reallocation of Forfeiture. Forfeitures shall be applied, first, to offset administrative expenses of the Plan and, second, to reduce Matching Employer Contributions.

8.7. Amendment of Vesting Schedule. No amendment to the Plan shall be effective to the extent that it has the effect of decreasing a Participant's accrued benefit. For purposes of this paragraph, a Plan amendment which has the effect of decreasing a Participant's account balance, with respect to benefits attributable to service before the amendment shall be treated as reducing an accrued benefit. Furthermore, if the vesting schedule of a Plan is amended, in the case of an Employee who is a Participant as of the later of the date such amendment is adopted or the date it becomes effective, the nonforfeitable percentage (determined as of such date) of such Employee's right to his Employer-derived accrued benefit will not be less than his percentage computed under the Plan without regard to such amendment.

**ARTICLE IX
LIMITATIONS ON ALLOCATIONS**

9.1 Maximum Limits on Allocations.

(a) Maximum Annual Additions. The maximum contributions and other additions for a Participant under this Plan for any Limitation Year shall not exceed, when expressed as an annual addition to the Participant's account, and when added to the annual additions to the Participant's account for the Limitation Year under all other defined contribution plans and all welfare benefit funds, as defined in Internal Revenue Code section 419(e), and any individual medical account, as defined in Internal Revenue Code section 415(1), maintained by the Employer, the lesser of:

(i) \$30,000 (\$40,000 effective January 1, 2002), as adjusted under Internal Revenue Code section 415(d), or

(ii) 25% (100% effective January 1, 2002) of the Compensation paid to the Participant by the Employer in such year.

The Compensation limitation referred to in (ii) shall not apply to any contribution for medical benefits (within the meaning of section 401(h) or section 419A(f)(2) of the Code) which is otherwise treated as an annual addition under section 415(1)(1) or 419A(d)(2) of the Code.

(b) Definition of Compensation. For purposes of this Article IX, Compensation shall mean wages within the meaning of Internal Revenue Code section 3401(a) (for purposes of income tax withholding at the source) but determined without regard to any rules that limit the remuneration included in wages based on the nature or location of the employment or the services performed. Effective with the first Plan Year beginning after 1997, Compensation for purposes of this Article IX shall include any elective deferral as defined in Code section 402(g)(3) and any amount which is contributed or deferred by the Employer at the election of the Employee and which is not includible in the gross income of the Employee by reason of Code section 125 or 457.

For purposes of applying the limitations of this Article, Compensation for a Limitation Year is the Compensation actually paid or includable in gross income during such year.

(c) Definition of Annual Addition. For the purposes of this Article IX, "annual, addition" shall mean the sum allocated to a Participant's account for any Limitation Year of:

- (i) Employer Contributions;
- (ii) Employee Contributions;
- (iii) Forfeitures;
- (iv) Amounts derived from contributions paid or accrued after December 31, 1985, in taxable years ending after such date, which are attributable to post-retirement medical benefits allocated to the separate account of a Key Employee, as defined in Internal Revenue Code section 419A(d)(3), under a welfare benefit fund, as defined in Code section 419(e) maintained by the Employer; and
- (v) Amounts allocated after March 31, 1984 to an individual medical account (as defined in Internal Revenue Code section 415(1)(1)) which is part of a pension or annuity plan maintained by the Employer.

The term "annual addition" shall not include the allocation to a Participant's account of income, transfers according to Section 3.2, or rollovers according to Section 4.3.

(d) For purposes of this Article IX, "Employer" means the Employer that adopts this Plan.

9.2 Disposition of Excess Annual Additions. If, due to a reasonable error in estimating a Participant's Compensation or other reasons acceptable to the Commissioner of Internal Revenue, or as a result of the allocation of forfeitures, an amount in excess of the limit, described in Section 9.1 is allocated to a Participant's account, the excess will be disposed of as follows (attributing all excess amounts to this Plan first, if multiple plans are involved):

(a) One-half of the excess amount will be returned to the Participant as a return of employee contributions, to the extent that the return would reduce the excess amounts in the Participant's account.

(b) If after the application of paragraph (a) an excess amount still exists, and the Participant is covered by the Plan at the end of the Limitation Year, the excess amount in the Participant's account will be used to reduce Employer Contributions (including any allocation of forfeitures) for such Participant in the next Limitation Year, and each succeeding Limitation Year if necessary.

(c) If after the application of paragraph (a) an excess amount still exists, and the Participant is not covered by the Plan at the end of

the Limitation Year, the excess amount will be held unallocated in a suspense account. The suspense account will be applied to reduce future Employer Contributions (including allocation of any forfeitures) for all remaining Participants in the next Limitation Year, and each succeeding Limitation Year if necessary. If a suspense account is in existence at any time during a Limitation Year pursuant to this Section, it will not participate in the allocation of the Trust's investment gains and losses. If a suspense account is in existence at any time during a particular Limitation Year, all amounts in the suspense account must be allocated and reallocated to Participants accounts before any Employer or any Employee contributions may be made to the Plan for that Limitation Year. Excess amounts may not be distributed to Participants or former Participants, except as provided in Section 9.2(a) above.

(d) If a suspense account is in existence at any time during the Limitation Year pursuant to this paragraph, it will not participate in the allocation of investment gains and losses.

9.3 Participation in This Plan and a Defined Benefit Plan (Not Effective for Plan Years Beginning on or After January 1, 2000). If the Employer maintains, or at any time maintained, a qualified Defined Benefit Plan covering any Participant in this Plan, the sum of the defined benefit plan fraction and the defined contribution plan fraction for each Limitation Year may not exceed 1.0, as described in section 415(e) of the Code, except to the extent not applicable to government plans.

ARTICLE X ADMINISTRATION

10.1 Employer. The Employer shall be a named fiduciary. The Employer's duties shall include but are not limited to appointing the Plan's attorney, accountant, actuary, and any other party needed to administer the Plan, and reviewing and approving any financial reports, investment review, or other reports prepared by any party appointed by the Employer. The Employer shall provide indemnification or insurance for breach of fiduciary duty or errors and omissions insurance for all Board members on the same terms and conditions as the Employer does for other City boards and commissions.

10.2 Plan Administrator.

(a) Powers and Duties of Plan Administrator. The Plan Administrator shall be a named fiduciary. The Plan Administrator shall administer the Plan and shall have all powers necessary for that purpose, including, but not by way of limitation, power to interpret the Plan, to communicate with Employees regarding their participation and benefits under the Plan, including the administration of claims procedures, to determine the eligibility, status and rights of all persons under the Plan and in general to decide any dispute. The Plan Administrator shall have full authority to determine eligibility for benefits and to construe the terms of the Plan. The Plan Administrator shall direct the Trustee concerning all distributions from the Fund, in accordance with the provisions of the Plan, and shall have such other powers in the administration of the Fund as may be conferred upon it by the Trust Agreement. The Plan Administrator shall file any returns and reports with the Internal Revenue Service, Department of Labor, or any other governmental agency, establish a funding policy and investment objective consistent with the purposes of the Plan and shall maintain all Plan records. The Plan Administrator shall be agent of the Plan for service of all process.

(b) Meetings. The Board shall meet whenever required for the orderly and timely administration of the business of the Plan at such location as may be acceptable to the Board.

(c) Quorum. A quorum for the transaction of business at a duly called meeting shall consist of three (3) members, with the further limitation that any such quorum shall consist of not less than two (2) City members and one (1) Employee member.

(d) Voting. All actions by and decisions of the Board shall be by the vote of at least three (3) members. Each Board member shall have one vote.

(e) Organization and Operation of the Board. At the commencement of each year, the Board members shall select from among them a Chair and a Secretary who shall each serve for a period of one (1) year. One office shall be filled by a City Board member and one office shall be filled by an Employee Board member. The offices of Chair and Secretary shall be rotated annually between City Board member and Employee Board member. The Secretary shall be responsible for maintaining an accurate record of all actions of the Board, including minutes from all Board meetings. A copy of such minutes shall be retained as a record of the Plan and one copy thereof shall be distributed to each Board member. Documents requiring execution by the Board shall be signed by the Chair and attested by the Secretary. The Board may adopt rules and regulations necessary for the orderly election of Employee members of the Board and for the proper and efficient administration of the Plan, provided such rules and regulations are not inconsistent with the terms of the Plan or the provisions of applicable law.

(f) Election of Employee Board Members. The two (2) Employees who are to be elected to the Board by Participants shall be elected in accordance with this Section 10.2 (f). At the first election, one Employee member shall be elected to serve a term of two (2) years and one (1) Employee member shall be elected to serve a term of three (3) years. Thereafter, Employee members of the Board shall be elected to serve terms of three (3) years. Each term shall commence on the first day of the Plan Year. If otherwise qualified, Employee members of the Board may be re-elected to the Board without limitation on the number of terms they may serve.

10.3 Trustee. The Trustee shall be responsible for the administration of investments held in the Fund. These duties shall include:

- (a) implementing an investment program based on the Employer's investment objectives,
- (b) receiving contributions under the terms of the Plan,
- (c) making distributions from the Fund in accordance with written instructions received from an authorized representative of the Plan Administrator, and
- (d) keeping accurate records reflecting its administration of the Fund and making such records available to the Employer for review and audit. Within 90 days after each Plan Year, and within 90 days after its removal or resignation, the Trustee shall provide to the Employer an accounting of its administration of the Fund during such year or from the end of the preceding Plan Year to the date of removal or resignation. Such accounting shall include a statement of cash receipts and disbursements since the date of its last accounting and shall contain an asset list showing the fair market value of

investments held in the Fund as of the end of the Plan Year. The value of marketable investments shall be determined using the most recent price quoted on a national securities exchange or over-the-counter market. The value of non-marketable investments shall be determined in the sole judgment of the Trustee. The value of investments in securities or obligations of the Employer in which there is no market shall be determined by an independent qualified party selected by the Employer using a method acceptable to the Trustee. The Employer shall review the Trustee's accounting and notify the Trustee in the event of its disapproval of the report within 90 days, providing the Trustee with a written description of the items in question. The Trustee's duties shall be limited to those described above. The Employer shall be responsible for any other administrative duties required under the Plan or by applicable law.

10.4 Administrative Fees and Expenses. All reasonable costs, charges and expenses incurred by the Trustee in connection with the administration of the Fund and all reasonable costs, charges and expenses incurred by the Plan Administrator in connection with the administration of the Plan (including fees for legal services rendered to the Trustee or Plan Administrator) may be paid by the Employer, but if not paid by the Employer when due, shall be paid from the Fund. Such reasonable compensation to the Trustee as may be agreed upon from time to time between the Employer and the Trustee and such reasonable compensation to the Plan Administrator as may be agreed upon from time to time between the Employer and Plan Administrator may be paid by the Employer, but if not paid by the Employer when due shall be paid by the Fund. Notwithstanding the foregoing, no compensation other than reimbursement for expenses shall be paid to a Plan Administrator who is the Employer or a full-time Employee of the Employer.

10.5 Governing Law. Construction, validity and administration of the Plan and Trust shall be governed by Federal law to the extent applicable and to the extent not applicable by the laws of the State of Colorado.

10.6 Election of Employee Board Members. The two (2) Employees who are to be elected to the Board by Participants shall be elected in accordance with this Section 10.6. At the first election, one Participant member shall be elected to serve a term of two (2) years and one (1) Participant shall be elected to serve a term of three (3) years. Thereafter, Employee members of the Board shall be elected to serve terms of three (3) years. Each term shall commence on the first day of the Plan Year. If otherwise qualified, Employee members of the Board may be reelected to the Board without limitation on the number of terms they may serve.

10.7 Written Communication. To the extent permitted by applicable Treasury Regulations and accepted by the Plan Administrator, all provisions of the Plan and Trust Agreement that require written notices and

elections shall be interpreted to mean authorized electronic or telephonic notices and elections.

ARTICLE XI TRUST FUND

11.1 The Fund. The Fund shall consist of all contributions made under Article III and Article IV of the Plan and the investment thereof and earnings thereon. All contributions and the earnings thereon less payments made under the terms of the Plan, shall constitute the Fund. The Fund shall be administered as provided herein.

11.2 Control of Plan Assets. The assets of the Fund or evidence of ownership shall be held by the Trustee under the terms of the Plan and Trust.

11.3 Exclusive Benefit Rules. No part of the Fund shall be used for, or diverted to, purposes other than for the exclusive benefit of Participants, former Participants with a vested interest, and the beneficiary or beneficiaries of deceased Participants having a vested interest in the Fund at death.

11.4 Assignment and Alienation of Benefits. No right or claim to, or interest in, any part of the Fund, or any payment therefrom, shall be assignable, transferable, or subject to sale, mortgage, pledge, hypothecation, communication, anticipation, garnishment, attachment, execution, or levy of any kind, and the Trustee shall not recognize any attempt to assign, transfer, sell, mortgage, pledge, hypothecate, or anticipate the same, except to the extent required by law. The preceding sentence shall also apply to the creation, assignment, or recognition of a right to any benefit payable with respect to a Participant pursuant to a domestic relations order, except to the extent that Colorado statutes provide for enforcement of such order. The Plan Administrator may adopt rules regarding payments pursuant to a domestic relations order.

11.5 Trust Agreement. The Employer has entered into a Trust Agreement with the Trustee United Asset Management Services, to provide for the holding, investment and administration of the funds of the Plan. The Trust Agreement shall be part of the Plan, and the right and duties of any person under the Plan shall be subject to all terms and provisions of the Trust Agreement.

ARTICLE XII
PARTICIPANT LOANS
(Effective September 20, 1998)

12.1 Application. A Plan Participant may make application to the Board requesting a loan from the Fund. The Board shall have the sole right to approve or disapprove a Participant's application provided that loans shall be subject to the rules described in this Article XII and shall be made available only according to subsection 12.1(a), in the case of a Participant who has completed at least two years as of Service as a Participant.

(a) A Participant who has completed a Period of Service of 24 months may borrow up to the lesser of \$25,000 or 25% of the fair market value of the Participant's vested account balance derived from Employer Contributions, Mandatory Employee Pre-Tax Contributions, Transfer Contributions and Rollover Contributions.

(b) A Participant who demonstrates an "unforeseeable emergency" may borrow an amount reasonably needed to satisfy such "unforeseeable emergency." An "unforeseeable emergency" is a severe financial hardship to the Participant resulting from a sudden and unexpected illness or accident of the participant or of the Participant's dependent (as defined in Code section 152(a)), loss of the Participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the Participant's control. An "unforeseeable emergency" does not exist to the extent that such hardship is or may be relieved:

(i) through reimbursement or compensation by insurance or otherwise, or

(ii) by liquidation of the participant's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship.

Examples of what are not considered to be unforeseeable emergencies include the need to send a Participant's child to college or the desire to purchase a home.

12.2 Maximum Amount. No loan granted hereunder shall exceed the lesser of (a) \$25,000 reduced by the excess (if any) of the highest outstanding balance of loans during the one year period ending on the day before the loan is made, over the outstanding balance of loans from the Plan on the date the loan is made, or (b) an amount which, when added to the outstanding balance of any other Plan loans to the Participant, equals twenty-five percent (25%) of the fair market value of the Participant's vested account

balance derived from Employer Contributions, Mandatory Employee Pre-Tax Contributions, Transfer Contributions and Rollover Contributions. An assignment or pledge of any portion of the Participant's interest in the Plan will be treated as a loan under this Article XII.

12.3 Application Forms. All applications must be made on forms provided by the Board and must be signed by the Participant.

12.4 Spousal Consent. A Participant must obtain the consent of his or her spouse, if any, within the 90-day period before the time the account balance is used as security for the loan. Spousal consent must be in writing, must acknowledge the effect of the loan, and must be witnessed by a Plan representative or notary public. Such consent shall be binding on the consenting spouse or any subsequent spouse with respect to that loan. A new consent shall be required if the account balance is used for renegotiation, extension, renewal, or other revision of the loan. If a valid spousal consent has been obtained in accordance with this Section 12.4, then, notwithstanding any other provision of this Plan, the portion of the Participant's vested account balance used as a security interest held by the Plan by reason of a loan outstanding to the Participant shall be taken into account for purposes of determining the amount of the account balance payable at the time of death or distribution, but only if the reduction is used as repayment of the loan. If less than 100% of the Participant's vested account balance (determined without regard to the preceding sentence) is payable to the surviving spouse, then the account balance shall be adjusted by first reducing the vested account balance by the amount of the security used as repayment of the loan, and then determining the benefit payable to the surviving spouse.

12.5 Interest on Loans. Any loan granted hereunder shall bear interest at a rate determined by the Board to be reasonable at the time of application.

12.6 Security. All loans made hereunder shall be secured by the Participant's vested account balance and by such additional collateral as may be required by the Board.

12.7 Terms of Repayment. Any loan shall by its terms require that repayment (principal and interest) be bi-weekly, by payroll deduction or by check if the Participant is not on payroll, over a period not extending beyond five years from the date of the loan.

12.8 Principal and Interest Allocation. The principal and interest paid by a Participant on his or her loan shall be credited as a segregated investment of the Participant's account.

12.9 Default. The Board shall treat a Participant's loan as in default upon any of the following events:

- (a) If a scheduled payment remains unpaid more than 30 days;
- (b) The death of the Participant;
- (c) The termination of the Participant's employment for any reason;
- (d) If the Participant revokes authorization for repayment of the loan by payroll deduction.

The Board shall grant the Participant reasonable rights to cure any default, by repaying the loan, by bringing the loan current by payment of any missed payment(s) with interest, or, if distribution is available under the terms of the Plan, by requesting distribution of the note to the Participant. If the default is not cured within a reasonable time, the Board shall take one of the following actions:

- (a) If a distribution is permissible under the Plan, offset the Participant's vested account balance by the outstanding balance of the loan;
- (b) If a distribution is not permissible under the Plan, report the entire unpaid principal amount of the loan as a taxable distribution to the Internal Revenue Service.

The Board will treat a loan as repaid to the extent of any permissible offset, but until the note is finally and fully disposed of, the Participant remains obligated for repayment of principal and interest.

The Board may adopt policies and procedures that will apply uniformly to all Participants with regard to the procedures that the Board will follow upon default.

12.10 Approval of Application. If a Participant's loan application is approved by the Board, such Participant shall be required to sign a note, loan agreement and assignment of his or her vested interest in the Fund as collateral for the loan.

ARTICLE XIII INSURANCE POLICIES

13.1 Limitations. If agreed upon by the Plan Administrator and the Employer, Employees may elect the purchase of life insurance policies under the Plan. If elected, the aggregate premiums for all ordinary life policies (contracts with decreasing death benefits and non-decreasing premiums) exceed 50% of the aggregate Employer Contributions allocated to the account of a Participant. The aggregate premium contracts or universal life contract shall not exceed 25% of aggregate Employer Contributions allocated to the account of a Participant. The aggregate premiums for a Participant a whole life and a term contract shall not exceed 25% of the aggregate Employer Contributions allocated to the account of a Participant. Premium payments shall be deducted from the Participant's Employer Contributions account, or if so directed by the Participant, from the Participant's nondeductible Voluntary Contributions account.

13.2 Administrative Requirements. Any policies purchased hereunder shall be held subject to the following rules:

(a) The Trustee shall be applicant, owner and beneficiary of any policies issued hereunder. The insurance contract (s) must provide that proceeds will be payable to the Trustee, however the Trustee shall be required to pay over all proceeds of the contract(s) to the Participant's designated Beneficiary in accordance with the distribution provisions of this Plan. Under no circumstances shall the Trust retain any part of the proceeds.

(b) Except as provided in subsection (g), all policies or contracts purchased hereunder shall be endorsed as nontransferable.

(c) A Participant who is uninsurable or insurable at substandard rates, may elect to receive a reduced amount of insurance, if available, or may waive the purchase of any insurance.

(d) All dividends or other returns received on any policy purchased hereunder, shall be applied as directed by the Trustee to reduce the next premium due on such policy, to purchase paid-up additions, to accumulate under the contract, or if no further premium is due, such amount shall be credited to the Fund as part of the account of the Participant for whom the policy is held.

(e) If Employer Contributions are inadequate to pay all premiums on all insurance policies, the Trustee may, at the option of the Plan Administrator, utilize other amounts remaining in each Participant's account to pay the premiums on his respective policy or policies, allow the policies to lapse, reduce the policies to a level at which they may be maintained, or borrow against the policies on a prorated basis, provided that the borrowing does not

discriminate in favor of the policies on the lives of officers, shareholders, and highly compensated employees.

(f) On retirement or termination of employment of a Participant, the Plan Administrator shall direct the Trustee to cash surrender the Participant's policy and credit the proceeds to his or her account for distribution under the terms of the Plan. However, before so doing, the Plan Administrator shall first offer to transfer ownership of the policy to the Participant in exchange for payment by the Participant of the cash value of the policy at the time of transfer. Such payment shall be credited to the Participant's account for distribution under the terms of the Plan (including the applicable vesting schedule).

(g) The Plan Administrator shall be solely responsible to see that these insurance provisions are administered properly and that if there is any conflict between the provisions of this Plan and any insurance contracts issued hereunder that the terms of this Plan will control.

(h) The Employer shall direct the Trustee as to the insurance company and insurance agent through which the Trustee is to purchase the insurance contracts, and the amount of the coverage.

**ARTICLE XIV
AMENDMENT AND TERMINATION**

14.1 Amendments. The Employer shall have the right at any time, and from time to time, to:

(a) Amend this Plan in such manner as it may deem necessary or advisable in order to qualify this Plan and the Trust created in relation hereto pursuant to sections 402(a) and 501(a) of the Internal Revenue Code of 1986 and any such amendment may, by its terms, be retroactive; and

(b) Amend this Plan in any other manner.

No amendment shall authorize any part of the Trust Fund to be used for or diverted to purposes other than for the exclusive benefit of the Participants or their Beneficiaries or estates or to defray the reasonable expenses of administering the Plan; no such amendment shall cause any reduction in the vested portion of any Participant's interest in the Trust Fund or cause or permit any portion of the Trust Fund to revert to, or become property of, the Employer and no such amendment which affects the rights, duties or responsibilities of the Trustee shall be effective without the Trustee's written consent. Any such amendment shall become effective as of the effective date stated therein upon delivery of a written instrument, executed on behalf of the Employer by its proper officers duly authorized, to the Trustee and the written consent of the Trustee thereto, if such consent is required. The Board of Trustees may amend this Plan by adopting the amendment or amendments or may authorize, by standing resolution or otherwise, a certain individual or individuals to adopt an amendment or amendments hereto, which amendments shall bear the same effect as if adopted by the Board of Trustees.

14.2 Termination. The Employer shall have the right to terminate its Plan upon 60 days notice in writing to the Trustee. If the Plan is terminated, partially terminated, or if there is a complete discontinuance of contributions under the Plan by the Employer, all amounts credited to the accounts of Participants shall vest and become nonforfeitable. In the event of termination, the Plan Administrator shall direct the Trustees with respect to the distribution of accounts to or for the exclusive benefit of Participants or their beneficiaries.

14.3 Qualification of Employer's Plan. If the Employer fails to attain or retain Internal Revenue Service qualification, such Plan shall no longer be considered a Plan.

14.4 Mergers and Consolidations. In the case of any merger or consolidation of the Employer's Plan with, or transfer of assets or liabilities of the Employer's Plan to, any other plan, immediately after the merger, consolidation,

or transfer Participants in the Employer's Plan shall be credited with benefits which are equal to or greater than the benefits they would have been credited with immediately before the merger, consolidation, or transfer if the Plan had then terminated.

(Deleted Effective January 1, 1985)

— END —

IN WITNESS WHEREOF, the parties hereto have executed this Plan this _____ day of _____, 2001.

CITY OF GRAND JUNCTION

Mayor

Clerk

BOARD OF RETIREMENT

Signature

Date

Signature

Date

Signature

Date

Signature

Date

Signature

Date

**AMENDED AND RESTATED
CITY OF GRAND JUNCTION, COLORADO
NEW HIRE FIRE
MONEY PURCHASE DEFINED CONTRIBUTION PLAN**

**Restated to Include Amendments
through December 31, 2001**

Original Effective Date: January 1, 1987

**AMENDED AND RESTATED
CITY OF GRAND JUNCTION, COLORADO
NEW HIRE FIRE
MONEY PURCHASE DEFINED CONTRIBUTION PLAN**

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**AMENDED AND RESTATED
CITY OF GRAND JUNCTION, COLORADO
NEW HIRE FIRE
MONEY PURCHASE DEFINED CONTRIBUTION PLAN**

Effective January 1, 1987, the City of Grand Junction, Colorado establishes the City of Grand Junction, Colorado New Hire Fire Money Purchase Defined Contribution Plan (the "Plan") for the exclusive benefit of certain employees and their beneficiaries, to read as follows. The Plan has been amended effective January 1, 1997, January 1, 1998, October 3, 1998, January 1, 2000 and January 1, 2001 to accommodate certain changes, including changes in tax laws.

ARTICLE I DEFINITIONS

1.1 General. The rights of a Participant who terminates Employment on or after the Effective Date shall be governed by the Plan as in effect at the time of such termination of Employment.

1.2 Beneficiary. The individual designated by the Participant, according to Section 6.3(c), to receive distribution of the Participant's Account upon death.

1.3 Board of Retirement ("Board"). The Board of Retirement appointed, in accordance with all applicable statutes or ordinances, to oversee the Plan's operations. The Board consists of seven members: the City Manager, the Finance Director, and the Personnel Manager and one person designated by the City Manager (these four members may be referred to as "City Board members"; each such person may be represented by a designee), and three Participant members who are elected for three year terms by vote of the Participants in accordance with the provisions of Section 10.6 of this Plan (these three Board members may be referred to as "Employee Board members").

1.4 Break in Service. A twelve (12) consecutive month Period of severance.

1.5 Code. The Internal Revenue Code as amended from time to time and the regulations and rulings in effect thereunder.

1.6 Compensation. The total wages or salary, and any other taxable remuneration earned while a Participant from the Employer during the Plan Year, as reported on Form W-2, plus employer contributions made through a salary reduction agreement described in sections 125, 401, 403, 414(h) or 457 of the Internal Revenue Code of 1986, but excluding overtime bonuses, commissions, special allowances or compensation and accumulated leave paid upon separation from employment. Compensation for any Plan Year will be limited to the first \$200,000 of Compensation (or such other amount determined in accordance with Code section 415(d)). Effective for Plan Years beginning on or after January 1, 1996, the \$200,000 limit is reduced to \$150,000, subject to adjustment as provided in Code section 401(a)(17).

Effective prior to January 1, 1997, in determining the Compensation of a Participant who is a Highly Compensated Employee for purposes of this limitation, the rules of Code section 414(q)(6) shall apply, except the term "family" shall include only the spouse of the Participant and any lineal

descendants of the Participant who have not attained age 19 before the close of the year.

1.7 Defined Benefit Plan. A Plan under which a Participant's benefit is determined by a formula contained in the Plan under which no individual accounts are maintained for Participants.

1.8 Defined Contribution Plan. A Plan under which individual accounts are maintained for each Participant to which all contributions, forfeitures, investment income and gains or losses, and expenses are credited or deducted. A Participant's benefit under such Plan is based solely on the fair market value of his or her account balance.

1.9 Disability. Either an Occupational Disability or a Total Disability. Occupational Disability means a disability resulting in an incapacity to perform assigned duties and expected, with reasonable medical probability, to exist for at least one year. Total Disability means inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a period not less than twelve (12) months.

1.10 Effective Date. The original effective date of the Plan was January 1, 1987.

1.11 Employee. Employee shall mean any individual employed as a full-time, paid, sworn fire officer of the City of Grand Junction Fire Department.

1.12 Employer. The City of Grand Junction, Colorado.

1.13 Forfeiture. The portion of a Participant's Account which, according to Article VIII, the Participant is not entitled to receive.

1.14 Fund. All contributions received by the Trustee under this Plan and Trust, investments thereof and earnings and appreciation thereon.

1.15 Life Expectancy. Life Expectancy and Joint and Last Survivor Expectancy are computed by use of the expected return multiples in Tables V and VI of section 1.72-9 of the Income Tax Regulations, using the attained age of the Participant (or designated beneficiary) as of the Participant's (or designated beneficiary's) birthday in the applicable calendar year reduced by one for each calendar year which has elapsed since the date life expectancy was first calculated. The applicable calendar year shall be the first distribution calendar year, and if life expectancy is being recalculated such succeeding calendar year.

If distribution is in the form of an immediate annuity, purchased after the Participant's death with the Participant's remaining interest, the applicable calendar year is the year of purchase. If life expectancy is being recalculated, the applicable life expectancy shall be the life expectancy as so recalculated. Unless otherwise elected by the Participant by the time distributions are required to begin, Life Expectancies shall be recalculated annually. Such election shall be irrevocable as to the Participant and shall apply to all subsequent years. The Life Expectancy of a nonspouse beneficiary may not be recalculated.

1.16 Limitation Year. The calendar year or such other 12-consecutive month period designated by the Employer for purposes of determining the maximum annual addition to a Participant's account .

1.17 Mandatory Employee Pre-Tax Contributions. Employer Contributions made to the Plan on behalf of the Participant, which are designated as Employee contributions pursuant to section 414(h)(2) of the Code in lieu of cash compensation, and contributions made pursuant to a salary reduction agreement or other deferral mechanism.

1.18 Normal Retirement Age. Age 50.

1.19 Participant. Any Employee who has met the eligibility requirements and is participating in the Plan.

1.20 Period of Separation. A period of time commencing with the date a Participant separates from service as an Employee and ending with the date such Employee resumes employment with Employer as an Employee.

1.21 Period of Service. For purposes of determining a Participant's initial or continued eligibility to participate in the Plan or a Participant's vested interest in the Participant's Employer Contribution Account, a Participant shall be credited for the time period commencing with the Participant's first day of employment as an Employee and ending on the date a Period of Severance begins. A Period of Service for these purposes includes any Period of Separation of less than twelve (12) consecutive months. In the case of a Participant who separates from service as an Employee and later resumes employment as an Employee, the Period of Service prior to the Participant's resumption of employment shall be aggregated only if such Participant is a Re-employed Individual as described in Section 8.4.

1.22 Period of Severance. A period of time commencing with the earlier of:

(a) the date a Participant separates from service as an Employee by reason of quitting, retirement, death, or discharge; or

(b) the date twelve (12) months after the date a Participant separates from service as an Employee and ending, in the case of a Participant who separates from service as an Employee by reason other than death, with the date such Participant resumes employment as an Employee.

1.23 Plan. The City of Grand Junction, Colorado New Hire Fire Money Purchase Defined Contribution Plan as established by the provisions in this document.

1.24 Plan Administrator. The Board of Retirement.

1.25 Plan Year. The calendar year.

1.26 Qualified Deferred Compensation Plan. Any pension, profit sharing, or other plan which meets the requirements of section 401 of the Code which includes a trust exempt from tax under section 501(a) of the Code and any annuity plan described in section 403(a) of the Code.

1.27 Restatement Date. December 31, 2001. The Plan was originally effective January 1, 1987, was amended October 3, 1998 and was restated in its entirety in the form of this document to include amendments through December 31, 2001.

1.28 Rollover Contribution. A contribution made by a Participant of an amount distributed to such Participant from another Qualified Deferred Compensation Plan in accordance with sections 402(a)(5), (6) and (7) of the Code.

1.29 Spouse (Surviving Spouse). The spouse or surviving spouse of the Participant, provided that a former spouse will be treated as the spouse or surviving spouse and a current spouse will not be treated as the spouse or surviving spouse to the extent provided under a qualified domestic relations order as described in section 414(p) of the Code.

1.30 Trustee. The Board of Retirement.

1.31 Valuation Date. The last day of the Plan Year and the following date(s) on which Participant accounts are revalued in accordance with Article V: March 31, June 30 and September 30.

1.32 Custodian. An entity selected by the Board of Retirement in accordance with the procedures of Section 10.2 that has custody of all Plan assets, performs participant record keeping functions, executes the instructions of the Board or Investment Manager with respect to transactions with Plan assets, and performs such other duties, subject to the direction and control of the Board, as may be set forth in a written agreement between the Custodian and the Board.

1.33 Investment Manager. An entity selected by the Board of Retirement in accordance with the procedures of Section 10.3 that (a) has the power to manage, acquire, or dispose of Plan assets and (b) acknowledges fiduciary responsibility to the Plan in writing. Such entity must be a person, firm, or corporation registered as an investment adviser under the Investment Advisers Act of 1940, a bank, or an insurance company.

1.34 Custodian. An entity selected by the Board of Retirement in accordance with the procedures of Section 10.2 that has custody of all Plan assets, performs participant record keeping functions, executes the instructions of the Board or Investment Manager with respect to transactions with Plan assets, and performs such other duties, subject to the direction and control of the Board, as may be set forth in a written agreement between the Custodian and the Board.

1.35 Investment Manager. An entity selected by the Board of Retirement in accordance with the procedures of Section 10.3 that (a) has the power to manage, acquire, or dispose of Plan assets and (b) acknowledges fiduciary responsibility to the Plan in writing. Such entity must be a person, firm, or corporation registered as an investment adviser under the Investment Advisers Act of 1940, a bank or an insurance company.

ARTICLE II
ELIGIBILITY REQUIREMENTS

2.1 Participation. An Employee shall be eligible to participate in the Plan on the date he has attained age 18. An Employee who satisfied this eligibility requirement and subsequently terminated employment shall become a Participant immediately upon returning to the employ of the Employer as an Employee.

2.2 Employment Rights. Participation in the Plan shall not confer upon a Participant any employment rights, nor shall it interfere with the Employer's right to terminate the employment of any Employee at any time.

2.3 Change in Classification of Employment. In the event a Participant becomes ineligible to participate because he or she is no longer a member of an eligible class of Employees, such Employee shall participate immediately upon his or her return to an eligible class of Employees.

ARTICLE III EMPLOYER CONTRIBUTIONS

3.1 Employer Contributions.

(a) On behalf of each Participant, the Employer will contribute to each Participant's Account not less than the amount required by State law, presently 8% of the Participant's Compensation. Effective January 1, 1992, on behalf of each Participant, the Employer will contribute to the Participant's Account 10.65% of the Participant's Compensation. The Employer, by duly enacted ordinance, may prospectively reduce the percentage contribution to not less than eight percent (8%) so long as the Employer makes an equal reduction in the Employer contribution for classified City of Grand Junction employees. A reduction in the percentage contribution made in accordance with the preceding sentence shall not be subject to subsection (d) of this Section 3.1 or to Section 13.1 of this Plan.

(b) Notwithstanding the foregoing, the Employer's contribution for any Plan Year shall not exceed the maximum amount allowable under the provisions of Code section 415 and Article IX of this Plan.

(c) The Employer shall make a contribution to the Trust each pay period, based upon the Compensation paid to all Participants for each such pay period. Each contribution shall be delivered or mailed to the Trustee or Custodian on the same day that paychecks are released to Participants.

(d) Any change in the rate of the Employer's contribution rate is a Plan amendment subject to the requirements of Section 13.1 of this Plan, except as otherwise provided herein (see Section 3.1 (a)).

3.2 Transfer Contributions. Subject to the direction of the Employer, the Trustee is authorized to receive and add to the Trust Fund as a direct transfer assets attributable to the vested interest of any Participant in a retirement plan qualified under Code section 401(a) if such individual is a Participant in this Plan. Transfers shall be credited to the particular Participant's Transfer Account, shall always be fully vested and nonforfeitable, and shall be distributed pursuant to Article VII hereof.

3.3 Expenses and Fees. The Employer shall also be authorized to reimburse the Fund for all expenses and fees incurred in the administration of the Plan or Trust and paid out of the assets of the Fund. Such expenses shall

include, but shall not be limited to, fees for professional services, printing, postage, and brokerage or other commissions.

3.4 Responsibility for Contribution. The Trustee shall not be required to determine if the Employer has made a contribution or if the amount contributed is in accordance with the Plan or the Code. The Employer shall have sole responsibility in this regard.

3.5 Return of Contributions. Contributions made to the Fund by the Employer shall be irrevocable, except as follows:

(a) Any contribution made to the Employer because of a mistake of fact must be returned to the Employer within one year of the contribution.

(b) In the event that the Commissioner of Internal Revenue determines that the Plan is not initially qualified under the Internal Revenue Code, any contribution made incident to that initial qualification by the Employer must be returned to the Employer within one year after the date the initial qualification is denied, but only if the application for the qualification is made by the time prescribed by law for filing the Employer's return for the taxable year in which the Plan is adopted, or such later date as the Secretary of the Treasury may prescribe.

3.6 Military Service. Effective on and after December 12, 1994, notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Code section 414(u).

ARTICLE IV EMPLOYEE CONTRIBUTIONS

4.1 Mandatory Employee Pre-Tax Contributions. A Participant shall be required to contribute toward the cost of the Plan, from amounts the Participant would otherwise receive as Compensation, an amount equal to the same percent of the Employee's Compensation that the Employer contributes according to Section 3.1. The contributions shall be made by each Employee on each payroll date to the Plan. They shall be designated as Employee Contributions pursuant to section 414(h)(2) of the Code, contingent upon the contributions being excluded from the Participant's gross income for federal income tax purposes. Mandatory Employee Pre-Tax Contributions shall be made by payroll deduction. The Employer shall deliver, wire or mail Mandatory Employee Pre-Tax Contributions to the Trustee or Custodian on the same day that paychecks are released to Participants.

4.2 [INTENTIONALLY LEFT BLANK]

4.3 Rollover Contribution. A Participant may make a Rollover Contribution to the Plan of all or any part of an amount distributed or distributable to him or her from a Qualified Deferred Compensation Plan provided the Rollover Contribution constitutes a direct transfer of eligible rollover distributions described in section 401(a)(31) of the Code or a rollover described in section 402(c) of the Code. Such Rollover Contribution may also be made through an Individual Retirement Account (IRA) qualified under section 408 of the Code where the IRA was used as a conduit from the Qualified Deferred Compensation Plan, the Rollover Contribution is made in accordance with the rules of Code section 402(c) and the Rollover Contribution does not include any regular IRA contributions, or earnings thereon, that the Participant may have made to the IRA. The Trustee shall not be held responsible for determining whether Rollover Contributions made hereunder meet the requirements of this Section 4.3.

ARTICLE V PARTICIPANT ACCOUNTS

5.1 Separate Accounts. The Board shall establish a separate bookkeeping account for each Participant showing the total value of his or her interest in the Fund. Each Participant's Account shall be separated for bookkeeping purposes into the following sub-accounts:

- (a) Employer Contributions.
- (b) Transfer Contributions, which shall include sub-accounts as necessary for employer contributions, after-tax employee contributions and before-tax employee contributions.
- (c) Mandatory Employee Contributions.
- (d) Rollover Contributions.

5.2 Adjustments To Participant Accounts. As of each Valuation Date of the Plan, the Board shall credit to or deduct from each Account:

- (a) the Participant's share of the Employer's Contribution and forfeitures,
- (b) any Employee Contributions made by the Participant since the last Valuation Date,
- (c) withdrawals, and
- (d) the Participant's proportionate share of any investment earnings and increases or decreases in the fair market value of the Fund since the last Valuation Date.

All allocations made hereunder will be made in a nondiscriminatory manner. Accounts with segregated investments shall receive only the income or loss on such segregated investments.

Terminated Participants' vested account balances shall be credited with any investment earnings and increase or decrease in the fair market value of the Fund until the Valuation Date preceding distribution. Terminated Participants' nonvested account balances shall be credited with any investment

earnings and increase or decrease in the fair market value of the Fund until forfeited pursuant to Section 8.6.

5.3 Participant Statements. The Board shall at least annually prepare a statement for each Participant showing the additions to and subtractions from his or her account since the last Valuation Date and the fair market value of his or her account as of the current Valuation Date.

ARTICLE VI ELIGIBILITY FOR BENEFITS

6.1 Retirement. If a Participant's Employment terminates for any reason on or after his Normal Retirement Age, he shall be eligible to receive the entire amount then credited to his account, which shall be fully vested and nonforfeitable.

6.2 Disability. If a Participant's Employment terminates because of his Disability at any time, he shall be eligible to receive the entire amount then credited to his account, which shall be fully vested and nonforfeitable.

6.3 Death.

(a) Before Termination of Employment. If a Participant's Employment terminates because of his death, the entire amount then credited to his account shall become fully vested and nonforfeitable and payable pursuant to subsection 6.3(c).

(b) After Termination of Employment. If a Participant (including a former Participant) dies after terminating Employment, the Plan shall pay the then undistributed vested balance, if any, of the Participant's account pursuant to subsection (c) below.

(c) Recipient of Payment After Death and Timing of Payment. Each Employee, upon becoming a Participant and on a form provided by the Plan and filed with the Board, may designate a Beneficiary and may, in addition, name a contingent Beneficiary. Any Participant may at any time revoke or change his designation of Beneficiary by filing a written notice of the revocation or change with the Board. The Plan shall distribute benefits payable pursuant to subsection (a) or (b) above to the deceased Participant's Beneficiary identified pursuant to a Beneficiary designation in effect at the time of his death or, if no such designation exists, to the Participant's surviving spouse or, if none, to his estate. The method and duration of payment shall be consistent with the limits imposed in Article VII.

If distribution had commenced to the Participant prior to his death, it shall continue being paid after the Participant's death at least as rapidly as under the method of distribution being made as of the Participant's death. If distribution had not begun before the Participant's death, full distribution shall occur over a period described in (i), (ii) or (iii) below:

(i) Non-Spouse Beneficiary. If the distribution is payable to a designated Beneficiary who is not the Participant's spouse, the distribution shall occur over a period no longer than the Beneficiary's Life Expectancy, commencing on or before December 31 of the calendar year immediately following the calendar year of the Participant's death.

(ii) Spouse Beneficiary. If the distribution is payable to a designated Beneficiary who is the Participant's spouse, the distribution shall occur over a period no longer than the spouse's Life Expectancy, commencing no later than the later of [a] December 31 of the calendar year immediately following the calendar year in which the Participant died, or [b] December 31 of the calendar year in which the Participant would have attained age 70-1/2. The surviving spouse may elect to have the distribution of the Account commence within 90 days after the Participant's death.

(iii) No Designated Beneficiary. In all other cases, i.e. in the absence of a designated Beneficiary, the distribution shall occur over a period ending no later than December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(d) Proof of Death. The Board may require such proper proof of death and such evidence as to a person's right to receive payment from a deceased Participant's account as the Board reasonably deems appropriate.

6.4 Termination of Employment Before Retirement, Disability or Death. If a Participant's employment with the Employer terminates prior to his Normal Retirement Date for any reason other than his death or Disability, the Participant shall be eligible to receive the vested portion of his account, determined according to Article VIII.

6.5 Claims Procedures. Upon retirement, death, or other severance of employment, the Participant or representative of such Participant may request of the Board payment of benefits due and the manner of payment. If a request for benefits is made, the Board shall accept, reject, or modify such request and, in the case of a denial or modification, the Board shall:

- (a) state the specific reason or reasons for the denial,
- (b) provide specific reference to pertinent Plan provisions on which the denial is based,
- (c) provide a description of any additional material or information necessary for the Participant or his or her representative to perfect

the claim and an explanation of why such material or information is necessary, and

(d) explain the Plan's claim review procedure as contained herein.

In the event the request is rejected or modified, the Participant or his or her representative may within 60 days following receipt by the Participant or representative of such rejection or modification, submit a written request for review by the Board of its initial decision. Within 60 days following such request for review, the Board shall render its final decision in writing to the Participant or representative stating specific reasons for such decision. If the Participant or representative is not satisfied with the Board's final decision, the Participant or representative can institute an action in a federal court of competent jurisdiction; for this purpose, process would be served on the Board.

6.6 Disposition of Unclaimed Payments. If the Trustee is unable to make any payment due under the Plan to any person because it does not know the identity or post office address of such person, the Trustee shall suspend all further payments until it has received written direction from the Board.

ARTICLE VII PAYMENTS

7.1 Commencement of Payments. The distribution of all or any portion of a Participant's account shall commence in accordance with the Participant's election, not earlier than termination of the Participant's employment with the Employer (unless specifically authorized elsewhere herein). Distribution of a Participant's account shall commence no later than the April 1st of the calendar year following the later of (a) the calendar year in which the Participant attains age 70-1/2 or (b) the calendar year in which the Participant's employment with the Employer terminates. Distributions shall be made in accordance with Treasury Regulations under Internal Revenue Code section 401(a)(9). Distribution may commence less than 30 days after the notice required under section 402(f) of the Code is given, provided that:

(a) the Board clearly informs the Participant that the Participant has a right to a period of at least 30 days after receiving the notice to consider the decision of whether or not to elect a distribution (and, if applicable, a particular distribution option), and

(b) the Participant, after receiving the notice, affirmatively elects a distribution.

7.2 Method of Payment. Distribution in relation to a Participant shall occur in cash, in one of the following methods as chosen by the Participant:

(a) Lump Sum. A single, lump sum distribution of the entire amount in the Participant's account. Payment shall be in a lump sum if the value of the Participant's vested account (before payments begin) is not greater than \$5,000.

(b) Partial Lump Sum. A lump sum distribution of a portion of a Participant's account, which the Participant may choose to receive separately from other Plan distributions.

(c) Installment Payments. In substantially equal monthly, quarterly, semiannual or annual payments. Such installments, whether paid from the Plan assets or an annuity contract, shall be of such amount and on such a schedule that the distribution is consistent with section 401(a)(9) of the Code and applicable regulation, which the Plan hereby incorporates by reference. Subject to such requirements, installment payments may be accelerated, delayed or paid in a lump sum at the direction of the Participant. With respect to distributions

under the Plan made for calendar years beginning on or after January 1, 2001, the Plan will apply the minimum distribution requirements under section 401(a)(9) that were proposed on January 17, 2001, notwithstanding any provision of the Plan to the contrary. This shall continue in effect until the end of the last calendar year beginning before the effective date of final regulations under section 401(a)(9) or such other date specified in guidance published by the Internal Revenue Service.

7.3 Direct Rollover. This Section applies to distributions made on or after January 1, 1993. Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this Section, a distributee may elect, at the time and in the manner prescribed by the Board, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

(a) Eligible rollover distribution: An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under section 401(a)(9) of the Code; and the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities).

(b) Eligible retirement plan: An eligible retirement plan is an individual retirement account described in section 408(a) of the Code, an individual retirement annuity described in section 408(b) of the Code, an annuity plan described in section 403(a) of the Code, or a qualified trust described in section 401(a) of the Code, that accepts the distributee's eligible rollover distribution. However, in the case of an eligible rollover distribution to the surviving spouse, an eligible retirement plan is an individual retirement account or individual retirement annuity. For distributions made after December 31, 2001, an eligible retirement plan shall also mean an annuity contract described in section 403(b) of the Code and an eligible plan under section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan. The definition of eligible retirement plan shall also apply in the case of a distribution to a Surviving Spouse, or to a Spouse or former Spouse who is the alternate payee under a qualified domestic relation order, as defined in section 414(p) of the Code.

(c) **Distributee:** A distributee includes an employee or former employee. In addition, the employee's or former employee's surviving spouse and the employee's or former employee's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in section 414(p) of the Code, are distributees with regard to the interest of the spouse or former spouse.

(d) **Direct rollover:** A direct rollover is a payment by the plan to the eligible retirement plan specified by the distributee.

7.4 In-Service Withdrawals.

(a) Rollover Contributions. A Participant who is employed by the Employer may withdraw all or any part of his or her account attributable to Rollover Contributions upon written request to the Board.

(b) Other Requirements. Such request shall include the Participant's address, social security number, birth date, and amount of the withdrawal.

7.5 Transfer to Another City Plan Upon Termination of Participation. If a Participant ceases to be eligible to participate in this Plan, continues employment with the Employer and becomes a participant in another retirement Plan ("Plan II") of the Employer that is qualified under section 401(a) of the Code, the Participant may direct the Trustee to transfer the Participant's Account in this Plan to Plan II, provided the Participant has no outstanding loan from this Plan, the Participant is 100% vested in his account in this Plan and Plan II contains language restricting distribution of the Participant's transferred account as required by Rev. Rul. 94-76.

**ARTICLE VIII
VESTING**

8.1 Employee Contributions. A Participant shall always have a 100% vested and nonforfeitable interest in his or her Mandatory Employee Pre-Tax Contributions, Transfer Contributions and Rollover Contributions plus the earnings thereon. No forfeiture of Employer related contributions will occur solely as a result of an Employee's withdrawal of any Employee Contributions.

8.2 Employer Contributions. A Participant shall vest in his or her account attributable to Employer Contributions in accordance with the table stated below, provided that if a Participant is not already fully vested, he or she shall become so upon attaining Normal Retirement Age, upon death prior to Normal Retirement Age, upon retirement due to Disability, or upon termination of the Plan. Years referred to in this table are 12 consecutive months (365 days) during a Period of Service as a Participant.

<u>Years of Service</u>	<u>Percentage Vested and Nonforfeitable</u>
Less than 3 years	20%
4 years	40%
5 years	60%
6 years	80%
7 years or more	100%

8.3 Service After Break in Service. If a Participant (whether or not the Participant is a "Re-Employed Individual" as defined in Section 8.4) resumes employment as an Employee after a Break in Service, any subsequent Period of Service shall be disregarded in determining the vested interest in the Participant's Employer Contribution Account accrued prior to such Break in Service.

8.4 Prior Service of Re-employed Individual. If a Participant is a Re-employed Individual, the Period of Service prior to the Participant's separation from employment as an Employee shall be aggregated in determining the vested interest in the Participant's Employer Contribution Account accrued after the Participant's re-employment as an Employee. For purposes of applying this rule, a "Re-employed Individual" is a person who, after having separated from service as an Employee, resumes employment as an Employee:

(a) with a vested interest in his/her Employer Contribution Account, or

(b) with no such vested interest, and who resumes employment as an Employee i) before a Break in Service or ii) after a Break in Service but before his/her latest Period of Severance equals or exceeds his/her Period of Service, or

(c) resumes employment as an Employee prior to the Effective Date of this Plan.

8.5 Calculating Vested Interest. A Participant's vested interest shall be calculated by multiplying the fair market value of his or her account attributable to Employer Contributions on the Valuation Date preceding payment by the vested percentage as of the date his or her employment as an Employee terminates.

8.6 When Forfeiture Occurs. A Participant's forfeiture, if any, of his or her nonvested account balance derived from Employer Contributions shall occur as of the date of the Participant's separation from employment with the Employer as an Employee.

8.7 Reallocation of Forfeiture. Forfeitures shall be applied, first to defray administrative expenses of the Plan and, second, to reduce Employer Contributions, and shall be reallocated as of the last day of the Plan Year following the Plan Year in which the forfeiture occurs.

8.8 Amendment of Vesting Schedule. No amendment to the Plan shall be effective to the extent that it has the effect of decreasing a Participant's accrued benefit. For purposes of this paragraph, a Plan amendment which has the effect of decreasing a Participant's account balance, with respect to benefits attributable to service before the amendment shall be treated as reducing an accrued benefit. Furthermore, if the vesting schedule of a Plan is amended, in the case of an Employee who is a Participant as of the later of the date such amendment is adopted or the date it becomes effective, the nonforfeitable percentage (determined as of such date) of such Employee's right to his Employer-derived accrued benefit will not be less than his percentage computed under the Plan without regard to such amendment.

**ARTICLE IX
LIMITATIONS ON ALLOCATIONS**

9.1 Maximum Limits on Allocations.

(a) Maximum Annual Additions. The maximum contributions and other additions for a Participant under this Plan for any Limitation Year shall not exceed, when expressed as an annual addition to the Participant's account, and when added to the annual additions to the Participant's account for the Limitation Year under all other defined contribution plans and all welfare benefit funds, as defined in Internal Revenue Code section 419(e), and any individual medical account, as defined in Internal Revenue Code section 415(1), maintained by the Employer, the lesser of:

(i) \$30,000 (\$40,000 effective January 1, 2002), as adjusted under Internal Revenue Code section 415(d); or

(ii) 25% (100% effective January 1, 2002) of the Compensation paid to the Participant by the Employer in such year.

The Compensation limitation referred to in (ii) shall not apply to any contribution for medical benefits (within the meaning of section 401(h) or section 419A(f)(2) of the Code) which is otherwise treated as an annual addition under section 415(l)(1) or 419A(d)(2) of the Code.

(b) Definition of Compensation. For purposes of this Article IX, Compensation shall mean wages within the meaning of Internal Revenue Code section 3401(a) (for purposes of income tax withholding at the source) but determined without regard to any rules that limit the remuneration included in wages based on the nature or location of the employment or the services performed. Effective with the first Plan Year beginning after 1997, Compensation for purposes of this Article IX shall include any elective deferral as defined in Code section 402(g)(3) and any amount which is contributed or deferred by the Employer at the election of the Employee and which is not includible in the gross income of the Employee by reason of Code section 125 or 457.

For purposes of applying the limitations of this Article, Compensation for a Limitation Year is the Compensation actually paid or includable in gross income during such year.

(c) Definition of Annual Addition. For the purposes of this Article IX, "annual addition" shall mean the sum allocated to a Participant's account for any Limitation Year of:

(i) Employer Contributions;

(ii) Employee Contributions;

(iii) Forfeitures;

(iv) Amounts derived from contributions paid or accrued after December 31, 1985, in taxable years ending after such date, which are attributable to post-retirement medical benefits allocated to the separate account of a Key Employee, as defined in Internal Revenue Code section 419A(d)(3), under a welfare benefit fund, as defined in Code section 419(e), maintained by the Employer; and

(v) Amounts allocated after March 31, 1984 to an individual medical account (as defined in Internal Revenue Code section 415(l)(1)) which is part of a pension or annuity plan maintained by the Employer.

The term "annual addition" shall not include the allocation to a Participant's account of income transfers according to Section 3.2, or rollovers according to Section 4.3.

(d) For purposes of this Article IX, "Employer" means the Employer that adopts this Plan.

9.2 Disposition of Excess Annual Additions. If, due to a reasonable error in estimating a Participant's Compensation or other reasons acceptable to the Commissioner of Internal Revenue, or as a result of the allocation of forfeitures, an amount in excess of the limit described in Section 9.1 is allocated to a Participant's account, the excess will be disposed of as follows (attributing all excess amounts to this Plan first, if multiple plans are involved):

(a) One-half of the excess amount will be returned to the Participant as a return of employee contributions, to the extent that the return would reduce the excess amounts in the Participant's account.

(b) If after the application of paragraph (a) an excess amount still exists, and the Participant is covered by the Plan at the end of the Limitation Year, the excess amount in the Participant's account will be used to reduce Employer Contributions (including any allocation of forfeitures) for such

Participant in the next Limitation Year, and each succeeding Limitation Year if necessary.

(c) If after the application of paragraph (a) an excess amount still exists, and the Participant is not covered by the Plan at the end of the Limitation Year, the excess amount will be held unallocated in a suspense account. The suspense account will be applied to reduce future Employer Contributions (including allocation of any forfeitures) for all remaining Participants in the next Limitation Year, and each succeeding Limitation Year if necessary. If a suspense account is in existence at any time during a Limitation Year pursuant to this Section, it will not participate in the allocation of the Trust's investment gains and losses. If a suspense account is in existence at any time during a particular Limitation Year, all amounts in the suspense account must be allocated and reallocated to Participants accounts before any Employer or any Employee contributions may be made to the Plan for that Limitation Year. Excess amounts may not be distributed to Participants or former Participants, except as provided in Section 9.2(a) above.

9.3 Participation in This Plan and a Defined Benefit Plan (Not Effective for Plan Years Beginning on or After January 1, 2000). If the Employer maintains, or at any time maintained, a qualified Defined Benefit Plan covering any Participant in this Plan, the sum of the defined benefit plan fraction and the defined contribution plan fraction for each Limitation Year may not exceed 1.0, as described in section 415(e) of the Code, except to the extent not applicable to government plans.

ARTICLE X ADMINISTRATION

10.1 Employer. The Employer's duties with respect to the Plan shall include but are not limited to appointing the Plan's attorney, accountant, actuary, and any other party needed to administer the Plan, and reviewing and approving any financial reports, investment review, or other reports prepared by any party appointed by the Employer. To the extent that the Employer provides indemnification or insurance for fiduciary breach and errors or omissions of Board members, it will do so at the same level for all Board members. The Employer shall provide indemnification or insurance for breach of fiduciary duty or errors and omissions insurance for all Board members on the same terms and conditions as Employer does for other City boards and commissions.

10.2 Board.

(a) Powers and Duties of Board. The Board shall administer the Plan and shall have all powers necessary for that purpose, including, but not by way of limitation, power to interpret the Plan, to communicate with Employees regarding their participation and benefits under the Plan, to administer claims procedures, to determine the eligibility, status and rights of all persons under the Plan, to determine eligibility for and terms of Plan loans to Participants, and in general to decide any dispute over benefit amounts. The Board shall have full discretionary authority to determine eligibility for benefits and to construe the terms of the Plan. The Board shall select the Custodian and shall direct the Custodian concerning all distributions from the Fund, all in accordance with the provisions of the Plan. The Board shall file any returns and reports with the Internal Revenue Service, Department of Labor, or any other governmental agency, establish a statement of investment policies consistent with the purposes of the Plan and shall maintain all Plan records. The Board shall be agent of the Plan for service of all process.

(b) Meetings. The Board shall meet whenever required for the orderly and timely administration of the business of the Plan at such location as may be acceptable to the Board. The Chairman, Secretary or any two Board members may call meetings of the Board. Any meeting shall be called upon at least 10 days' written notice, which notice shall specify the date, time and place of such meeting, and may specify the purpose and any action proposed to be taken. If a quorum is not present at any duly called meeting, those Board members present may adjourn such meeting until a date, time and place not sooner than five days later. A written notice stating the date, time and place of any meeting or adjourned meeting shall be sent to all Board members.

Whenever any notice is required to be given to any Board member, a waiver of notice in writing signed at any time, whether before or after the time of meeting by the Board members entitled to such notice, shall be deemed equivalent to the giving of such notice. The attendance of a Board member at a meeting shall constitute a waiver of notice of such meeting, except where a Board member attending a meeting objects to the transaction or any business because the meeting is not lawfully called or convened.

(c) Quorum. A quorum for the transaction of business at a duly called meeting shall consist of five members, with the further limitation that any such quorum shall consist of not less than three City members and two Employee Board members.

(d) Voting. All actions by and decision of the Board shall be by the vote of at least five (5) members attending a duly called meeting of the Board. Each Board member shall have one vote.

(e) Organization and Operation of Board. At the commencement of each year, the Board members shall select from among them a Chair and a Secretary who shall each serve for a period of one year. One office shall be filled by a City Board member and one office shall be filled by an Employee Board member. The offices of Chair and Secretary shall be rotated annually between City Board member and Employee Board member. The Secretary shall be responsible for maintaining an accurate record of all actions of the Board, including minutes from all Board meetings. A copy of such minutes shall be retained as a record of the Plan and one copy thereof shall be distributed to each Board member. Documents requiring execution by the board shall be signed by the Chair and attested by the Secretary. The Board may adopt rules and regulations necessary for the orderly election of employee members of the Board and for the proper and efficient administration of the Plan, provided such rules and regulations are not inconsistent with the terms of the Plan or the provisions of applicable law.

10.3 Fund Administration. The Board's duties and powers in relation to the administration of the Fund shall include:

(a) selecting one or more Investment Managers as provided in Section 11.2; and

(b) selecting a Custodian to receive contributions to the Fund, hold income and assets of the Fund, make payments from the Fund as directed by the Board, keep accurate records reflecting the administration of the fund and making such records available to the Employer and the Board for review and

audit. Within ninety (90) days after each Plan Year the Custodian shall provide to the Employer and the Board an accounting of its administration of the Fund during such year or from the end of the preceding Plan Year to the date of removal or resignation. Such accounting shall include a statement of cash receipts and disbursements since the date of its last accounting and shall contain an asset list showing the fair market value of investments held in the Fund as of the end of the Plan Year. The value of marketable investments shall be determined using the most recent price quoted on a national securities exchange or over-the-counter market. The value of the nonmarketable investments shall be determined in the sole judgment of the Custodian. The Employer and the Board shall review the Custodian's accounting and notify the Custodian in the event of its disapproval of the report within ninety (90) days, providing the Custodian with a written description of the items in question.

10.4 Administrative Fees and Expenses. All reasonable costs, charges and expenses incurred by the Board in connection with the administration of the Fund and the Plan (including fees for legal services rendered to the Board) shall be paid from the Fund. Such reasonable compensation to the Custodian as may be agreed upon from time to time between the Board and any Investment Manager, shall be paid by the Fund. No person who receives full-time pay from the Employer shall receive compensation from the Trust Fund, other than reimbursement for expenses properly and actually incurred.

10.5 Governing Law. Construction, validity and administration of this Plan shall be governed by Federal law to the extent applicable and to the extent not applicable by the laws of the State of Colorado.

10.6 Election of Employee Board Members. The three Participants who are to be elected to the Board by the Participants shall be elected in accordance with this Section 10.6. The members of the Board elected by the Participants shall be elected at a meeting of the Participants called for that purpose. At the first election, one (1) Participant shall be elected to serve a term of one (1) year; one (1) Participant shall be elected to serve a term of two (2) years; and one (1) Participant shall be elected to serve a term of three (3) years. Thereafter employee members of the Board shall be elected to serve terms of three (3) years. Each term shall commence on the first day of a Plan Year and shall end on the last day of a Plan Year. If otherwise qualified, employee members of the Board may be reelected to the Board without limitation on the number of terms they may serve.

10.7 Restrictions on Investments. Notwithstanding any other provision of this Plan, all Plan assets shall be invested in compliance with the Colorado

Revised Statutes. The Plan shall not engage in any transaction which involved the direct or indirect:

(1) sale or exchange or leasing of any property between the Plan and the Employer;

(2) lending of money or other extension of credit between the Plan and the Employer;

(3) transfer to, or use by or for the benefit of the Employer, of any assets or income of the Plan.

10.8 Written Communication. To the extent permitted by applicable Treasury Regulations and accepted by the Plan Administrator, all provisions of the Plan and Trust Agreement that require written notices and elections shall be interpreted to mean authorized electronic or telephonic notices and elections.

ARTICLE XI TRUST FUND

11.1 The Fund. The Fund shall consist of all contributions made under Article III and Article IV of the Plan and the investment thereof and earnings thereon. All contributions and the earnings thereon less payments made under the terms of the Plan, shall constitute the Fund. The Fund shall be administered as provided herein.

11.2 Management of Fund. The management of the Fund, including the acquisition and disposition of property comprising the Fund, shall be as follows:

(a) The Board shall have exclusive responsibility, discretion and authority with respect to management of the Fund except as to those portions of the Fund regarding which the Board has appointed an Investment Manager according to 11.2 (b).

(b) The Board may appoint one or more Investment Managers to direct the investment of all or a portion of the Fund. As a condition to its appointment, an Investment Manager shall acknowledge in writing that it is a fiduciary with respect to the Plan. An Investment Manager shall not have authority to take custody of any property which is a part of the Fund. The Board shall furnish an Investment Manager with written investment guidelines for investment of the Investment Manager's Account and these guidelines may include directions with respect to diversification of the investments. An Investment Manager shall have the authority, by written direction to the Custodian, to direct the investment of that portion of the Fund with respect to which it has been appointed an Investment Manager. The Investment Manager must direct investments in a manner consistent with this Plan and applicable law.

11.3 Exclusive Benefit Rules. No part of the Fund shall be used for, or diverted to, purposes other than for the exclusive benefit of Participants, former Participants with a vested interest, and the beneficiary or beneficiaries of deceased Participants having a vested interest in the Fund at death.

11.4 Assignment and Alienation of Benefits. No right or claim to, or interest in, any part of the Fund, or any payment therefrom, shall be assignable, transferable, or subject to sale, mortgage, pledge, hypothecation, communication, anticipation, garnishment, attachment, execution, or levy of any kind, and the Trustee shall not recognize any attempt to assign, transfer, sell, mortgage, pledge, hypothecate, commute, or anticipate the same, except to the extent required by law. The preceding sentence shall also apply to the creation,

assignment, or recognition of a right to any benefit payable with respect to a Participant pursuant to a domestic relations order, except to the extent that Colorado statutes provide for enforcement of such order. The Board may adopt rules regarding payments pursuant to a domestic relations order.

11.5 Custodial Agreement. The Board shall enter into a Custodial Agreement with the Custodian, to provide for the holding and administration of the funds of the Plan.

ARTICLE XII PARTICIPANT LOANS

12.1 Application. A Plan Participant may make application to the Board requesting a loan from the Fund. The Board shall have the sole right to approve or disapprove a Participant's application provided that loans shall be subject to the rules described in this Article XII and shall be made available only according to subsection 12.1(a), in the case of a Participant who has completed at least two years as of Service as a Participant, or according to subsection 12.1(b), due to the occurrence of an "unforeseeable emergency" of the Participant, or according to Section 12.1(c) in the case of a Participant with Rollover Contributions.

(a) A Participant who has completed a Period of Service of 24 months may borrow up to 50% of the fair market value of the Participant's vested account balance derived from Employer Contributions, Mandatory Employee Pre-Tax Contributions, Transfer Contributions and Rollover Contributions.

(b) A Participant who demonstrates an "unforeseeable emergency" may borrow an amount reasonably needed to satisfy such "unforeseeable emergency." An "unforeseeable emergency" is a severe financial hardship to the Participant resulting from a sudden and unexpected illness or accident of the participant or of the Participant's dependent (as defined in Code section 152(a)), loss of the Participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the Participant's control. An "unforeseeable emergency" does not exist to the extent that such hardship is or may be relieved:

(i) through reimbursement or compensation by insurance or otherwise, or

(ii) by liquidation of the participant's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship.

Examples of what are not considered to be unforeseeable emergencies include the need to send a Participant's child to college or the desire to purchase a home.

(c) Effective October 3, 1998, a Participant who has made a Rollover Contribution to the Plan may borrow up to 50% of the fair market value of the Participant's account balance derived from Rollover Contributions without regard to the 24 month Period of Service requirement.

12.2 Maximum Amount. No loan granted hereunder shall exceed the lesser of (a) \$50,000 reduced by the excess (if any) of the highest outstanding balance of loans during the one year period ending on the day before the loan is made, over the outstanding balance of loans from the Plan on the date the loan is made, or (b) an amount which, when added to the outstanding balance of any other Plan loans to the Participant, equals fifty percent (50%) of the fair market value of the Participant's vested account balance derived from Employer Contributions, Mandatory Employee Pre-Tax Contributions, Transfer Contributions and Rollover Contributions. An assignment or pledge of any portion of the Participant's interest in the Plan will be treated as a loan under this Article XII.

12.3 Application Forms. All applications must be made on forms provided by the Board and must be signed by the Participant.

12.4 Spousal Consent. A Participant must obtain the consent of his or her spouse, if any, within the 90-day period before the time the account balance is used as security for the loan. Spousal consent must be in writing, must acknowledge the effect of the loan, and must be witnessed by a Plan representative or notary public. Such consent shall be binding on the consenting spouse or any subsequent spouse with respect to that loan. A new consent shall be required if the account balance is used for renegotiation, extension, renewal, or other revision of the loan. If a valid spousal consent has been obtained in accordance with this Section 12.4, then, notwithstanding any other provision of this Plan, the portion of the Participant's vested account balance used as a security interest held by the Plan by reason of a loan outstanding to the Participant shall be taken into account for purposes of determining the amount of the account balance payable at the time of death or distribution, but only if the reduction is used as repayment of the loan. If less than 100% of the Participant's vested account balance (determined without regard to the preceding sentence) is payable to the surviving spouse, then the account balance shall be adjusted by first reducing the vested account balance by the amount of the security used as repayment of the loan, and then determining the benefit payable to the surviving spouse.

12.5 Interest on Loans. Any loan granted hereunder shall bear interest at a rate determined by the Board to be reasonable at the time of application.

12.6 Security. All loans made hereunder shall be secured by the Participant's vested account balance and by such additional collateral as may be required by the Board.

12.7 Terms of Repayment. Any loan shall by its terms require that repayment (principal and interest) be bi-weekly, by payroll deduction or by check if the Participant is not on payroll, over a period not extending beyond five years from the date of the loan.

12.8 Principal and Interest Allocation. The principal and interest paid by a Participant on his or her loan shall be credited as a segregated investment of the Participant's account. The Board may allow loans to be suspended during periods of leave of absence as permitted by tax laws.

12.9 Payment of Loan Upon Default. A Participant's loan shall immediately become due and payable if such Participant terminates employment for any reason or fails to make a principal or interest payment when due. Upon termination of employment, the Board shall reduce the Participant's vested account balance by the principal and interest outstanding on his or her loan at the time of termination. If default occurs before the Participant's employment terminates, foreclosure on the note and attachment of security will not occur until the Participant's employment terminates, but the defaulted loan shall be a deemed distribution in accordance with applicable Treasury Regulations.

12.10 Approval of Application. If a Participant's loan application is approved by the Board, such Participant shall be required to sign a note, loan agreement and assignment of his or her vested interest in the Fund as collateral for the loan.

ARTICLE XIII
AMENDMENT AND TERMINATION

13.1 Amendments. The Employer, by ordinance of its City Council, shall have the right at any time, and from time to time, to:

(a) Amend this Plan in such manner as it may deem necessary or advisable in order for the Plan to be in compliance with current law and to qualify this Plan and the Trust created in relation hereto pursuant to sections 401(a) and 501(a) of the Internal Revenue Code of 1986 and any such amendment may, by its terms, be retroactive; and

(b) Amend this Plan in any other manner.

(c) With the exception of amendments made pursuant to Section 13.1(a) above, no amendment shall take effect unless approved at the time of adoption by at least 65% of all Participants employed at the time of the amendment.

(d) No amendment shall authorize any part of the Trust Fund to be used for or diverted to purposes other than for the exclusive benefit of the Participants or their Beneficiaries or estates or to defray the reasonable expenses of administering the Plan; no such amendment shall cause any reduction in the vested portion of any Participant's interest in the Trust Fund or cause or permit any portion of the Trust Fund to revert to, or become property of, the Employer and no such amendment which affects the rights, duties or responsibilities of the Trustee or Custodian shall be effective without the Trustee's or Custodian's written consent. Any such amendment shall become effective as of the effective date stated therein upon delivery of a written instrument, executed on behalf of the Employer by its proper officers duly authorized, to the Trustee or Custodian and the written consent of the Trustee or Custodian thereto, if such consent is required.

13.2 Termination.

(a) The Employer, by ordinance of its City Council, shall have the right to terminate the Plan provided that the Employer may not terminate this Plan unless another defined contribution money purchase or defined benefit pension plan qualified under the applicable provisions of the Internal Revenue Code of 1986 as amended and meeting any requirements of C.R.S. 3130-1001 et seq. is established for the benefit of the participants.

(b) This Plan may only be terminated if at least sixty-five percent (65%) of the Participants agree to terminate the Plan and at the same time approve the establishment of another defined contribution money purchase or defined benefit pension plan.

(c) Upon any full or partial termination, all amounts credited to the affected Participants' Accounts shall become 100% Vested and shall not thereafter be subject to forfeiture, and all unallocated amounts shall be allocated to the accounts of all Participants in accordance with the provisions hereof.

(d) In the event of termination, the Board shall direct the Custodian with respect to the distribution of accounts to or for the exclusive benefit of Participants or their beneficiaries.

(e) In the event the applicable state statutes regarding establishment, maintenance, amendment or termination of pension plans for firefighters are amended in such a manner as to be inconsistent with the provisions set forth in subsections (a) and (b) above, such amended state statutes shall control over subsections (a) and (b).

13.3 Qualification of the Plan. If the Employer fails to attain or retain Internal Revenue Service qualification, the Plan shall no longer be considered a Plan.

13.4 Mergers and Consolidations. In the case of any merger or consolidation of the Plan with, or transfer of assets or liabilities of the Plan to, any other plan, immediately after the merger, consolidation, or transfer Participants in the Plan shall be credited with benefits which are equal to or greater than the benefits they would have been credited with immediately before the merger, consolidation, or transfer if the Plan had then terminated. Any merger, consolidation or transfer of plan assets or liabilities must be approved by at least sixty-five percent (65%) of the Participants in the Plan.

— END —

IN WITNESS WHEREOF, the parties hereto have executed this Plan this _____ day of _____, 2001.

CITY OF GRAND JUNCTION

Mayor

Clerk

BOARD OF RETIREMENT

_____		_____	
Signature	Date	Signature	Date

_____	_____	_____	_____
Signature	Date	Signature	Date

_____	_____	_____	_____
Signature	Date	Signature	Date

_____	_____
Signature	Date

**AMENDED AND RESTATED
CITY OF GRAND JUNCTION, COLORADO
NEW HIRE POLICE
MONEY PURCHASE DEFINED CONTRIBUTION PLAN**

**Restated to Include Amendments
Through December 31, 2001**

Original Effective Date: January 1, 1987

**AMENDED AND RESTATED
CITY OF GRAND JUNCTION, COLORADO
NEW HIRE POLICE
MONEY PURCHASE DEFINED CONTRIBUTION PLAN**

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**AMENDED AND RESTATED
CITY OF GRAND JUNCTION, COLORADO
NEW HIRE POLICE
MONEY PURCHASE DEFINED CONTRIBUTION PLAN**

Effective January 1, 1987, the City of Grand Junction, Colorado established the City of Grand Junction, Colorado New Hire Police Money Purchase Defined Contribution Plan (the "Plan") for the exclusive benefit of certain employees and their beneficiaries, to read as follows. The Plan has been amended effective January 1, 1997, January 1, 1998, October 3, 1998, January 1, 2000 and January 1, 2001 to accommodate certain changes, including changes in tax laws.

ARTICLE I DEFINITIONS

1.1 General. The rights of a Participant who terminates Employment on or after the Effective Date shall be governed by the Plan as in effect at the time of such termination of Employment.

1.2 Beneficiary. The individual designated by the Participant, according to Section 6.3(c), to receive distribution of the Participant's Account upon death.

1.3 Board of Retirement ("Board"). The Board of Retirement appointed, in accordance with all applicable statutes or ordinances, to oversee the Plan's operations. The Board consists of seven (7) individuals: the City Manager, the Finance Director, and the Personnel Manager and one other person designated by the City Manager (these four (4) members may be referred to as "City Board members") and three (3) Participant members who are elected for three (3) year terms by vote of the Participants in accordance with the provisions of Section 10.6 of this Plan (these three (3) Board members may be referred to as "Employee Board members"). Each Board member may designate an alternate in accordance with the provisions of Section 10.2(g) of this Plan.

1.4 Break in Service. A twelve (12) consecutive month Period of Severance.

1.5 Code. The Internal Revenue Code as amended from time to time and the regulations and rulings in effect thereunder.

1.6 Compensation. The total base pay, including Participant contributions to this Plan which are "picked up" by the Employer, contributions to voluntary deferred compensation plan(s), any amounts voluntarily contributed to a Code section 125 "Cafeteria Plan," and pay for authorized leave taken in the normal course of employment. Compensation shall not include overtime pay, uniform allowances, accumulated leave pay, and other forms of extra pay. Compensation for any Plan Year will be limited to the first \$200,000 of Compensation (or such other amount determined in accordance with Code section 415(d)). Effective for Plan Years beginning on or after January 1, 1996, the \$200,000 limit is reduced to \$150,000, subject to adjustment as provided in Code section 401(a)(17).

Effective prior to January 1, 1997, in determining the Compensation of a Participant who is a Highly Compensated Employee for purposes of this limitation, the rules of Code section 414(q)(6) shall apply, except the term "family" shall include only the spouse of the Participant and any lineal descendants of the Participant who have not attained age 19 before the close of the year.

1.7 Defined Benefit Plan. A Plan under which a Participant's benefit is determined by a formula contained in the Plan under which no individual accounts are maintained for Participants.

1.8 Defined Contribution Plan. A Plan under which individual accounts are maintained for each Participant to which all contributions, forfeitures, investment income and gains or losses, and expenses are credited or deducted. A Participant's benefit under such Plan is based solely on the fair market value of his or her account balance.

1.9 Disability. Either an Occupational Disability or a Total Disability. Occupational Disability means a disability resulting in an incapacity to perform assigned duties and expected, with reasonable medical probability, to exist for at least one year. Total Disability means inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a period not less than twelve (12) months.

1.10 Effective Date. The original effective date of the Plan was January 1, 1987.

1.11 Employee. Employee shall mean any individual employed as a full-time, paid, sworn police officer of the City of Grand Junction Police Department.

1.12 Employer. The City of Grand Junction, Colorado.

1.13 Forfeiture. The portion of a Participant's Account which, according to Article VIII, the Participant is not entitled to receive.

1.14 Fund. All contributions received by the Trustee under this Plan and Trust, investments thereof and earnings and appreciation thereon.

1.15 [Intentionally Left Blank]

1.16 Life Expectancy. Life Expectancy and Joint and Last Survivor Expectancy are computed by use of the expected return multiples in Tables V and VI of section 1.72-9 of the Income Tax Regulations, using the attained age of the Participant (or designated beneficiary) as of the Participant's (or designated beneficiary's) birthday in the applicable calendar year reduced by one for each calendar year which has elapsed since the date life expectancy was first calculated. The applicable calendar year shall be the first distribution calendar year, and if life expectancy is being recalculated such succeeding calendar year. If distribution is in the form of an immediate annuity, purchased after the Participant's death with the Participant's remaining interest, the applicable calendar year is the year of purchase. If life expectancy is being recalculated, the applicable life expectancy shall be the life expectancy as so recalculated. Unless otherwise elected by the Participant by the time distributions are required to begin, Life Expectancies shall be recalculated annually. Such election shall be irrevocable as to the Participant and shall apply to all subsequent years. The Life Expectancy of a nonspouse beneficiary may not be recalculated.

1.17 Limitation Year. The calendar year or such other 12-consecutive month period designated by the Employer for purposes of determining the maximum annual addition to a Participant's account.

1.18 Mandatory Employee Pre-Tax Contributions. Employer Contributions made to the Plan on behalf of the Participant, which are designated as Employee contributions pursuant to section 414(h)(2) of the Code in lieu of cash compensation, and contributions made pursuant to a salary reduction agreement or other deferral mechanism.

1.19 Normal Retirement Age. Age 50.

1.20 Participant. Any Employee who has met the eligibility requirements and is participating in the Plan.

1.21 Period of Separation. A period of time commencing with the date a Participant separates from service as an Employee and ending with the date such Employee resumes employment with Employer as an Employee.

1.22 Period of Service. For purposes of determining a Participant's initial or continued eligibility to participate in the Plan or a Participant's vested interest in the Participant's Employer Contribution Account, a

Participant shall be credited for the time period commencing with the Participant's first day of employment as an Employee and ending on the date a Period of Severance begins. A Period of Service for these purposes includes any Period of Separation of less than twelve (12) consecutive months. In the case of a Participant who separates from service as an Employee and later resumes employment as an Employee, the Period of Service prior to the Participant's resumption of employment shall be aggregated only if such Participant is a Re-employed Individual as described in Section 8.4.

1.23 Period of Severance. A period of time commencing with the earlier of:

(a) the date a Participant separates from service as an Employee by reason of quitting, retirement death, or discharge; or

(b) the date twelve (12) months after the date a Participant separates from service as an Employee and ending, in the case of a Participant who separates from service as an Employee by reason other than death, with the date such Participant resumes employment as an Employee.

1.24 Plan. The City of Grand Junction, Colorado New Hire Police Money Purchase Defined Contribution Plan as established by the provisions in this document.

1.25 Plan Administrator. The Board of Retirement.

1.26 Plan Year. The calendar year.

1.27 Qualified Deferred Compensation Plan. Any pension, profit sharing, or other plan which meets the requirements of section 401 of the Code which includes a trust exempt from tax under section 501(a) of the Code and any annuity plan described in section 403(a) of the Code.

1.28 Restatement Date. December 31, 2001. The Plan was originally effective January 1, 1987, was amended October 3, 1998 and was restated in its entirety in the form of this document to include amendments through December 31, 2001.

1.29 Rollover Contribution. A contribution made by a Participant of an amount distributed to such Participant from another Qualified Deferred

Compensation Plan in accordance with sections 402(a)(5), (6) and (7) of the Code.

1.30 Spouse (Surviving Spouse). The spouse or surviving spouse of the Participant, provided that a former spouse will be treated as the spouse or surviving spouse and a current spouse will not be treated as the spouse or surviving spouse to the extent provided under a qualified domestic relations order as described in section 414(p) of the Code.

1.31 Trustee. The Board of Retirement.

1.32 Valuation Date. The last day of the Plan Year and the following date(s) on which Participant accounts revalued in accordance with Article V: March 31, June 30 and September 30.

1.33 Custodian. An entity selected by the Board of Retirement in accordance with the procedures of Section 10.2 that has custody of all Plan assets, performs participant record keeping functions, executes the instructions of the Board or Investment Manager with respect to transactions with Plan assets, and performs such other duties, subject to the direction and control of the Board, as may be set forth in a written agreement between the Custodian and the Board.

1.34 Investment Manager. An entity selected by the Board of Retirement in accordance with the procedures of Section 10.3 that (a) has the power to manage, acquire, or dispose of Plan assets and (b) acknowledges fiduciary responsibility to the Plan in writing. Such entity must be a person, firm, or corporation registered as an investment adviser under the Investment Advisers Act of 1940, a bank or an insurance company.

ARTICLE II ELIGIBILITY REQUIREMENTS

2.1 Participation. An Employee shall be eligible to participate in the Plan on the date he has attained age 21. An Employee who satisfied this eligibility requirement and subsequently terminated employment shall become a Participant immediately upon returning to the employ of the Employer as an Employee.

2.2 Employment Rights. Participation in the Plan shall not confer upon a Participant any employment rights, nor shall it interfere with the Employer's right to terminate the employment of any Employee at any time.

2.3 Change in Classification of Employment. In the event a Participant becomes ineligible to participate because he or she is no longer a member of an eligible class of Employees, such Employee shall participate immediately upon his or her return to an eligible class of Employees.

ARTICLE III EMPLOYER CONTRIBUTION

3.1 Employer Contributions.

(a) On behalf of each Participant, the Employer will contribute to the Participant's Account not less than the amount required by State law, presently 8% of the Participant's Compensation. Effective January 1, 1992, on behalf of each Participant, for each year of his participation in this Plan, the Employer will contribute to the Fund 10.65% of the Participant's Compensation. The Employer, by duly enacted ordinance, may prospectively reduce the percentage contribution to not less than eight percent (8%) so long as the Employer makes an equal reduction in the rate of Employer contribution to a retirement plan the City maintains for classified City of Grand Junction employees, such as the City of Grand Junction, Colorado Employees Retirement Plan. A reduction in the percentage contribution made in accordance with the preceding sentence shall not be subject to subsection (d) of this Section 3.1 or to Section 13.1 of this Plan. For purposes of this subsection, the term "classified City of Grand Junction employees" refers to all City of Grand Junction employees except police officers, fire fighters and those management employees who participate in the executive plan.

(b) Notwithstanding the foregoing, the Employer's contribution for any Plan Year shall not exceed the maximum amount allowable under the provisions of Code section 415 and Article IX of this Plan.

(c) The Employer shall make a contribution to the Fund each pay period, based upon the Compensation paid to all Participants for each such pay period. Each contribution shall be delivered or mailed to the Custodian on the same day that paychecks are released to Participants.

(d) Any change in the rate of the Employer's contribution rate is a plan amendment subject to the requirements of Section 13.1 of this Plan, except as otherwise provided herein (see Section 3.1(a)).

3.2 Transfer Contributions. Subject to the direction of the Employer, the Trustee is authorized to receive and add to the Trust Fund as a direct transfer assets attributable to the vested interest of any Participant in a retirement plan qualified under Code section 401(a) if such individual is a Participant in this Plan. Transfers shall be credited to the

particular Participant's Transfer Account, shall always be fully vested and nonforfeitable, and shall be distributed pursuant to Article VII hereof.

3.3 Expenses and Fees. The Employer shall also be authorized to reimburse the Fund for all expenses and fees incurred in the administration of the Plan or Trust and paid out of the assets of the Fund. Such expenses shall include, but shall not be limited to, fees for professional services, printing, postage, and brokerage or other commissions, subject to the limits of Code section 415.

3.4 Responsibility for Contribution. Neither the Trustee nor the Custodian shall be required to determine if the Employer has made a contribution or if the amount contributed is in accordance with the Plan or the Code. The Employer shall have sole responsibility in this regard.

3.5 Return of Contributions. Contributions made to the Fund by the Employer shall be irrevocable, except as follows:

(a) Any contribution made to the Fund because of a mistake of fact must be returned to the Employer within one year or the contribution.

(b) In the event that the Commissioner of Internal Revenue determines that the Plan is not initially qualified under the Internal Revenue Code, any contribution made incident to that initial qualification by the Employer must be returned to the Employer within one year after the date the initial qualification is denied, but only if the application for the qualification is made by the time prescribed by law for filing the Employer's return for the taxable year in which the Plan is adopted, or such later date as the Secretary of the Treasury may prescribe.

3.6 Military Service. Effective on and after December 12, 1994, notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Code section 414(u).

ARTICLE IV EMPLOYEE CONTRIBUTIONS

4.1 Mandatory Employee Pre-Tax Contributions. A Participant shall be required to contribute toward the cost of the Plan, from amounts the Participant would otherwise receive as Compensation, an amount equal to the same percent of the Employee's Compensation that the Employer contributes according to Section 3.1. The contributions shall be made by each Employee on each payroll date to the Plan. They shall be designated as Employee Contributions pursuant to section 414(h)(2) of the Code, contingent upon the contributions being excluded from the Participant's gross income for federal income tax purposes. Mandatory Employee Pre-Tax Contributions shall be made by payroll deduction. The Employer shall deliver, wire or mail Mandatory Employee Pre-Tax Contributions to the Trustee or Custodian on the same day that paychecks are released to Participants.

4.2 [INTENTIONALLY LEFT BLANK]

4.3 Rollover Contribution. A Participant may make a Rollover Contribution to the Plan of all or any part of an amount distributed or distributable to him or her from a Qualified Deferred Compensation Plan provided the Rollover Contribution constitutes a direct transfer of eligible rollover distributions described in section 401(a)(31) of the Code or a rollover described in section 402(c) of the Code.

Such Rollover Contribution may also be made through an Individual Retirement Account (IRA) qualified under section 408 of the Code where the IRA was used as a conduit from the Qualified Deferred Compensation Plan, the Rollover Contribution is made in accordance with the rules of Code section 402(c) and the Rollover Contribution does not include any regular IRA contributions, or earnings thereon, that the Participant may have made to the IRA. The Trustee shall not be held responsible for determining whether Rollover Contributions made hereunder meet the requirements of this Section 4.3.

ARTICLE V PARTICIPANT ACCOUNTS

5.1 Separate Accounts. The Board shall establish a separate bookkeeping account for each Participant showing the total value of his or her interest in the Fund. Each Participant's Account shall be separated for bookkeeping purposes into the following sub-accounts:

- (a) Employer Contributions.
- (b) Transfer Contributions, which shall include sub-accounts as necessary for employer contributions, after-tax employee contributions and before-tax employee contributions.
- (c) Mandatory Employee Contributions.
- (d) Rollover Contributions.

5.2 Adjustments To Participant Accounts. As of each Valuation Date of the Plan, the Board shall credit to or deduct from each Account:

- (a) the Participant's share of the Employer's Contribution and forfeitures,
- (b) any Employee Contributions made by the Participant since the last Valuation Date,
- (c) withdrawals, and
- (d) the Participant's proportionate share of any investment earnings and increases or decreases in the fair market value of the Fund since the last Valuation Date.

All allocations made hereunder will be made in nondiscriminatory manner. Accounts with segregated investments shall receive only the income or loss on such segregated investments.

Terminated Participants' vested account balances shall be credited with any investment earnings and increase or decrease in the fair market value of the Fund until the Valuation Date preceding distribution. Terminated Participants' nonvested account balances shall be credited with

any investment earnings and increase or decrease in the fair market value of the Fund until forfeited pursuant to Section 8.6.

5.3 Participant Statements. The Board shall at least annually prepare a statement for each Participant showing the additions to and subtractions from his or her account since the last Valuation Date and the fair market value of his or her account as of the current Valuation Date.

ARTICLE VI ELIGIBILITY FOR BENEFITS

6.1 Retirement. If a Participant's Employment terminates for any reason on or after his Normal Retirement Age, he shall be eligible to receive the entire amount then credited to his account, which shall be fully vested and nonforfeitable.

6.2 Disability. If a Participant's Employment terminates because of his Disability at any time, he shall be eligible to receive the entire amount then credited to his account, which shall be fully vested and nonforfeitable.

6.3 Death.

(a) Before Termination of Employment. If a Participant's Employment terminates because of his death, the entire amount then credited to his account shall become fully vested and nonforfeitable and payable pursuant to subsection 6.3(c).

(b) After Termination of Employment. If a Participant (including a former Participant) dies after terminating Employment, the Plan shall pay the then undistributed vested balance, if any, of the Participant's account pursuant to subsection (c) below.

(c) Recipient of Payment After Death and Timing of Payment. Each Employee, upon becoming a Participant and on a form provided by the Plan and filed with the Board, may designate a Beneficiary and may, in addition, name a contingent Beneficiary. Any Participant may at any time revoke or change his designation of Beneficiary by filing a written notice of the revocation or change with the Board. The Plan shall distribute benefits payable pursuant to subsection (a) or (b) above to the deceased Participant's Beneficiary identified pursuant to a Beneficiary designation in effect at the time of his death or, if no such designation exists, to the Participant's surviving spouse or, if none, to his estate. The method and duration of payment shall be consistent with the limits imposed in Article VII.

If distribution had commenced to the Participant prior to his death, it shall continue being paid after the Participant's death at least as rapidly as under the method of distribution being made as of the Participant's death. If distribution had not begun before the Participant's death, full distribution shall occur over a period described in (i), (ii) or (iii) below:

(i) Non-Spouse Beneficiary. If the distribution is payable to a designated Beneficiary who is not the Participant's spouse, the distribution shall occur over a period no longer than the Beneficiary's Life Expectancy, commencing on or before December 31 of the calendar year immediately following the calendar year of the Participant's death.

(ii) Spouse Beneficiary. If the distribution is payable to a designated Beneficiary who is the Participant's spouse, the distribution shall occur over a period no longer than the spouse's Life Expectancy, commencing no later than the later of [a] December 31 of the calendar year immediately following the calendar year in which the Participant died, or [b] December 31 of the calendar year in which the Participant would have attained age 70-1/2. The surviving spouse may elect to have the distribution of the Account commence within 90 days after the Participant's death.

(iii) No Designated Beneficiary. In all other cases, i.e. in the absence of a designated Beneficiary, the distribution shall occur over a period ending no later than December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(d) Proof of Death. The Board may require such proper proof of death and such evidence as to a person's right to receive payment from a deceased Participant's account as the Board reasonably deems appropriate.

6.4 Termination of Employment Before Retirement, Disability or Death. If a Participant's employment with the Employer terminates prior to his Normal Retirement Date for any reason other than his death or Disability, the Participant shall be eligible to receive the vested portion of his account, determined according to Article VIII.

6.5 Claims Procedures. Upon retirement, death, or other severance of employment, the Participant or representative of such Participant may request of the Board payment of benefits due and the manner of payment. If a request for benefits is made, the Board shall accept, reject, or modify such request and, in the case of a denial or modification, the Board shall:

(a) state the specific reason or reasons for the denial,

(b) provide specific reference to pertinent Plan provisions on which the denial is based,

(c) provide a description of any additional material or information necessary for the Participant or his or her representative to perfect the claim and an explanation of why such material or information is necessary, and

(d) explain the Plan's claim review procedure as contained herein.

In the event the request is rejected or modified, the Participant or his or her representative may within 60 days following receipt by the Participant or representative of such rejection or modification, submit a written request for review by the Board of its initial decision. Within 60 days following such request for review, the Board shall render its final decision in writing to the Participant or representative stating specific reasons for such decision. If the Participant or representative is not satisfied with the Board's final decision, the Participant or representative can institute an action in a federal court of competent jurisdiction; for this purpose, process would be served on the Board.

6.6 Disposition of Unclaimed Payments. If the Trustee is unable to make any payment due under the Plan to any person because it does not know the identity or post office address of such person, the Trustee shall suspend all further payments until it has received written direction from the Board.

ARTICLE VII PAYMENTS

7.1 Commencement of Payments. The distribution of all or any portion of a Participant's account shall commence in accordance with the Participant's election, not earlier than termination of the Participant's employment with the Employer (unless specifically authorized elsewhere herein). Distribution of a Participant's account shall commence no later than the April 1st of the calendar year following the later of (a) the calendar year in which the Participant attains age 70-1/2 or (b) the calendar year in which the Participant's employment with the Employer terminates. Distributions shall be made in accordance with Treasury Regulations under Internal Revenue Code section 401(a)(9). Distribution may commence less than 30 days after the notice required under section 402(f) of the Code is given, provided that:

(a) the Board clearly informs the Participant that the Participant has a right to a period of at least 30 days after receiving the notice to consider the decision of whether or not to elect a distribution (and, if applicable, a particular distribution option), and

(b) the Participant, after receiving the notice, affirmatively elects a distribution.

7.2 Method of Payment. Distribution in relation to a Participant shall occur in cash, in one of the following methods as chosen by the Participant:

(a) Lump Sum. A single, lump sum distribution of the entire amount in the Participant's account. Payment shall be in a lump sum if the value of the Participant's vested account (before payments begin) is not greater than \$5,000.

(b) Partial Lump Sum. A lump sum distribution of a portion of a Participant's account, which the Participant may choose to receive separately from other Plan distributions.

(c) Installment Payments. In substantially equal monthly, quarterly, semiannual or annual payments. Such installments, whether paid from the Plan assets or an annuity contract, shall be of such amount and on such a schedule that the distribution is consistent with Code section 401(a)(9) and applicable regulations, which the Plan hereby

incorporates by reference. Subject to such requirements, installment payments may be accelerated, delayed or paid in a lump sum at the direction of the Participant. With respect to distributions under the Plan made for calendar years beginning on or after January 1, 2001, the Plan will apply the minimum distribution requirements under section 401(a)(9) that were proposed on January 17, 2001, notwithstanding any provision of the Plan to the contrary. This shall continue in effect until the end of the last calendar year beginning before the effective date of final regulations under section 401(a)(9) or such other date specified in guidance published by the Internal Revenue Service.

7.3 Direct Rollover. This Section applies to distributions made on or after January 1, 1993. Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this subsection, a distributee may elect, at the time and in the manner prescribed by the Board, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

(a) Eligible rollover distribution: An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under section 401(a)(9) of the Code; and the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities).

(b) Eligible retirement plan: An eligible retirement plan is an individual retirement account described in section 408(a) of the Code, an individual retirement annuity described in section 408(b) of the Code, an annuity plan described in section 403(a) of the Code, or a qualified trust described in section 401(a) of the Code, that accepts the distributee's eligible rollover distribution. However, in the case of an eligible rollover distribution to the surviving spouse, an eligible retirement plan is an individual retirement account or individual retirement annuity. For distributions made after December 31, 2001, an eligible retirement plan shall also mean an annuity contract described in section 403(b) of the Code and an eligible plan under section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or

instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan.

The definition of eligible retirement plan shall also apply in the case of a distribution to a Surviving Spouse, or to a Spouse or former Spouse who is the alternate payee under a qualified domestic relation order, as defined in section 414(p) of the Code.

(c) Distributee: A distributee includes an employee or former employee. In addition, the employee's or former employee's surviving spouse and the employee's or former employee's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in section 414(p) of the Code, are distributees with regard to the interest of the spouse or former spouse.

(d) Direct rollover: A direct rollover is a payment by the Plan to the eligible retirement plan specified by the distributee.

7.4 In-Service Withdrawals/Rollover Contributions. A Participant who is employed by the Employer may withdraw all or any part of his or her account attributable to Rollover Contributions upon written request to the Board. Such request shall include the Participant's address, social security number, birth date, and amount of the withdrawal.

7.5 Transfer to Another City Plan Upon Termination of Participation. If a Participant ceases to be eligible to participate in this Plan, continues employment with the Employer and becomes a participant in another retirement Plan ("Plan II") of the Employer that is qualified under section 401(a) of the Code, the Participant may direct the Trustee to transfer the Participant's Account in this Plan to Plan II, provided the Participant has no outstanding loan from this Plan, the Participant is 100% vested in his account in this Plan and Plan II contains language restricting distribution of the Participant's transferred account as required by Rev. Rul. 94-76.

**ARTICLE VIII
VESTING**

8.1 Employee Contributions. A Participant shall always have a 100% vested and nonforfeitable interest in his or her Mandatory Employee Pre-Tax Contributions, Transfer Contributions and Rollover Contributions plus the earnings thereon. No forfeiture of Employer related contributions will occur solely as a result of an Employee's withdrawal of any Employee Contributions.

8.2 Employer Contributions. A Participant shall vest in his or her account attributable to Employer Contributions in accordance with the table stated below, provided that if a Participant is not already fully vested, he or she shall become so upon attaining Normal Retirement Age, upon death prior to Normal Retirement Age, upon retirement due to Disability, or upon termination of the Plan. Years referred to in this table are 12 consecutive months (365 days) during a Period of Service as a Participant.

<u>Years of Service</u>	<u>Percentage Vested and Nonforfeitable</u>
Less than 3 years	0%
3 years	20%
4 years	40%
5 years	60%
6 years	80%
7 years	100%

8.3 Service After Break in Service. If a Participant (whether or not the Participant is a "Re-Employed Individual" as defined in Section 8.4) resumes employment as an Employee after a Break in Service, any subsequent Period of Service shall be disregarded in determining the vested interest in the Participant's Employer Contribution Account accrued prior to such Break in Service.

8.4 Prior Service of Re-employed Individual. If a participant is a Re-employed Individual, the Period of Service prior to the Participant's separation from employment as an Employee shall be aggregated in determining the vested interest in the Participant's Employer Contribution Account accrued after the Participant's re-employment as an Employee. For purposes of applying this rule, a "Re-employed Individual" is a person who, after having separated from service as an Employee, resumes employment as an Employee:

(a) with a vested interest in his/her Employer Contribution Account, or

(b) with no such vested interest, and who resumes employment as an Employee i) before a Break in Service or ii) after a Break in Service but before his/her latest Period of Severance equals or exceeds his/her Period of Service, or

(c) resumes employment as an Employee prior to the Effective Date of this Plan.

8.5 Calculating Vested Interest. A Participant's vested interest shall be calculated by multiplying the fair market value of his or her account attributable to Employer Contributions on the Valuation Date preceding payment by the vested percentage as of the date his or her employment as an Employee terminates.

8.6 When Forfeiture Occurs. A Participant's forfeiture, if any, of his or her nonvested account balance derived from Employer Contributions shall occur as of the date of the Participant's separation from employment with the Employer as an Employee.

8.7 Reallocation of Forfeitures. Forfeitures arising under the terms of this Plan shall be applied, first, to defray administrative expenses of the Plan and, second, to reduce Employer Contributions, and shall be reallocated as of the last day of the Plan Year following the Plan Year in which the forfeiture occurs.

8.8 Amendment of Vesting Schedule. No amendment to the Plan shall be effective to the extent that it has the effect of decreasing a Participant's accrued benefit. For purposes of this paragraph, a Plan amendment which has the effect of decreasing a Participant's account balance, with respect to benefits attributable to service before the amendment shall be treated as reducing an accrued benefit. Furthermore, if the vesting schedule of a Plan is amended, in the case of an Employee who is a Participant as of the later of the date such amendment is adopted or the date it becomes effective, the nonforfeitable percentage (determined as of such date) of such Employee's right to his Employer-derived accrued benefit will not be less than his percentage computed under the Plan without regard to such amendment.

ARTICLE IX LIMITATIONS ON ALLOCATIONS

9.1 Maximum Limits on Allocations.

(a) Maximum Annual Additions. The maximum contributions and other additions for a Participant under this Plan for any Limitation Year shall not exceed, when expressed as an annual addition to the Participant's account, and when added to the annual additions to the Participant's account for the Limitation Year under all other defined contribution plans and all welfare benefit funds, as defined in Internal Revenue Code section 419(e), and any individual medical account, as defined in Internal Revenue Code section 415(1), maintained by the Employer, the lesser of:

(i) \$30,000 (\$40,000 effective January 1, 2002), as adjusted under Internal Revenue Code section 415(d); or

(ii) 25% (100% effective January 1, 2002) of the Compensation paid to the Participant by the Employer in such year.

The Compensation limitation referred to in (ii) shall not apply to any contribution for medical benefits (within the meaning of section 401(h) or section 419A(f)(2) of the Code) which is otherwise treated as an annual addition under section 415(l)(1) or 419A(d)(2) of the Code.

(b) Definition of Compensation. For purposes of this Article IX, Compensation shall mean wages within the meaning of Internal Revenue Code section 3401(a) (for purposes of income tax withholding at the source) but determined without regard to any rules that limit the remuneration included in wages based on the nature or location of the employment or the services performed. Effective with the first Plan Year beginning after 1997, Compensation for purposes of this Article IX shall include any elective deferral as defined in Code section 402(g)(3) and any amount which is contributed or deferred by the Employer at the election of the Employee and which is not includible in the gross income of the Employee by reason of Code section 125 or 457.

For purposes of applying the limitations of this Article, Compensation for a Limitation Year is the Compensation actually paid or includable in gross income during such year.

(c) Definition of Annual Addition. For the purposes of this Article IX, "annual addition" shall mean the sum allocated to a Participant's account for any Limitation Year of:

(i) Employer Contributions;

(ii) Employee Contributions;

(iii) Forfeitures;

(iv) Amounts derived from contributions paid or accrued after December 31, 1985, in taxable years ending after such date, which are attributable to post-retirement medical benefits allocated to the separate account of a Key Employee, as defined in Internal Revenue Code section 419A(d)(3), under a welfare benefit fund, as defined in Code section 419(e), maintained by the Employer; and

(v) Amounts allocated after March 31, 1984 to an individual medical account (as defined in Internal Revenue Code section 41S(l)(1)) which is part of a pension or annuity plan maintained by the Employer.

The term "annual addition" shall not include the allocation to a Participant's account of income, transfers according to Section 3.2, allocations according to Article XIV, or rollovers according to Section 4.3.

(d) For purposes of this Article IX, "Employer" means the Employer that adopts this Plan.

9.2 Disposition of Excess Annual Additions. If, due to a reasonable error in estimating a Participant's Compensation or other reasons acceptable to the Commissioner of Internal Revenue, or as a result of the allocation of forfeitures, an amount in excess of the limit described in Section 9.1 is allocated to a Participant's account, the excess will be disposed of as follows (attributing all excess amounts to this Plan first, if multiple plans are involved):

(a) One-half of the excess amount will be returned to the Participant as a return of employee contributions, to the extent that the return would reduce the excess amounts in the Participant's account.

(b) If after the application of paragraph (a) an excess amount still exists, and the Participant is covered by the Plan at the end of the Limitation Year, the excess amount in the Participant's account will be used to reduce Employer Contributions (including any allocation of forfeitures) for such Participant in the next Limitation Year, and each succeeding Limitation Year if necessary.

(c) If after the application of paragraph (a) an excess amount still exists, and the Participant is not covered by the Plan at the end of the Limitation Year, the excess amount will be held unallocated in a suspense account. The suspense account will be applied to reduce future Employer Contributions (including allocation of any forfeitures) for all remaining Participants in the next Limitation Year, and each succeeding Limitation Year if necessary. If a suspense account is in existence at any time during a Limitation Year pursuant to this Section, it will not participate in the allocation of the Trust's investment gains and losses. If a suspense account is in existence at any time during a particular Limitation Year, all amounts in the suspense account must be allocated and reallocated to Participants accounts before any Employer or any Employee contributions may be made to the Plan for that Limitation Year. Excess amounts may not be distributed to Participants or former Participants, except as provided in Section 9.2(a) above.

9.3 Participation in This Plan and a Defined Benefit Plan (Not Effective for Plan Years Beginning on or After January 1, 2000). If the Employer maintains, or at any time maintained, a qualified Defined Benefit Plan covering any Participant in this Plan, the sum of the defined benefit plan fraction and the defined contribution plan fraction for each Limitation Year may not exceed 1.0, as described in section 415(e) of the Code, except to the extent not applicable to government plans.

ARTICLE X ADMINISTRATION

10.1 Employer. The Employer's duties with respect to the Plan shall include but are not limited to appointing the Plan's attorney, accountant, actuary, and any other party needed to administer the Plan, and reviewing and approving any financial reports, investment review, or other reports prepared by any party appointed by the Employer. The Employer shall provide indemnification or insurance for breach of fiduciary duty or errors and omissions insurance for all Board members on the same terms and conditions as Employer does for other City boards and commissions.

10.2 Board.

(a) Powers and Duties of Board. The Board shall administer the Plan and shall have all powers necessary for that purpose, including, but not by way of limitation, power to interpret the Plan, to communicate with Employees regarding their participation and benefits under the Plan, to administer claims procedures, to determine the eligibility, status and rights of all persons under the Plan, to determine eligibility for and terms of Plan loans to Participants, and in general to decide any dispute over benefit amounts. The Board shall have full discretionary authority to determine eligibility for benefits and to construe the terms of the Plan. The Board shall select investment Manager(s) for the plan assets, shall select the Custodian and shall direct the Custodian concerning all distributions from the Fund, all in accordance with the provisions of the Plan. The Board shall file any returns and reports with the Internal Revenue Service, Department of Labor, or any other governmental agency, establish a statement of investment policies consistent with the purposes of the Plan and shall maintain all Plan records. The Board shall be agent of the Plan for service of all process.

(b) Meetings. The Board shall meet whenever required for the orderly and timely administration of the business of the Plan at such location as may be acceptable to the Board. The Chair, Secretary or any two Board members may call meetings of the Board. Any meeting shall be called upon at least 10 days' written notice, which notice shall specify the date, time and place of such meeting, and may specify the purpose and any action proposed to be taken. If a quorum is not present at any duly called meeting, those Board members present may adjourn such meeting until a date, time and place not sooner than five days later. A written notice

stating the date, time and place of any meeting or adjourned meeting shall be sent to all Board members. Whenever any notice is required to be given to any Board member, a waive of notice in writing signed at any time, whether before or after the time of meeting by the Board members entitled to such notice, shall be deemed equivalent to the giving of such notice. The attendance of a Board member at a meeting shall constitute a waiver of notice of such meeting, except where a Board member attending a meeting objects to the transaction or any business because the meeting is not lawfully called or convened.

(c) Informal Action by Board. Provided there are at least three (3) of the authorized City Board members and two (2) of the authorized Employee Board members then serving, any action which may be taken at a meeting of the Board may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the Board members then serving and entitled to vote with respect to that subject matter.

(d) Quorum. A quorum for the transaction of business at a duly called meeting shall consist of five (5) members, with the further limitation that any such quorum shall consist of not less than three (3) City Board members and two (2) Employee Board members.

(e) Voting. All actions by and decisions of the Board shall be by the vote of at least five (5) members attending a duly called meeting of the Board. In other words, at least one Employee Board member must vote in favor of any action or decision for the action or decision to pass. Anything in this Section to the contrary notwithstanding, the unanimous written consent of the Board members shall be required for any action pursuant to subsection (c). Each Board member shall have one vote.

(f) Organization and Operation of Board. At the commencement of each year, the Board members shall select from among them a Chair and a Secretary who shall each serve for a period of one year. One office shall be filled by a City Board member and one office shall be filled by an Employee Board member. The offices of Chair and Secretary shall be rotated annually between City Board member and Employee Board member. The Secretary shall be responsible for maintaining an accurate record of all actions of the Board, including minutes of all Board meetings. A copy of such minutes shall be retained as a record of the Plan and one copy thereof shall be distributed to each Board member. Documents requiring execution by the Board shall be signed by the Chair and attested by the Secretary. The Board may adopt

rules and regulations necessary for the orderly election of employee members of the Board and for the proper and efficient administration of the Plan, provided such rules and regulations are not inconsistent with the terms of the Plan or the provisions of applicable law.

(g) Designation of Alternates. City Board members and Employee Board members shall be entitled to designate, in accordance with the provisions of this subsection (g), alternates to attend Board meetings and vote in the City or Employee Board member's absence. At no time, however, shall there be more than four (4) City Board members or alternates entitled to vote, nor shall there be more than three (3) Employee Board members or alternates entitled to vote.

(i) At the commencement of each year, each City Board member may designate one (1) individual who may attend meetings and vote in the City Board member's absence. Such designations shall be recorded in the minutes of the meeting and may only be changed with the approval of at least five (5) members of the Board.

(ii) Two (2) alternate Employee Board members shall be elected by the Participants pursuant to Section 10.6 of this Plan. One or more Employee Board members may designate one or two of the elected alternate Employee Board members to attend any Board meeting and vote in the Employee Board member's absence. Any such designation shall be in writing and shall be presented by the alternate Employee Board member to the Secretary of the Board at the commencement of the meeting, to be included in the minutes of the meeting.

10.3 Fund Administration. The Board's duties and powers in relation to the administration of the Fund shall include:

and (a) selecting one or more Investment Managers as provided in Section 11.2;

(b) establishing a written statement of investment policy consistent with the purposes of the Plan and applicable law; and

(c) selecting a Custodian to receive contributions to the Fund, hold income and assets of the Fund, make payments from the Fund as directed by the Board, keep accurate records reflecting the administration of the fund and making such records available to the Employer and the Board for review and audit. Within 90 days after each Plan Year, and within 90 days after its removal or resignation, the Custodian shall provide to the Employer and the Board an accounting of its administration of the Fund during such year or from the end of the preceding Plan Year to the date of removal or resignation. Such

accounting shall include a statement of cash receipts and disbursements since the date of its last accounting and shall contain an asset list showing the fair market value of investments held in the Fund as of the end of the Plan Year. The value of marketable investments shall be determined using the most recent price quoted on a national securities exchange or over-the-counter market. The value of the nonmarketable investments shall be determined in the sole judgment of the Custodian. The Employer and the Board shall review the Custodian's accounting and notify the Custodian in the event of its disapproval of the report within 90 days, providing the Custodian with a written description of the items in question.

10.4 Administrative Fees and Expenses. All reasonable costs, charges and expenses incurred by the Board in connection with the administration of the Fund and the Plan (including fees for legal services rendered to the Board or Custodian) shall be paid from the Fund. Such reasonable compensation to the Custodian as may be agreed upon from time to time between the Board and the Custodian, and such reasonable compensation to any Investment Manager as may be agreed upon from time to time between the Board and any Investment Manager, shall be paid by the Fund. No person who receives full-time pay from the Employer shall receive compensation from the Fund, other than reimbursement for expenses properly and actually incurred.

10.5 Governing Law. Construction, validity and administration of this Plan shall be governed by Federal law to the extent applicable and to the extent not applicable by the laws of the State of Colorado.

10.6 Election of Employee Board Members. The three (3) Employee Board members and two (2) alternate Employee Board members who are to be elected by the Participants shall be elected in accordance with this Section 10.6. The members of the Board and alternates elected by the Participants shall be elected at a meeting of the Participants called for that purpose. At the first election, one (1) Participant shall be elected to serve a term of one (1) year, one (1) Participant shall be elected to serve a term of two (2) years, one (1) Participant shall be elected to serve a term of three (3) years, and two (2) Participants shall be elected to serve as alternate Employee Board members for terms of three (3) years. Thereafter Employee Board members and alternate Employee Board members shall be elected to serve terms of three (3) years. Each term shall commence on the first day of a Plan Year and shall end on the last day of a Plan Year. If otherwise qualified, employee members of the Board may be reelected

to the Board or as alternates without limitation on the number of terms they may serve.

10.7 Restrictions on Investments. Notwithstanding any other provision of this Plan, all Plan assets shall be invested in compliance with the Colorado Revised Statutes. In addition, the Board shall not engage in any transaction which involves the direct or indirect:

(1) sale or exchange or leasing of any property between the Plan and the Employer;

(2) lending of money or other extension of credit between the Plan and the Employer;

(3) transfer to, or use by or for the benefit of the Employer, of any assets or income of the Plan.

10.8 Written Communication. To the extent permitted by applicable Treasury Regulations and accepted by the Plan Administrator, all provisions of the Plan and Trust Agreement that require written notices and elections shall be interpreted to mean authorized electronic or telephonic notices and elections.

ARTICLE XI TRUST FUND

11.1 The Fund. The Fund shall consist of all contributions made under Article III and Article IV of the Plan and the investment thereof and earnings thereon. All contributions and the earnings thereon less payments made under the terms of the Plan, shall constitute the Fund. The Fund shall be administered as provided herein.

11.2 Management of Fund. The management, including the acquisition and disposition of property comprising the Fund, shall be as follows:

(a) The Board shall have exclusive responsibility, discretion and authority with respect to management of the Fund, except as to those portions of the Fund regarding which the Board has appointed an Investment Manager according to 11.2(b).

(b) The Board may appoint one or more Investment Managers to direct the investment of all or a portion of the Fund. As a condition to its appointment, an Investment Manager shall acknowledge in writing that it is a fiduciary with respect to the Plan. An Investment Manager shall not have authority to the custody of any property which is a part of the Fund. The Board shall furnish each Investment Manager with written investment guidelines for investment of the Investment Manager's Account and these guidelines may include directions with respect to diversification of the investments. An Investment Manager shall have the authority, by written direction to the Custodian, to direct the investment of that portion of the Fund with respect to which it has been appointed Investment Manager. The Investment Manager must direct investments in a manner consistent with this Plan and applicable law.

11.3 Exclusive Benefit Rules. No part of the Fund shall be used for, or diverted to, purposes other than for the exclusive benefit of Participants, former Participants with a vested interest, and the beneficiary or beneficiaries of deceased Participants having a vested interest in the Fund at death.

11.4 Assignment and Alienation of Benefits. No right or claim to, or interest in, any part of the Fund, or any payment therefrom, shall be assignable, transferable, or subject to sale, mortgage, pledge, hypothecation, communication, anticipation, garnishment, attachment, execution, or levy of any kind, and the Trustee shall not recognize any attempt to assign, transfer, sell, mortgage, pledge, hypothecate, commute,

or anticipate the same, except to the extent required by law. The preceding sentence shall also apply to the creation, assignment, or recognition of a right to any benefit payable with respect to a Participant pursuant to a domestic relations order, except to the extent that Colorado statutes provide for enforcement of such order. The Board may adopt rules regarding payments pursuant to a domestic relations order.

11.5 Custodial Agreement. The Board shall enter into a Custodial Agreement with the Custodian, to provide for the holding and administration of the funds of the Plan.

ARTICLE XII PARTICIPANT LOANS

12.1 Application. A Plan Participant may make application to the Board requesting a loan from the Fund. The Board shall have the sole right to approve or disapprove a Participant's application provided that loans shall be subject to the rules described in this Article XII and shall be made available only according to subsection 12.1(a), in the case of a Participant who has completed at least two years as of Service as a Participant, or according to subsection 12.1(b), due to the occurrence of an "unforeseeable emergency" of the Participant, or according to subsection 12.1(c) in the case of a Participant with Rollover Contributions.

(a) A Participant who has completed a Period of Service of 24 months may borrow up to 50% of the fair market value of the Participant's vested account balance derived from Employer Contributions, Mandatory Employee Pre-Tax Contributions, Transfer Contributions and Rollover Contributions.

(b) A Participant who demonstrates an "unforeseeable emergency" may borrow an amount reasonably needed to satisfy such "unforeseeable emergency." An "unforeseeable emergency" is a severe financial hardship to the Participant resulting from a sudden and unexpected illness or accident of the participant or of the Participant's dependent (as defined in Code section 152(a)), loss of the Participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the Participant's control. An "unforeseeable emergency" does not exist to the extent that such hardship is or may be relieved:

(i) through reimbursement or compensation by insurance or otherwise, or

(ii) by liquidation of the participant's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship.

Examples of what are not considered to be unforeseeable emergencies include the need to send a Participant's child to college or the desire to purchase a home.

(c) Effective October 3, 1998, a Participant who has made a Rollover Contribution to the Plan may borrow up to 50% of the fair market value of the Participant's account balance derived from Rollover Contributions without regard to the 24 month Period of Service requirement.

12.2 Maximum Amount. No loan granted hereunder shall exceed the lesser of (a) \$50,000 reduced by the excess (if any) of the highest outstanding balance of loans during the one year period ending on the day before the loan is made, over the outstanding balance of loans from the Plan on the date the loan is made, or (b) an amount which, when added to the outstanding balance of any other Plan loans to the Participant, equals fifty percent (50%) of the fair market value of the Participant's vested account balance derived from Employer Contributions, Mandatory Employee Pre-Tax Contributions, Transfer Contributions and Rollover Contributions. An assignment or pledge of any portion of the Participant's interest in the Plan will be treated as a loan under this Article XII.

12.3 Application Forms. All applications must be made on forms provided by the Board and must be signed by the Participant.

12.4 Spousal Consent. A Participant must obtain the consent of his or her spouse, if any, within the 90-day period before the time the account balance is used as security for the loan. Spousal consent must be in writing, must acknowledge the effect of the loan, and must be witnessed by a Plan representative or notary public. Such consent shall be binding on the consenting spouse or any subsequent spouse with respect to that loan. A new consent shall be required if the account balance is used for renegotiation, extension, renewal, or other revision of the loan. If a valid spousal consent has been obtained in accordance with this Section 12.4, then, notwithstanding any other provision of this Plan, the portion of the Participant's vested account balance used as a security interest held by the Plan by reason of a loan outstanding to the Participant shall be taken into account for purposes of determining the amount of the account balance payable at the time of death or distribution, but only if the reduction is used as repayment of the loan. If less than 100% of the Participant's vested account balance (determined without regard to the preceding sentence) is payable to the surviving spouse, then the account balance shall be adjusted by first reducing the vested account balance by the amount of the security used as repayment of the loan, and then determining the benefit payable to the surviving spouse.

12.5 Interest on Loans. Any loan granted hereunder shall bear interest at a rate determined by the Board to be reasonable at the time of application.

12.6 Security. All loans made hereunder shall be secured by the Participant's vested account balance and by such additional collateral as may be required by the Board.

12.7 Terms of Repayment. Any loan shall by its terms require that repayment (principal and interest) be bi-weekly, by payroll deduction or by check if the Participant is not on payroll, over a period not extending beyond five years from the date of the loan.

12.8 Principal and Interest Allocation. The principal and interest paid by a Participant on his or her loan shall be credited as a segregated investment of the Participant's account. The Board may allow loans to be suspended during periods of leave of absence as permitted by tax laws.

12.9 Default. The Board shall treat a Participant's loan as in default upon any of the following events:

- (1) If a scheduled payment remains unpaid more than 30 days;
- (2) The death of the Participant;
- (3) The termination of the Participant's employment for any reason;
- (4) If the Participant revokes authorization for repayment of the loan by payroll deduction.

The Board shall grant the Participant reasonable rights to cure any default, by repaying the loan, by bringing the loan current by payment of any missed payment(s) with interest, or, if distribution is available under the terms of the Plan, by requesting distribution of the note to the Participant. If the default is not cured within a reasonable time, the loan shall be a deemed distribution in accordance with applicable Treasury Regulations.

The Board will treat a loan as repaid to the extent of any permissible offset, but until the note is finally and fully disposed of, the Participant remains obligated for repayment of principal and interest.

The Board may adopt policies and procedures that will apply uniformly to all Participants with regard to the procedures that the Board will follow upon default.

12.10 Approval of Application. If a Participant's loan application is approved by the Board, such Participant shall be required to sign a note, loan agreement and assignment of his or her vested interest in the Fund as collateral for the loan.

ARTICLE XIII AMENDMENT AND TERMINATION

13.1 Amendments. The Employer, by ordinance of its City Council, shall have the right at any time, and from time to time, to:

(a) Amend this Plan in such manner as it may deem necessary or advisable in order for the Plan to be in compliance with current law and to qualify this Plan and the Trust created in relation hereto pursuant to sections 401(a) and 501(a) of the Internal Revenue Code of 1986 and any such amendment may, by its terms, be retroactive; and

(b) Amend this Plan in any other manner.

(c) With the exception of amendments made pursuant to Section 13.1(a) above, no amendment shall take effect unless approved at the time of adoption by at least 65% of all Participants employed at the time of the amendment.

(d) No amendment shall authorize any part of the Trust Fund to be used for or diverted to purposes other than for the exclusive benefit of the Participants or their Beneficiaries or estates or to defray the reasonable expenses of administering the Plan; no such amendment shall cause any reduction in the vested portion of any Participant's interest in the Trust Fund or cause or permit any portion of the Trust Fund to revert to, or become property of, the Employer and no such amendment which affects the rights, duties or responsibilities of the Trustee or Custodian shall be effective without the Trustee's or Custodian's written consent. Any such amendment shall become effective as of the effective date stated therein upon delivery of a written instrument, executed on behalf of the Employer by its proper officers duly authorized, to the Trustee or Custodian and the written consent of the Trustee or Custodian thereto, if such consent is required.

13.2 Termination.

(a) The Employer, by ordinance of its City Council, shall have the right to terminate the Plan, provided that the Employer may not terminate this Plan unless another defined contribution money purchase or defined benefit pension plan qualified under the applicable provisions of the Internal Revenue Code of 1986 as amended and meeting any requirements of C.R.S. § 31-30-1001 et seq. is established for the benefit of the participants.

(b) This Plan may only be terminated if at least 65% of the Participants agree to terminate the Plan and at the same time approve the establishment of another defined contribution money purchase or defined benefit pension plan.

(c) Upon any full or partial termination, all amounts credited to the affected Participants' Accounts shall become 100% Vested and shall not thereafter be subject to forfeiture, and all unallocated amounts shall be allocated to the accounts of all Participants in accordance with the provisions hereof.

(d) In the event of termination, the Board shall direct the Custodian with respect to the distribution of accounts to or for the exclusive benefit of Participants or their beneficiaries.

(e) In the event the applicable state statutes regarding establishment, maintenance, amendment or termination of pension plans for police officers are amended in such a manner as to be inconsistent with the provisions set forth in subsections (a) and (b) above, such amended state statutes shall control over subsections (a) and (b)

13.3 Qualification of the Plan. If the Employer fails to attain or retain Internal Revenue Service qualification, the Plan shall no longer be considered a Plan.

13.4 Mergers and Consolidations. In the case of any merger or consolidation of the Plan with, or transfer of assets or liabilities of the Plan to, any other plan, immediately after the merger, consolidation, or transfer Participants in the Plan shall be credited with benefits which are equal to or greater than the benefits they would have been credited with immediately before the merger, consolidation, or transfer if the Plan had then terminated.

ARTICLE XIV ALLOCATION OF SETTLEMENT FUNDS

14.1 Amounts Transferred From The Fire And Police Pension Association Of The State Of Colorado. Effective January 1, 1987, as permitted by section 31-30-1003(2)(b) of the Colorado Revised Statutes, the Employer withdrew from the Fire and Police Pension Association of the State of Colorado (the "FPPA"). This Article XIV addresses the manner in which monies received from the FPPA are to be allocated. All of the allocations under this Article XIV will be made only among those individuals who were Participants on the Effective Date of this Plan. Monies received from the Fire and Police Pension Association of the State of Colorado (FPPA) as a result of withdrawing from the FPPA shall be allocated to Participants withdrawing from the FPPA plan, to enter this Plan, as set forth in this Article XIV.

14.2 Monies received by March 20, 1987. Amounts received by the Employer on or prior to March 20, 1987 shall be allocated as follows:

(a) Under each Participant's FPPA accounting, the amount in the Employee Contribution Total and the amount in the Employer Contribution Total shall be credited to the Participant's Transfer Account.

(b) Interest earnings under the FPPA accounting shall be credited to Participants on pro-rata shares based on the total of a Participant's Employee and Employer Contributions [as provided in Section 14.2(a) above] in relation to the total of such contributions for all Participants. The amounts credited to each Participant under this Section 14.2 shall be credited to the Participant's Transfer Account.

14.3 Funds received in March, 1990.

(a) Explanation. This Section 14.3 applies to monies, commonly referred to as the FPPA "forfeitures," which were refunded in March, 1990 to the Employer by the FPPA. As of January 1, 1987, the original effective date of this Plan, these monies were the subject of a dispute between the FPPA, the Employer and Plan Participants. The Employer recovered these monies from the FPPA in March, 1990. The Board of Trustees of the Plan then sought to recover these monies from the Employer. The dispute between the Board of Trustees and the Employer has been resolved. Pursuant to a Settlement Agreement dated March 23, 1994 between the Employer, the Plan and the Plan's Board of

Trustees, the Employer has agreed to deposit these funds in a separate account within the Plan, to be known as the "Settlement Account."

(b) Definitions. For purposes of this Section 14.3, the following definitions shall apply:

(1) "Litigation" refers to certain litigation between the City of Grand Junction and the Board of Trustees of the Plan, in the District Court in and for Mesa County, Colorado (the "Court"), case number 91 CV 316, entitled Benoit et al. v. City of Grand Junction, et al. The Litigation was settled pursuant to a Settlement Agreement dated March 23, 1994, following the affirmative vote of at least 65% of the plan participants and the affirmative vote of the City Council of the City of Grand Junction, Colorado.

(2) "Settlement Account" refers to a segregated and unallocated account within the Plan, to which all Settlement Funds will be allocated pending receipt of a determination letter from the Internal Revenue Service and allocation of the Settlement Funds among participants pursuant to the terms of this Article XIV.

(3) "Settlement Funds" refers to the amount of money to be paid by the Employer to the Plan pursuant to Part II of the Settlement Agreement of March 23, 1994, i.e., \$535,124.64 plus interest as calculated in Part II of the Settlement Agreement.

(4) "Settlement Participants" refers to those police officers who were employed by the Grand Junction Police Department and who withdrew from the FPPA on January 1, 1987. The term includes those Settlement Participants who are not employed by the Employer as of the date when the allocation of Settlement Funds is made pursuant to Section 14.6 below.

(c) Settlement Account.

(1) Adjustments. All amounts credited to the Settlement Account shall be invested in accordance with the provisions of the Plan as amended, and shall share proportionately in investment earnings and increases or decreases in the fair market value of the Fund.

(2) Allocation. The Settlement Funds allocated to the Settlement Account, as adjusted, shall remain in the Settlement Account until a determination letter has been received from the Internal Revenue Service indicating that the allocation of the Settlement Funds among the Settlement Participants in the manner set forth in this Section 14.3 will not result in

disqualification of the Plan. Upon receipt of such a determination letter, the amounts in the Settlement Account shall be allocated in accordance with Sections 14.3(d) and (e) below.

(d) Reimbursement of Expenses. The Board of Retirement shall determine a reasonable and equitable means of reimbursing the Plan for the expenses incurred by the Plan in connection with the Litigation, using the Settlement Funds. The goal shall be to make each plan participant or former plan participant whole. The Board of Retirement shall also determine a reasonable and equitable means of charging each Settlement Participant, including Settlement Participants who are no longer employed by the Employer, with a pro rata share of the expenses incurred in connection with the Litigation.

(e) Allocation of Settlement Funds. After reimbursement of expenses, the remaining Settlement Funds shall be allocated among Settlement Participants as follows:

(1) \$263,572.77 of the Settlement Funds represents the actual "forfeitures" paid by the FPPA to the Employer in March, 1990. This amount will first be used to restore any previous "forfeitures" from the FPPA of employer contributions made on behalf of a Settlement Participant by the City of Grand Junction.

(2) Any "forfeiture" amounts remaining shall be credited to Settlement Participants on pro rata shares based on the total number of months of employment, as of January 1, 1987, as a full time, paid sworn police officer for the City of Grand Junction, in relation to the total number of months of such employment, as of January 1, 1987, on the part of all such Settlement Participants. For the purposes of this Section 14.6(b)(3), a month is a calendar month and any employment during the month constitutes an entire month.

(3) \$271,551.87 of the Settlement Funds represents interest or earnings paid by the FPPA to the Employer in March, 1990. Such monies will be credited to Settlement Participants in pro rata shares based on the total of a Settlement Participant's Employer and Employee contributions (less any withdrawal distributions including interest) made by or on behalf of a Participant prior to January 1, 1987, in relation to all such Participant contributions.

(4) The remaining amounts credited to or allocated to the Settlement Account represent interest paid by the Employer pursuant to the Settlement Agreement of March 23, 1994 and adjustments to the Settlement Account pursuant to Section 14.3(c) above. Such amounts shall be credited to the accounts of Settlement Participants in pro rata shares based on the total amounts allocated to such Settlement Participants pursuant to Sections 14.3(d)(1), (d)(2) and (d)(3).

(5) Notwithstanding the prior provisions of this Section 14.3, no amount shall be allocated to a Settlement Participant pursuant to Sections 14.3(d)(1), (d)(2) and (d)(3) if the allocation of such amount would result in disqualification of the Plan or violation of any of the terms of this Plan or applicable statutes or regulations.

(6) In the event the requirements of the Internal Revenue Code do not permit an allocation to a given Settlement Participant because the allocation would result in an allocation in excess of that permitted by Code Section 402(a), the amount which cannot be allocated to that Settlement Participant shall be an Excess Annual Addition under Article IX of this Plan and, notwithstanding any other provision of said Article IX, such amount shall be refunded to the Settlement Participant.

(7) All amounts allocated to Settlement Participants pursuant to this Section 14.3 shall always be fully vested and nonforfeitable.

(e) Former Participants. Each Settlement Participant who is no longer employed by the Employer shall be entitled to immediate distribution from the Fund of the amount of Settlement Funds allocated to such Settlement Participant pursuant to this Article 14, less a proportionate share of the expenses incurred by the Plan to recover such funds. The Board of Retirement shall make reasonable efforts to locate Settlement Participants who are no longer employed by the Employer. In the event the Board of Retirement is unable after reasonable efforts to locate a Settlement Participant entitled to an allocation of the Settlement Funds, the Board of Retirement may in its discretion:

(1) Allocate the amount to which the former participant would have been entitled to the Settlement Account and use such amount to defray reasonable administrative expenses of the Plan; or,

(2) Determine to hold such funds indefinitely (for ultimate payment to a Settlement Participant).

Attach 3
Warning Tickets

CITY COUNCIL AGENDA
CITY OF GRAND JUNCTION

CITY COUNCIL			
Subject:	Authorization for the City of Grand Junction Police Department to Issue Warning Tickets from January 2nd through January 18th, 2002 for Overtime and Illegal Parking Violations.		
Meeting Date:	December 19, 2001		
Date Prepared:	December 10, 2001		
Author:	Ron Lappi	Title: Director of Admin Svcs	
Presenter Name:	Ron Lappi	Title: Director of Admin Svcs	
	Workshop	X	Formal Agenda

Subject: Authorization for the City of Grand Junction Police Department to Issue Warning Tickets from January 2nd through January 18th, 2002 for Overtime and Illegal Parking Violations.

Summary: Approval of this measure would give the Grand Junction Police Department the authority to issue warning tickets for the first part of January 2002 to all overtime and illegal parking violations. The warning does not apply to handicapped parking violations which will continue to be enforced. These warning tickets would advise the citizen that the fines for parking violations as well as the meter rates have increased.

Background Information: A resolution increasing fines and fees for overtime parking, restricted parking violations, and setting increased meter rates was approved by City Council in July of 2001. All changes in fines and fees are to become effective on January 1, 2002. However, to allow time for education, a warning period is recommended.

Budget: N/A

Action Requested/Recommendation: Approval of this measure.

Citizen Presentation:	<input type="checkbox"/>	No	<input type="checkbox"/>	Yes	If Yes,
Name:					
Purpose:					

Report results back to Council:	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	Yes	When:	
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Placement on Agenda:	<input checked="" type="checkbox"/>	Consent	<input type="checkbox"/>	Indiv. Consideration	<input type="checkbox"/>	Workshop
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CITY COUNCIL AGENDA CITY OF GRAND JUNCTION

<i>CITY COUNCIL</i>		
Subject:	Redlands Mesa Golf Course Indemnification Agreement	
Meeting Date:	December 19, 2001	
Date Prepared:	December 13, 2001	
Author:	Kathy Portner	Planning Manager
Presenter Name:	Dan Wilson	City Attorney
	Workshop	X Formal Agenda

Subject: Indemnification Agreement for a proposed public trail in the Redlands Mesa development.

Summary: As a condition of approval of the Redlands Mesa development, a public trail is required through parcel 9 and the golf course property. The developer has agreed to provide the trail easement provided the City indemnifies the golf landowner and developer from any claims, actions, damages, costs or liabilities arising from errant golf balls striking a user of the public trail easement.

Background Information: As a condition of approval of the Preliminary Plan and Final Plat of Redlands Mesa, Filing 3, the City has requested that the golf land owner and developer grant to the City perpetual, non-exclusive easements over 1) a portion of Golf Block 16, Redlands Mesa, Filing 1, along an alignment shown on the attached exhibit, 2) a portion of Tract 11-4, Redlands Mesa, Filing 3, and 3) a portion of parcel 9, for the installation, operation, maintenance and repair/replacement of a public pedestrian and bicycle trail without motorized use.

The configuration of the golf course and the requested easement is such that a pedestrian, bicyclist or other user of the public trail could be struck by an errant golf ball from the most difficult ("black") tee box for hole #4. However, the chances of a user of the trail being hit or injured are remote because the golfers who tend to tee from the most difficult tee boxes are the most proficient golfers and because of the elevation difference between the tee box and trail easement.

The golf land owner and developer are prepared to grant the public trail easement, provided the City indemnifies the golf land owner and developer from and against any claims, actions, damages, costs or liabilities arising from errant golf balls striking persons or property using the public trail easements.

Budget: N/A

Action Requested/Recommendation: Council authorization to the City Manager to sign the Indemnification Agreement.

Citizen Presentation:	<input type="checkbox"/>	No	<input type="checkbox"/>	Yes	If Yes,
Name:					
Purpose:					

Report results back to Council:	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	Yes	When:	
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Placement on Agenda:	<input checked="" type="checkbox"/>	Consent	<input type="checkbox"/>	Indiv. Consideration	<input type="checkbox"/>	Workshop
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INDEMNIFICATION AGREEMENT
Relating to Hole #4, Redlands Mesa Golf Course

This Indemnification Agreement is made and entered into this ___ day of _____, 2001, by and between THE CITY OF GRAND JUNCTION, Colorado (“City”), RED JUNCTION LLC, a Colorado limited liability company (“Golf Land Owner”), and REDLANDS MESA, LLC, a Colorado limited liability company (“Developer”).

Recitals.

- A. Golf Land Owner is the owner of The Golf Club at Redlands Mesa, City of Grand Junction, Mesa County, Colorado, including without limitation Golf Block 16, Redlands Mesa Filing 1, according to the Plat thereof recorded July 17, 2000 in Plat Book 17 at Page 354 in the Office of the Clerk and Recorder of Mesa County, Colorado.
- B. Developer is the developer of Redlands Mesa Planned Unit Development, City of Grand Junction, Mesa County, Colorado, and is in the process of platting Redlands Mesa Filing 3.
- C. As a condition to its approval of the Final Plat of Filing 3, City has requested that Golf Land Owner and Developer grant to City perpetual, non-exclusive easements over (i) a portion of Golf Block 16, Redlands Mesa Filing 1, along an alignment described on **Exhibit A** attached hereto and made a part hereof by this reference, and (ii) a portion of Tract 11-4, Redlands Mesa Filing 3, as described in Paragraph 3 of the Certificate of Ownership and Dedication on said Final Plat of Filing 3, for the installation, operation, maintenance and repair/replacement of a public pedestrian and bicycle trail, without motorized uses.
- D. The configuration of the golf course and the requested easement is such that a pedestrian, bicyclist or other user of the public trail could be struck by an errant golf ball from the most difficult (“black”) tee box for hole #4. Given that the City requests this change, and given that the chances of a user of the trail being hit or injured are remote in general and given that the golfers who tend to tee from the most difficult tee boxes are the most proficient golfers, the likelihood of injury is very low.
- E. Golf Land Owner and Developer are prepared to grant said public trail easements, provided that City indemnifies Golf Land Owner and Developer (“Indemnitees”) from and against any claims, actions, damages, costs or liabilities arising from errant golf balls striking persons or property using the public trail easements as a result of a tee off from said “black” tee on hole #4.
- F. These parties believe that in Colorado each golfer is liable and responsible for placement of each golf shot on the course in a location and at a time that injury to persons or property does not occur. Part of

such duties are the golfer's duty to look first before striking the ball, to determine if any pedestrian user will be crossing in front of said tee box as the golfer strikes the ball.

- G. The Golf Land Owner is willing to install and continuously maintain signs warning the pedestrians and the golfers of the dangers described in this Agreement.
- H. Given the low probability of injury, City is willing to sign this Agreement, in order to secure the trail easements as described.

1. NOW, THEREFORE, for and in consideration of (and with respect to time periods that the City authorizes the public use of such easements):
 - (a) The grant and/or dedication of public trail easement over a portion of Golf Block 16, Redlands Mesa Filing 1, as granted by Golf Land Owner to City in that certain Grant of Public Trail Easement recorded _____, 2001 in Book ____ at Page _____ in the Office of the Clerk and Recorder of Mesa County, Colorado; and the public trail easement over a portion of Tract 11-4, Redlands Mesa Filing 3, as granted by Developer to City on the Final Plat of Filing 3;
 - (b) The City agrees to indemnify, defend (including reasonable attorney's fees and costs reasonably incurred by Indemnitee(s) in defense or enforcement of this provision and subject to the other provisions hereof) and hold harmless Golf Land Owner and Developer, and their respective managers, members, directors, officers, employees, agents, successors and assigns forever;
 - (c) This indemnity is with respect to and against any and all claims, demands, actions, causes of action, damages, losses, costs, expenses or liabilities of any kind or nature arising from any property damage, personal injury or death caused directly or indirectly by errant golf balls striking persons or property using said public trail easements through Golf Block 16, Redlands Mesa Filing 1 and Tract 11-4, Redlands Mesa Filing 3.
 - (d) Notwithstanding any other provisions to the contrary, the following limitations and restrictions on the City's duties and liabilities shall apply: (i) The City's obligations to indemnify and hold harmless applies only to individuals in their capacity that is directly related to this Agreement, e.g., a homeowner is not indemnified hereby by virtue of such person's ownership of a lot or other interest in one of the Indemnitees but only if such homeowner is a member of the Developer entity; this provision applies to a natural person only if the entity is sued and the individual board member is also sued; (ii) the City's duty to pay attorneys fees and costs would apply only where, pursuant to the other provisions of this Agreement, the entity or covered individual was reasonably forced to defend itself and incur legal fees and costs; (iii) as used in this Agreement, "sued" includes circumstances where the Indemnitee(s) are otherwise reasonably forced to defend itself and incur legal fees and costs.
2. To the extent necessary or applicable to effectuate the purposes contained in the Recitals hereto and the terms hereof, this Agreement supersedes and shall take

precedence over the release and indemnity given by the owners from time to time of the "Community Area" as set forth in Article II "Hazards of Errant Golf Balls" in the Declaration of Golf Course and Community Area Easements recorded in Book 2730 at Page 44 in the Office of the Clerk and Recorder of Mesa County, Colorado.

3. The City's obligations hereunder are continuously and completely contingent upon the following being true at the time of each injury, claim, demand, action, cause of action, damage, loss, cost, expense or liability referred to in 1(c), above:
 - (a) Golf Land Owner shall install and continuously maintain in large, easily readable text signs for the golfers, the public, pedestrian and other users at locations, and with text, mutually agreed upon by the signatories hereto. The City shall confirm in writing to the Golf Land Owner, upon request, that the proposed signs and text satisfy the City as to the requirements of this provision. Failure by the City to respond (to a written request directed to the City Attorney) within thirty days shall constitute the City's approval.
 - (b) In event of a claim, the Golf Land Owner, as a condition for enforcement of the terms of this Agreement, shall cooperate with the City to attempt to identify the person striking the golf ball that allegedly caused the claim or injury. The City shall then have the right, but not the duty, to seek relief against the person who struck the ball, and to use such relief, if any, including insurance proceeds, to act in the discharge of the City's duties under paragraph 1. It shall be the duty of the City to actively represent and defend once a claim has been made or injury alleged.
 - (c) The City's duty to indemnify under paragraph 1 hereof is not contingent on the parties having identified the person allegedly striking the ball, so long as the Golf Land Owner has reasonably cooperated.
 - (d) The duty of the City to pay for the attorney's fees, as described in section 1, above, shall not be in effect, nor shall the City have an obligation to pay such amounts, unless the Indemnitee(s) have a substantial basis to believe that City is not adequately defending such claim or action and is thereby exposing Indemnitee(s) to a judgment; or a substantial basis to conclude that the City does not have the ability to pay a judgment that arises out of the City's Agreement in subsection 1(c) hereof.

4. Notwithstanding any term or provision to the contrary, the City may at any time in its sole discretion, end the use of the pedestrian easements described herein and in such event, or during such periods of time that pedestrian or other use is not authorized, this Agreement shall not apply nor have any force or effect, and the City shall adequately block, barricade and give notice to terminate the trail usage. To implement this provision, the City shall send notice to the Golf Land Owner, certified mail, signed by the Director of Parks and Recreation, the Director of Community Development or the City Manager. Said notice shall specify the time or times during which this Agreement shall not apply; once the public use of the easement(s) has been ended, temporarily or not, the City shall pay the expenses incurred to reinstall any signs that have been removed and the public use of the easements shall not begin again until the City has sent a notice in like manner specifying when such public use may begin anew.

This Agreement shall be binding upon and inure to the benefit of City, Golf Land Owner, Developer, and the Redlands Mesa Master Association, and their respective successors and assigns forever.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals as of the day and year first above written.

CITY: THE CITY OF GRAND JUNCTION

By: _____
Its: _____

GOLF LAND OWNER: RED JUNCTION LLC, a Colorado limited liability company

By: _____
Its: _____

DEVELOPER: REDLANDS MESA, LLC, a Colorado limited liability company

By: _____
David R. Slemon, Manager

STATE OF COLORADO)
) ss.
COUNTY OF MESA)

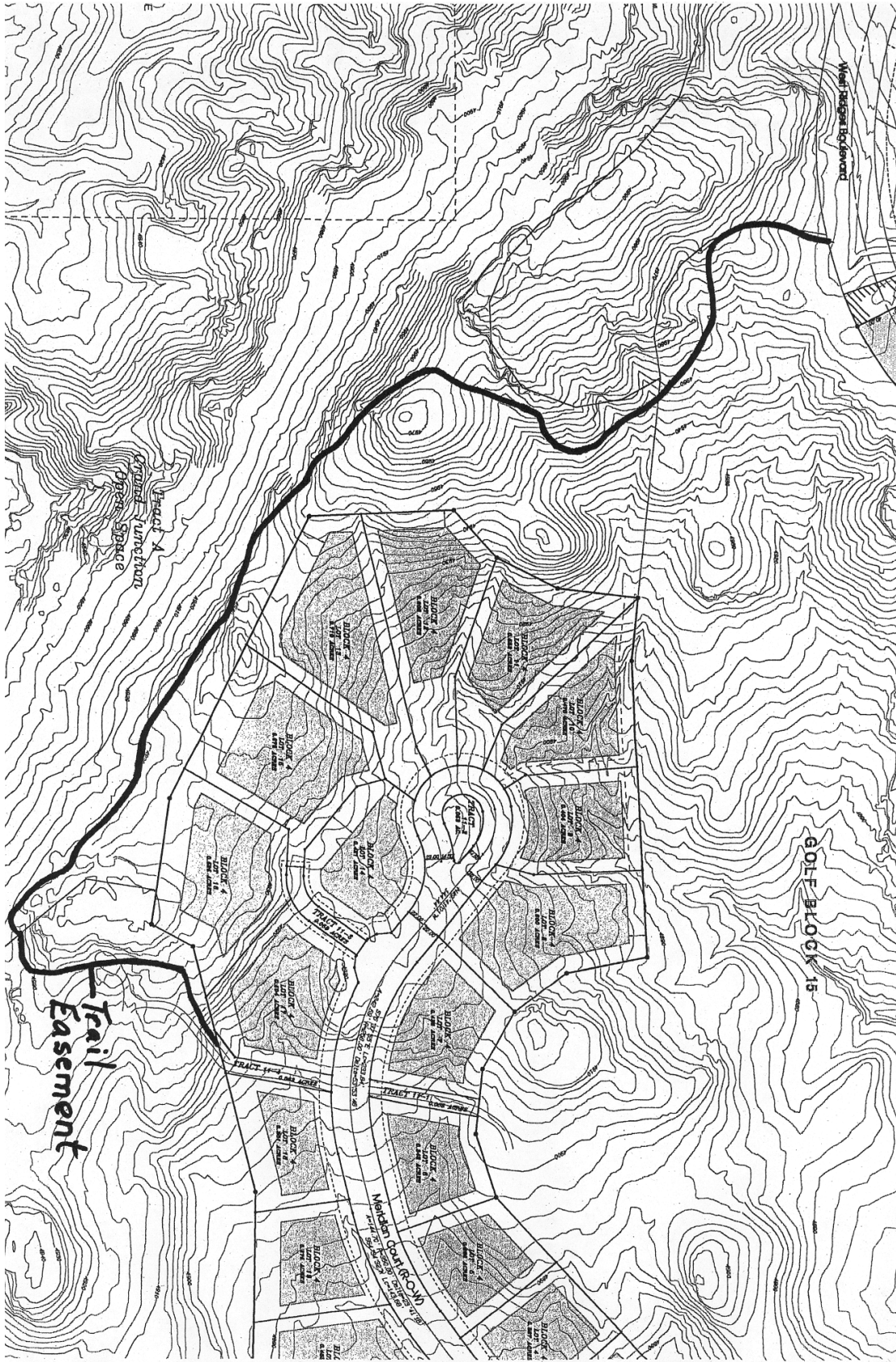
The foregoing Indemnification Agreement was acknowledged before me this _____ day of _____, 2001, by _____ as _____ of the City of Grand Junction.

Witness my hand and official seal.

My commission expires:

Notary Public

STATE OF COLORADO)
)ss.
COUNTY OF _____)



Trail Easement

GOLF BLOCK 15

MORNING COUNTRY ROAD

Trail Junction Open Space

Trail Junction



Attach 5
Underground Funds Independent Ave

CITY COUNCIL AGENDA
CITY OF GRAND JUNCTION

CITY COUNCIL		
Subject:	Resolution Authorizing the use of Overhead to Underground Funds on Independent Avenue	
Meeting Date:	Wednesday, December 19, 2001	
Date Prepared:	December 11, 2001	
Author:	Mike Curtis	Project Engineer
Presenter Name:	Tim Moore	Public Works Mmanager
	Workshop	X Formal Agenda Discussion Item

Subject: City Council Resolution authorizing Public Service Company of Colorado d/b/a Xcel Energy to use City of Grand Junction overhead to underground one percent (1%) funds for the **Independent Avenue Project**.

Summary: Overhead to Underground funds have been programmed for the **Independent Avenue Project**, from North 1st Street to approximately 200' west of 25 ½ Road.

Background Information: Xcel Energy will install underground power lines and remove the overhead lines on Independent Avenue from North 1st Street to approximately 200' west of 25 ½ Road prior to construction of the proposed street improvements. The work is scheduled for construction beginning February 2002.

Budget:

Overhead to Underground Cost Estimate
 \$306,658.00

Proposed Funding Sources:

City of Grand Junction 1 % Funds \$306,658.00

Total funding \$306,658.00

Action Requested/Recommendation: City Council resolution authorizing Public Service Company of Colorado d/b/a Xcel Energy to use City of Grand Junction 1 % “overhead to underground” funds for the Independent Avenue Project.

Citizen Presentation:	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	Yes	If Yes,	
Name:						
Purpose:						
Report results back to Council:	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	Yes	When:	
Placement on Agenda:	<input checked="" type="checkbox"/>	Consent	<input type="checkbox"/>	Indiv. Consideration	<input type="checkbox"/>	Workshop

Mike Curtis
City of Grand Junction 250 N. 5th St.
Grand Junction, CO 81501

Re: Independent Ave.

Mike,

2538 Blichmann Avenue
Grand Junction, Colorado 81505

I have completed the design and estimate to convert the existing overhead power lines to an underground system. The project is defined from along Independent Ave. from N. 1st St to approximately 200' west of 25th Rd. This estimate is based on all trenches, backfill, asphalt repair, easements and surveying being provided by the City of Grand Junction. If any of these costs are to be billed to Xcel Energy, then these costs need to be added to the estimate. Also included in this project is the installation of additional street lighting.

1% Fund- estimated cost is \$306,658. This amount is 62.9% of job estimate. The 1% fund will be charged 62.9% of actual closeout.

Street Lighting- Estimate charge to City of GJ \$26,009. The proposed lights will be the standard 250 watt, black curvilinear mounted on 30' black poles.

If this estimate is acceptable to you, please reply with the required City Council, "Resolution for using 1% Franchise Funds". If you have any questions or concerns please call me at 244-2693.

Jon Price XCEL

CITY OF GRAND JUNCTION, COLORADO

RESOLUTION NO. - 01

A RESOLUTION AUTHORIZING PUBLIC SERVICE COMPANY OF COLORADO D/B/A XCEL ENERGY TO USE THE CITY OF GRAND JUNCTION OVERHEAD TO UNDERGROUND ONE PERCENT (1%) FUNDS FOR THE PROJECT DEFINED AS INDEPENDENT AVENUE FROM NORTH 1ST STREET TO APPROXIMATELY 200' WEST OF 25 ½ RD.

RECITALS:

WHEREAS, the City of Grand Junction is planning to improvement Independent Avenue from North 1st Street to approximately 200' west of 25 ½ Road; and

WHEREAS, the City Council believes the undergrounding of these existing power lines is necessary for the overall upgrade of Independent Avenue; and

WHEREAS, under the Public Service Company of Colorado franchise, funds are allotted for such purposes.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION:

That the use of the overhead to underground one percent (1%) funds for the Independent Avenue project is hereby approved in the amount of \$306,658 which is 95% of the job estimate.

ADOPTED AND APPROVED THIS 19TH DAY OF DECEMBER, 2001.

President of the Council

Attest:

City Clerk

Attach 6
CDBG - Homeless Shelter

CITY COUNCIL AGENDA
CITY OF GRAND JUNCTION

<i>CITY COUNCIL</i>		
Subject:	CDBG 1999-1 Homeless Shelter	
Meeting Date:	December 19, 2001	
Date Prepared:	December 12, 2001	
Author:	Kristen Ashbeck	Senior Planner
Presenters Names:	Same	
	Workshop	X Formal Agenda

Subject: Approval of the subrecipient contract with the Grand Junction Housing Authority (GJHA) for the City's 1999 Program Year, Community Development Block Grant Program.

Summary: This contract formalizes the City's Award of \$205,000 to the Grand Junction Housing Authority for purchase of the building at 2853 North Avenue which is presently used as a temporary homeless shelter. These funds were allocated from the City's 1999 Community Development Block Grant Program.

Background Information: The Grand Junction Housing Authority is proposing to acquire an existing building at 2853 North Avenue for use as a permanent, year-round homeless shelter. The property is currently owned by Mesa Asset Holding Corporation and has been leased as a temporary homeless shelter by the Grand Junction Housing Authority since September 2001.

The City awarded a grant of \$205,000 to the Grand Junction Housing Authority from the City's 1999 Community Development Block Grant monies to establish a homeless shelter by acquisition/remodel of an existing building. Since locating the building at 2853 North Avenue, the Grand Junction Housing Authority has decided to pursue the option to acquire in order to expend the CDBG grant funds. The purchase and minor modification of this facility will cost less than one-half the projected cost of new construction, and the shelter will become fully operational in less time.

The Grand Junction Housing Authority has received commitment for a \$400,000 grant and a no interest \$187,846 loan for 18 months from the Colorado Division of Housing. The total of \$587,846 in addition to the City's \$205,000 will provide the Housing Authority with enough funds to acquire the property and make the necessary modifications to the building to make it a year-round permanent shelter.

GJHA is considered a “subrecipient” to the City. The City will “pass through” a portion of its 1999 Program Year CDBG funds to GJHA but the City remains responsible for the use of these funds. This subrecipient contract with GJHA outlines the duties and responsibilities of each party and is used to ensure that GJHA will comply with all Federal rules and regulations governing the use of these funds. This contract must be approved before the subrecipient may spend any of these Federal funds. Exhibit A of the contract (attached) contains the specifics of the project and how the money will be used by GJHA for acquisition of the building at 2853 North Avenue.

Recommendation: It is recommended that City Council authorize the City Manager to sign the subrecipient contract with the Grand Junction Housing Authority.

Citizen Presentation:	<input type="checkbox"/>	No	<input type="checkbox"/>	Yes	If Yes,
Name:					
Purpose:					

Report results back to Council:	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	Yes	When:	
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Placement on Agenda:	<input checked="" type="checkbox"/>	Consent	<input type="checkbox"/>	Indiv. Consideration	<input type="checkbox"/>	Workshop
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- Attachments: a) Exhibit A, Subrecipient Contract
 b) Aerial Photo Location Map

**SUBRECIPIENT CONTRACT FOR
CITY OF GRAND JUNCTION
COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS
WITH
THE GRAND JUNCTION HOUSING AUTHORITY**

**EXHIBIT A
SCOPE OF SERVICES**

1. The City agrees to pay to the Grand Junction Housing Authority \$205,000.00 from its 1999 Program Year CDBG Entitlement Funds. The funds shall be used to acquire an existing structure at 2853 North Avenue to use as a homeless shelter. Ultimately, minor modifications will be made to make it a year-round, permanent facility. The building is located within the City limits of Grand Junction, Colorado.
2. The Grand Junction Housing Authority shall meet the CDBG National Objective of Low/Moderate Limited Clientele benefit (570.208(a)(2)). It shall meet this objective by providing the above-referenced homeless shelter to Low/Moderate Income persons in Grand Junction, Colorado.
3. The entire project consists of acquisition of an existing building to use as a homeless shelter. The 1999 Program Year CDBG Entitlement Funds provided for in the sub-recipient agreement shall be used to purchase the building at 2853 North Avenue. The building is to be owned by the Grand Junction Housing Authority and will be operated by the Grand Junction Community Homeless Shelter. It is understood that the City's grant of \$205,000 in CDBG funds shall be used only for acquisition costs. Costs associated with other elements of the project shall be paid for by other funding sources obtained by the Grand Junction Housing Authority. Other source funding includes, but is not limited to donations from the Colorado Division of Housing.
4. This project shall commence upon the full and proper execution of the Subrecipient Agreement and the completion of environmental review. The project shall be completed on or before December 31, 2002.
5. The budget for the entire project is as follows:

<u>Project Activity</u>	<u>Cost</u>	<u>Source of Funds</u>
Site Acquisition Junction	\$700,000	\$205,000 City CDBG and Grand Housing Authority
Remodel Construction	\$ 36,871	Grand Junction Housing Authority
Developer's Fee	\$ 48,000	Grand Junction Housing Authority

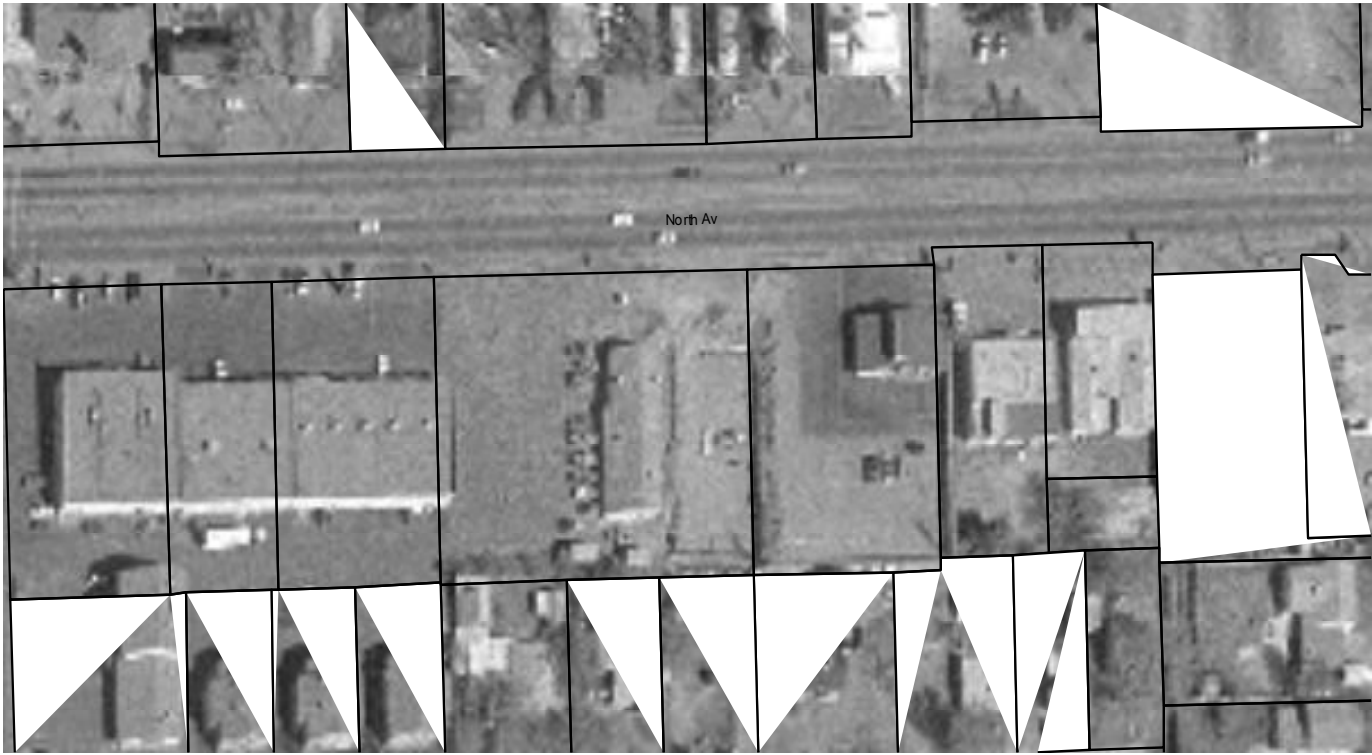
Project Management \$ 7,975 Grand Junction Housing Authority

6. The Grand Junction Housing Authority estimates that it will provide year-round shelter services to a maximum of 87 homeless persons, including men, women and children when the project is completed and in full operation.
7. The City shall monitor and evaluate the progress and performance of the Grand Junction Housing Authority to assure that the terms of this agreement are being satisfactorily met in accordance with City and other applicable monitoring and evaluating criteria and standards. The Grand Junction Housing Authority shall cooperate with the City relating to such monitoring and evaluation.
8. The Grand Junction Housing Authority shall provide quarterly, financial and performance progress reports to the City until December 31, 2002. Reports shall describe the progress of the project, what activities have occurred, what activities are still planned, financial status, compliance with National Objectives and other information as may be required by the City.
9. Payment shall be made in a lump sum at the closing of the Subrecipient's site acquisition contract. The Grand Junction Housing Authority shall request such payment by submitting to the City the "City of Grand Junction Community Development Block Grant Program Sub-recipient Report and Drawdown Request Form". Copies of this form are available at the City's Community Development Department, 250 N. 5th Street, Grand Junction, Colorado.
10. Upon completion of the acquisition the Grand Junction Housing Authority shall submit quarterly and annual performance reports for a period of 5 years following the date of site acquisition. Annual reports for the previous calendar year, shall be due by March 31st of the following year. Performance reports shall include the number of persons served by the shelter, the scope of services provided to persons and other information pertinent to the operations of the facility. The annual report shall include compliance with National Objectives and status of the project. The annual report for the year 2006 shall also serve as the Final Report for the project. The Final Report shall summarize the five-year progress of the project, what activities have occurred, what activities are still planned, financial status, compliance with National Objectives and other information as may be required by the City.
11. During a period of five years following the date of site acquisition the use or planned use of the property improved may not change unless 1) the City determines the new use meets at least one of the National Objectives of the CDBG Program and 2) the Grand Junction Housing Authority provides affected citizens with reasonable notice and an opportunity to comment on any proposed changes. If the Grand Junction Housing Authority decides, after consultation with affected citizens that it is appropriate to change the use of the property to a use which the City determines

does not qualify in meeting a CDBG National Objective, the Grand Junction Housing Authority shall reimburse the City a prorated share of the City's

\$205,000.00 CDBG contribution. At the end of the five year period following the site acquisition date and thereafter, no City CDBG restrictions on use of the property shall be in effect. The property shall remain subject to the use/reuse provisions of the *Grand Junction Zoning and Development Code* and other applicable law.

12. The Grand Junction Housing Authority shall comply with all Procurement and Contracting of requirements for using Federal funds to purchase property under the CDBG Entitlement program.
13. The Grand Junction Housing Authority understands that the funds described in the Agreement are received by the City of Grand Junction from the US Department of Housing and Urban Development under the Community Development Block Grant Program. The Grand Junction Housing Authority shall meet all City of Grand Junction and federal requirements for receiving and expending Community Development Block Grant funds, whether or not such requirements are specifically listed in this agreement. Upon request by the City, the Grand Junction Housing Authority shall provide the City with documentation establishing that all local and federal CDBG requirements have been met.
14. A blanket fidelity bond equal to cash advances as referenced in Paragraph V.(E) will not be required as long as no cash advances are made and payment is on a reimbursement basis.
15. A formal project notice will be sent to the Grand Junction Housing Authority once all funds are expended and a final report is received.



**Attach 7
Zoning & Development Code Amendments**

**CITY COUNCIL AGENDA
CITY OF GRAND JUNCTION**

CITY COUNCIL			
Subject:	TAC-2001-203 Zoning and Development Code Revisions		
Meeting Date:	December 19, 2001		
Date Prepared:	December 12, 2001		
Author:	Kathy Portner		
Presenter Name:	Kathy Portner	Planning Manager	
	Workshop	X	Formal Agenda

Subject: Second reading of the ordinance and approval of a resolution creating a review fee for Growth Plan Amendment requests.

Summary: Request for approval of the Zoning and Development Code annual update and approval of a resolution creating a review fee for Growth Plan Amendment requests.

Background Information: See Attached

Budget: N/A

Action Requested/Recommendation: Second reading of ordinance approving the Zoning and Development Code annual and consideration of a resolution creating a review fee for Growth Plan Amendment requests.

Citizen Presentation:	<input type="checkbox"/>	No	<input type="checkbox"/>	Yes	If Yes,
Name:					
Purpose:					
Report results back to Council:	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	Yes	When:
Placement on Agenda:	<input type="checkbox"/>	Consent	<input checked="" type="checkbox"/>	Indiv. Consideration	<input type="checkbox"/>
					Workshop

CITY OF GRAND JUNCTION

DATE: December 12, 2001

CITY COUNCIL

STAFF PRESENTATION: Kathy Portner

AGENDA TOPIC: TAC-2001-203 Zoning and Development Code Revisions and Review Fee for Growth Plan Amendment requests.

SUMMARY: Request for approval of the Zoning and Development Code annual update and approval of a resolution creating a review fee for Growth Plan Amendment requests.

ACTION REQUESTED: Second reading of ordinance approving the Zoning and Development Code annual update and consideration of a resolution creating a review fee for Growth Plan Amendment requests.

Staff Analysis:

The Grand Junction Zoning and Development Code was adopted on March 7, 2000, with an effective date of April 22, 2000. As requested by the City Council, this is a review of the Code provisions to determine whether any changes are needed. Over the last year the staff has made notes on sections that need further refinement or clarification. In addition, this past summer over 700 notices were sent to groups and individuals who have worked with our department over the last year or who participated in the initial adoption of the Code requesting their input. A display ad also appeared in the Sentinel requesting comments. We received feedback from only 12 individuals or groups, which were presented to the Planning Commission and City Council at a workshop on July 30, 2001.

Since April of 2000 there have been over 300 projects reviewed under the new Code. Major project types reviewed include:

Growth Plan Amendments	7
Site Plan Reviews	73
Conditional Use Permits	29
Subdivisions	46
Annexations	21

The majority of the proposed amendments are clerical corrections, formatting and clarifications. The report to the Planning Commission and City Council for the July 30th workshop listed 22 specific issues that were raised by those who commented on the Code. This update has incorporated those that Planning Commission and Council directed staff to change. All proposed changes to the text appear as “strike-outs” for deletions and “underlining” for additions in the Draft. There are some additional

changes that are proposed that do not appear in the Draft copy of the Code. Those include:

Growth Plan Amendment Review: Section 2.5.B.2 provides for concurrent review of Growth Plan Amendment requests as follows:

The applicant may propose that the amendment be considered concurrently with any development review process (e.g., a rezoning or subdivision), or that the plan amendment be treated separately.

With several projects that have gone through the review process, we have found it difficult to separate the issues of the Growth Plan Amendment from the specific project when there is concurrent review. The Growth Plan Amendment should be decided independent of the specific project being proposed. The following amendment to Section 2.5.B.2 is therefore proposed:

2. Concurrent Review. A Growth Plan Amendment request shall not be considered concurrently with any other development review process.

Recent Amendments: Three major amendments made to the Code since it's adoption were inadvertently left out of the Draft copy. Those include Ordinance No. 3331, Institutional and Civic Facility Master Plans, Ordinance No. 3303, Mixed Use Zone District and Ordinance No. 3305, 24 Road Corridor Design Standards and Guidelines. There was also a recent amendment establishing standards for transit shelters and benches, Ordinance No. 3385.

Future Code Amendments: There have been a few Code issues that have recently been discussed that are not a part of these revisions. One is notification for administratively approved items. Currently the Code does not require public notice for most administrative items, including Site Plan Review and Change of Use. Staff will be looking at this process separate from the Code update for future discussion. We also, recently, had the presentation on Personal Wireless Service Facilities. We have not had time to pursue some of the recommendations made by the consultant. This Draft includes only minor corrections and clarifications to the Telecommunication Facilities/Towers section. An additional clarification of the proposed change is to modify section 4.3.R.10.h. is to modify the last sentence to read, "This shall also include antennas that are co-located on an existing tower, for which co-location was approved through the Conditional Use Permit process".

The last issue is how to modify the zone districts so an applicant does not have to request a higher density zone district for a project at a lower density just to modify standards, such as setbacks. There have been a few recent rezonings to RMF-8 for projects at a density of 4 to 6 units per acre. The applicant typically requested the RMF-8 zoning because of the flexibility in lot size and setbacks it allows. Staff will be reviewing the standards in the zone districts to propose some options for modification.

Proposed Amendments: The other proposed amendments to the Code, excluding minor clerical corrections, are summarized on Attachment A. The more significant changes proposed are as follows:

- Clarifying the neighborhood meeting notice requirements (ch. 2, pg. 19)
- Revising the rehearing and appeal section so that a request for rehearing is not required to perfect an appeal and to clarify that any recommendation by the Planning Commission, whether approval or denial, will be forwarded to City Council to hear the request (ch. 2, pgs. 57 – 60).
- Deleting the surety bond as an option for infrastructure warranty (ch. 2, pg. 61).
- Adding a provision to allow the RMF-5 zoning to be considered to implement the Residential Medium Low Density (2 to 4 units per acre), provided the project density does not exceed the Growth Plan maximum density (ch. 3, pg. 12).
- Adding a provision to allow the RO district to be considered in areas designated as Residential, Medium density, 4 to 8 units per acre (ch. 3, pg. 17).
- Adding a provision to allow leeway on minimum density requirements on parcels that need to provide a transition between densities proposed and adjacent existing densities, as was requested by the Planning Commission and City Council at the July workshop (ch. 3, pg. 40).
- Including the requirements for screening of existing recycling, wrecking yards and impound lots in with the rest of the outdoor storage requirements and adding standards for new facilities (ch. 4, pgs. 9 – 10, and pg. 32).
- Correcting the length of time a vehicle can be parked on the street, found in chapter 6, from 48 hours to 72 hours to be consistent with section 4.1.F (ch. 6, pg. 7).
- Expanding the Downtown Parking Area to include the area west of 1st Street and adding a provision that the parking used to meet a requirement must be on the same side of 1st Street as the proposed development (ch. 6, pg. 32, and ch. 9).

STAFF RECOMMENDATION: Staff recommends adoption of the Draft Zoning and Development Code, dated September 18, 2001 with the following conditions:

1. The addition of Ordinances 3331 and 3303, 3305 and 3385
2. The modification of section 2.5.B.2 to read as follows:
Concurrent Review. A Growth Plan Amendment request shall not be considered concurrently with any other development review process.
3. The modification of section 4.3.R.10.h to read as follows:
Height. Amateur radio equipment, commercial antennas or equipment measured less than ten (10) feet tall from grade or ten (10) feet higher than the highest point of the roof may be approved by the Director. This shall also include antennas that are co-located on an existing tower for which co-location was approved through the Conditional Use Permit process.

PLANNING COMMISSION RECOMMENDATION:

At their November 20, 2001 hearing, the Planning Commission recommended approval with the following conditions:

1. The addition of Ordinances 3331, 3303, 3305 and 3385
2. The modification of section 2.5.B.2 to read as follows:
Concurrent Review. A Growth Plan Amendment request shall not be considered concurrently with any other development review process.
3. The modification of section 4.3.R.10.h to read as follows:
Height. Amateur radio equipment, commercial antennas or equipment measured less than ten (10) feet tall from grade or ten (10) feet higher than the highest point of the roof may be approved by the Director. This shall also include antennas that are co-located on an existing tower for which co-location was approved through the Conditional Use Permit process.
4. Inclusion of the revised section 4.3.D. titled *NewCar/Auto Recycler/End Recycler (Salvage Yard), Wrecking Yards, Appliance Recycler, Impound Lots*.
5. Amend Section 4.1.I.2.c.1 to read: "Storage and dismantling areas shall require screening along all street frontages and along the first fifty feet (50) of the side perimeter from the street. Sites may use opaque slats in existing chain link fences or vegetation to meet the screening requirement as long as the fence screening is at least six (6) feet in height. Any new fencing shall be a minimum of six (6) feet.
6. Refine the references in Tables 7.2.A and 7.2.B and ensure the definitions of "development area" and "hillside" are clear, wither within the body of the Code section or extracted and made a part of the Definitions section of the Code.

OTHER DISCUSSION ITEMS:

Since the Planning Commission hearing it was noticed that the section of the Code referencing the adopted Submittal Standards for Improvements and Development (SSID) was inadvertently left out of the revised Code. The SSID was adopted in 1995 as a section of the Zoning and Development Code, but as a separate document. Staff recommends adding the following section:

7. **STANDARDS FOR REQUIRED REPORTS, STUDIES AND SPECIAL PLANS**
The applicant shall submit to the Administrator those materials as listed in the SSID Manual.

Revisions to the SSID manual are not being proposed with this ordinance. An updated SSID will come forward to the Planning Commission and City Council in the future.

A review fee was not established for Growth Plan Amendment Requests initially because of the uncertainty of working with the plan and because most Growth Plan Amendment requests were in conjunction with some other request, such as a rezone, which does have a review fee. If Council approves the recommendation that Growth Plan Amendment requests be considered independent of any other request, staff

recommends adopting a review fee of \$330.00, which is consistent with the fee for a rezone request.

Request to add the medium-high land use classification to the list of categories the B-1 zone can be considered to implement

Larry Beckner, in a letter dated December 3, 2001, is requesting that section 3.4.B.1 be amended to read as follows:

1. **Purpose.** To provide small areas for office and professional services combined with limited retail uses, designed in scale with surrounding residential uses; a balance of residential and non-residential uses. B-1 implements the residential medium-high and high density and commercial future land use classifications of the Growth Plan.

Mr. Beckner cites the following revisions to the Growth Plan that were adopted in September of 1999 (Resolution 107-99):

- Policy 1.6: The City and County may permit the development of limited neighborhood service and retail uses within an area planned for residential land use categories.
- Policy 11.2: The city and County will limit commercial development into stable residential neighborhoods. In areas designated for residential development the City and County may consider inclusion of small-scale neighborhood commercial development that provides retail and service opportunities in a manner compatible with surrounding neighborhoods in terms of scale and impact.
- Action Item 5: Revise development regulations to permit neighborhood service and retail uses in residential areas subject to appropriate compatibility standards and size and spacing limitations.

Mr. Beckner presented this request to the Planning Commission at their November 20th hearing. The Planning Commission concurred with the staff recommendation that the proposed revision not be made until appropriate compatibility standards can also be considered.

ATTACHMENTS:

Ordinance adopting the Code

Resolution establishing a Growth Plan Amendment Review Fee

Revised Section 4.3.D—*New Car/Auto Recycler/End Recycler (Salvage Yard), Wrecking Yards, Appliance Recycler, Impound Lots*

Overview of Changes and Clarifications included in the Draft Code

City of Grand Junction Zoning and Development Code—Draft, September 18, 2001
(Council received a copy previously. If you need another copy, please let me know)

Letter from Larry Rasmussen

Letter from Larry Beckner

Resolution No. 107-99 Amending the Growth Plan of the City of Grand Junction

ORDINANCE NO.

ANNUAL UPDATE OF THE ZONING AND DEVELOPMENT CODE FOR THE CITY OF GRAND JUNCTION

RECITALS: The Grand Junction Zoning and Development Code was adopted on March 7, 2000, with an effective date of April 22, 2000. The Council requested that the staff do an annual update of the Code to determine whether any changes are needed. The proposed updated Code is a compilation of changes and refinements proposed by the public, staff, Planning Commission and City Council. Approval of this ordinance will replace the Zoning and Development Code adopted with ordinance no. 3240 with Draft Code dated September 18, 2001, including additional changes recommended as conditions by the Planning Commission at their November 20, 2001 hearing and changes recommended by the City Council.

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

The City's Zoning and Development Code, as presented and approved by the City Council at the December 19, 2001 hearing, is hereby adopted as Chapter 33 of the City Code and replaces the Code adopted with ordinance no. 3240. The City Council adopted the Draft dated September 18, 2001 with the following modifications:

1. The addition of Ordinances 3331, 3303, 3305 and 3385.
2. The modification of section 2.5.B.2 to read as follows:
Concurrent Review. A Growth Plan Amendment request shall not be considered concurrently with any other development review process.
3. The modification of section 4.3.R.10.h to read as follows:
Height. Amateur radio equipment, commercial antennas or equipment measured less than ten (10) feet tall from grade or ten (10) feet higher than the highest point of the roof may be approved by the Director. This shall also include antennas that are co-located on an existing tower for which co-location was approved through the Conditional Use Permit process.
4. Deletion of section 4.3.D. to allow for further review and discussion.
5. Deletion of section 4.1.I.2.c. to allow for further review and discussion.
6. Refine the references in Tables 7.2.A and 7.2.B and ensure the definitions of "development area" and "hillside" are clear, whether within the body of the Code section or extracted and made a part of the Definitions section of the Code.
7. Adding section 6.8 STANDARDS FOR REQUIRED REPORTS, STUDIES AND SPECIAL PLANS. The applicant shall submit to the Administrator those materials as listed in the SSID Manual.
8. Delete the final phrase in section 3.2.F.1. which reads: "...and may be considered to implement the *Residential Medium Low Density* provided the density does not exceed the Growth Plan maximum".

Due to the length of this Chapter 33, and because it is available in a readily used bound pamphlet form, the Clerk is authorized to publish the Code adopted with this Ordinance by pamphlet.

Introduced on first reading this 5th day of December, 2001.

Passed and adopted on second reading this 19th day of December , 2001.

President of the Council

Attest:

City Clerk

CITY OF GRAND JUNCTION

Resolution No.

AMENDING DEVELOPMENT APPLICATION FEE SCHEDULE

RECITALS:

A review fee was not established for Growth Plan Amendment Requests initially because of the uncertainty of working with the plan and because most Growth Plan Amendment requests were in conjunction with some other request, such as a rezone, which does have a review fee. Having approved a revision to the Zoning and Development Code that Growth Plan Amendment requests be considered independent of any other request, a review fee of \$330.00, which is consistent with the fee for a rezone request, is recommended.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION:

That the City of Grand Junction Fee Schedule be revised to add the following:

Growth Plan Amendment	\$330.00
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PASSED and ADOPTED this _____ day of _____, 2001.

ATTEST:

City Clerk

President of the Council

NEW CAR/AUTO RECYCLER, END RECYCLER (SALVAGE YARD), WRECKING YARDS, APPLIANCE RECYCLER, IMPOUND LOTS. For existing uses see section 4.1.1.2.c (This version includes Planning Commission's recommended changes.)

1. **Performance Standards.** New car/auto recycler, end recycler (salvage yard), wrecking yards, appliance recycler and impound lots shall be allowed to operate only with an approved conditional use permit and are subject to the following requirements. Salvage, dismantling, recycling or impound lot uses as accessory uses are permitted under the same status as the principal use and are subject to all requirements of the principal use in addition to the following requirements:
 - a. Recycling/wrecking/salvage yards and impound lots shall provide the screening and buffering required by Table 6.5 and provide a 6' high wall along the street frontage and along the first 50' of the side perimeter from the street. The wall shall be increased to 8' if the yard will contain any stored items in excess of 6'. The required wall shall meet the required front yard setback with landscaping in the setback area.
 - b. The wall shall be of solid, 100 percent opaque, construction of wood, masonry, chain-link with slats, or other material approved in writing by the Director (unless the screening and buffering required by Table 6.5 allows for only masonry or wood).
 - c. All outdoor yards or storage lots shall comply with the following:
 1. No yard or storage lot shall be placed or maintained within a required yard setback.
 2. Stored items shall not project above the screening except for integral units as defined in Chapter Nine of this Code; and stacking of no more than two vehicles on top of a wheel stand. Integral units shall include shelving up to twenty (20) feet in height for the purposed of storing recyclable materials. Integral units shall not be stored within the first twenty (20) feet of the property from any street frontage property line.
 3. All screening shall be installed in a professional and workmanlike manner, and maintained in good condition.
 - d. All compaction, cutting and/or other material volume reducing operations shall be conducted ~~within a completely enclosed structure designed~~ to minimize the noise generated by the operation.
 - e. Unusable items shall be disposed of and not be allowed to collect on the premises.
 - f. All tires not mounted on operational vehicles shall be neatly stacked or placed in racks. If stacked, the stacks shall not be over six (6) feet in height; if on racks, the top of any tire on any rack shall not be over ~~eight (8)~~ ten (10) feet in height.
 - g. No garbage or other putrescent waste, likely to attract vermin, shall be kept on the premises. Gasoline, oil, or other hazardous materials which are removed from scrapped vehicles or parts of vehicles kept on the premises

shall be disposed of in accordance with applicable federal, state and local regulations. All other regulations of the City such as, but not limited to, building codes, fire codes, weed regulations and health regulations shall apply to the operation of all such uses.

OVERVIEW OF CHANGES AND CLARIFICATIONS INCLUDED IN THE DRAFT ZONING AND DEVELOPMENT CODE UPDATE—THE LISTED CHANGES DO NOT INCLUDE THE CLERICAL AND CROSS-REFERENCE CHANGES PROPOSED

Chapter One

No changes proposed.

Chapter Two

- Table 2.1 (page 1, 2 and 3)—
 - Clarification of “Site Plan Review” to include Major and Minor
 - Changing the designation of the Acting Body for Concept Plan to Director as Review Body and Planning Commission as Decision-Maker as is described in section 2.7, with a clarifying footnote #8.
 - Adding the requirement for public notice (newspaper) for Historic Preservation designations. We have routinely been doing this notice.
 - Adding a footnote “6” to Growth Plan Map Amendments, Zoning Map Amendments and Zoning of Annexation to clarify that sign posting and mailed notice is not required for actions affecting large areas of the City. This makes the table consistent with sections 2.5.E.3, 2.6.C.2 and 2.14.F.
 - Adding a footnote “7” to make the Director the decision-maker for non-residential condominium preliminary plans for platting.
- Page 9, 10—Adding a minimum and maximum time period for a temporary use. This was in the prior Code and was inadvertently left out in the rewrite.
- Page 10—Changed criteria 3 for change of use to be consistent with non-conforming section.
- Page 14—Specifying that fence and sign permits are valid for 180 days, as is already indicated on the permit forms.
- Page 15—Changing the designation of floodplain administrator to the Director of Public Works and Utilities.
- Page 16—Changing criteria 2 for simple subdivisions to clarify that additional easements or right-of-way can be dedicated through the simple subdivision process.
- Page 18—Adding that the Director must approve date, time and location of required neighborhood meetings.
- Page 19—Adding requirements that notice of neighborhood meetings must be sent to the Community Development Dept., the content of the notice must be approved by the Director and the notice must be postmarked or hand-delivered at least 10 days prior to the meeting.
- Table 2.2—Pages 21 and 22
 - Deleting the requirement for mailed notice for Historic Preservation designation to make it consistent with Table 2.1.

- Deleting the requirement for mailed notice for Vested Rights to make it consistent with Table 2.1.
- Adding a footnote “5” that clarifies mailed notice and sign posting is not required for Growth Plan Map Amendments, rezonings or zones of annexation for large areas of the City. This footnote is consistent with Table 2.1 and other references in Chapter 2.
- Page 29—Clarification and consistency change for the requirement for notice of Growth Plan Map Amendments for large areas of the City.
- Page 34—Clarifies that construction drawings are required, not only for subdivisions, but also for site plans. Also states that a Development Improvements Agreement and guarantee is required to be submitted with the construction drawings, as has been the policy.
- Page 36—A proposed change to allow non-residential condominium plats to be reviewed and approved by the Director, rather than Planning Commission.
- Page 37—Clarifies that a vacation of a plat requires Council approval if it includes vacating easements and/or right-of-way.
- Page 44—Adds Simple Subdivision to the list of changes that can be considered as a minor amendment in a PD.
- Page 47—Clarification of the Vested Property Rights provisions.
- Page 57—Changing the provision for rehearing so an appeal can be perfected without a request for rehearing.
- Page 58 and 60—Clarifying that any recommendation by the Planning Commission will be forwarded onto City Council for their consideration unless the applicant withdraws the request. An appeal of a recommendation of denial is not necessary for the Council to hear the request.
- Page 61—Deleting the surety bond as an option for infrastructure warranty.

Chapter 3

- Page 10—Adding the performance standard that requires a conditional use permit for attached units on lots originally zoned and platted for detached units, which is consistent with the RSF-4, RMF-5 and RMF-8 zone districts.
- Page 11—Delete redundant reference to urban services and centralized water and wastewater.
- Page 11—Add a provision for duplex design that only allows the units to face locals streets or a local and residential collector street and a requirement that driveway locations must meet TEDS.
- Page 12—Add that the RMF-5 zoning may be considered to implement the Residential Medium Low Density (2 to 4 units per acre), provided the project density does not exceed the Growth Plan Maximum.
- Pages 12 – 17—Clarify that the minimum square footage required for additional units, as listed under “Intensity/Density”, is for additional units on one lot. Otherwise, minimum lot size established for the zone applies.

- Pages 15 and 16—Correcting the performance standard for calculating density in the RMF-16 and RMF-24 zone districts so adjoining right-of-way is not used in the calculation. The discussion at the time the Code was adopted was to only allow the use of right-of-way in density calculation for the RMF-8 and RMF-12 zone districts.
- Page 17—A proposed change to allow the RO district to be considered in areas designated as Residential, Medium density (4 to 8 units per acre). Clarifying minimum lot size provisions for units on the same lot. Adding a provision that minimum density does not applied to mixed-use properties.
- Page 20, 24, 25—Clarifying that a subdivided continuous commercial center includes pad sites or other shared facilities.
- Page 30—Correcting the land use categories that CSR implements to include “Institutional” (rather than “industrial”) and “Conservation”.
- Table 3.5 Use/Zone Matrix
 - Add a line item for Residential Subunits/Accessory units, which are also covered in section 4.1.6.
 - Correcting the Specific Use Type of “Manufactured Building Sales and Service” so it is not allowed in the C-1 zone district. Other outdoor sales in the C-1 district are not allowed, or require a Conditional Use Permit.
 - Adding a line item for “Produce Stands” which was inadvertently left out of the Code.
 - Modifying the Specific Use Type “Tire Recapping and Storage” to an allowed use in the C-2 zone and I-1 zone, as it was in the previous Code.
 - Adding a footnote to clarify the review process and requirements for “Produce Stands”.
 - Adding a footnote to indicate that lots originally platted and zoned for detached dwellings requires a Conditional Use Permit for attached units.
- Page 40—Adding a provision to allow leeway on minimum density requirements on parcels that need to provide a transition between densities proposed and adjacent existing densities.
- Pages 48 and 49—Clarifying that non-structural uses include display, storage and operations.

Chapter 4

- Page 5—Modification to Table 4.1 to allow “Music, art, craft or similar lessons” as a home occupation with 6 or fewer clients per day in the RMF-12, RMF-16, RMF-24 zone districts, and 6 to 12 clients in the RMF-24 zone district.
- Pages 9 and 10—Non-Residential Outdoor Storage revised to include provisions for recycling, wrecking yards and impound lots.

- Page 12—Deleting a duplicative provision (item e.) and adding a requirement that display lots be paved, except for display areas for large items. Paving has been required consistently for display lots.
- Page 13—Expanding the provision that allows the Director to approve an increase in fence height for fences on retaining walls to include all fences, with or without a retaining wall. This is a change based on direction given by the Planning Commission after they had to wrestle with several requests for Conditional Use Permits for over-height fences.
- Page 14—Adding a provision to allow pillars or support structures for fences to exceed the maximum fence height by one foot at eight foot intervals.
- Page 15—A proposed provision to allow electronic changeable copy signs that do not change the message or copy more than once every 24 hour period. Currently, the Code does not have provisions for electronic change-panel signs, except time and temperature.
- Pages 16 and 17—Clarifying that one temporary sign per street frontage is allowed.
- Page 18—Adding a provision that the total surface area of three-dimensional signs shall be calculated into the sign allowance. An example of a three-dimensional sign is the chili pepper that is on top of the Chili's entrance roof.
- Page 21—Clarifying that the sign allowance in the RO zone district is per street frontage and adding a maximum height for the monument signs not to exceed 8 feet, which is consistent with the requirements in the residential zone districts.
- Page 21—Adding a provision to identify the sign allowance in the CSR zone district, since it is applied in both commercial and residential areas. The added provision limits the signage allowed to that which is allowed in the surrounding zone districts.
- Page 21—Changing the maximum size for real estate signs in the non-residential zone districts from 16 s.f. to 20 s.f., as was requested by some of the commercial realtors.
- Page 21—Correcting the section specifying location and size of signs allowed in the non-residential zone districts to show the correct references and indicate the total allowance for a site is based on the greater of the two calculations. This was inadvertently left out of the new Code.
- Page 22—Correcting the flush wall sign allowance to allow the calculation to be based on the longer façade of buildings that are oriented perpendicular to the street. This provision was inadvertently deleted in the new Code.

- Page 24—Modifying the sight-distance requirements for signage on corners to refer to TEDS and correcting section F to state that all free-standing signs require a building permit.
- Page 27—Adding the provisions for “Racing Pigeons” that were approved as an Administrative Regulation last year.
- Page 32—Adding provisions for New Recycling/Wrecking Yards and Heavy Equipment and Industrial Storage Lots as originally proposed in last year’s Code.
- Page 50—Clarification of what is considered the front parking area in determining the location of parking provided for Big Box development.
- Page 51—Adding a requirement that outdoor display and storage shall not encroach on any portion of a walkway, drive aisle or required parking spaces. This has been a Code Enforcement issue for some of the existing big box development.
- Page 54—Adding a provision that all buildings and enclosures in a Big Box development shall be designed to be compatible with the primary structure. This has been required through the Conditional Use Permit process for Big Box development.
- Page 59—Clarification of Group Home Use to include eight residents in the “small group living facility” category. Clarifying that a change in type of group home must be reviewed as a new group home.
- Page 68—Correcting the section dealing with setback requirements of telecommunication facilities and towers to differentiate between residential and non-residential properties.
- Page 69—Adding a provision that allows the Director to approve any antennae that is less than 10’ in height.

Chapter 5

- Page 3—Deleting the reference to private streets and referring to TEDS that has the provisions.

Chapter 6

- Page 6—Deleting the reference to Level of Service and referring to TEDS.

- Page 7—Correcting the length of time a vehicle can be parked on the street from 48 hours to 72 hours.
- Page 9—Clarifying that, upon recommendation by the Director, the Acting Body will decide whether to accept the 10% parkland dedication or fee in lieu.
- Page 10—Clarifying that multi-family development is subject to the open space requirement of Section 5.3.B.7 rather than the 10% land dedication.
- Page 28—Correction to Note #2 to indicate when screening and buffering is required in the B-2 zone district.
- Page 31—Clarifying that parking is not allowed in the parkway strips between the sidewalk and curb. This is occasionally an issue in neighborhood.
- Page 32—Adding a provision to the Downtown Parking Area to require that off-site parking used to meet a requirement in the downtown area must be on the same side of 1st Street as the proposed development. This was one of the recommended Code changes presented at the workshop. The definition of Downtown Area has been modified to include the area west of 1st Street.
- Page 40—Addition of a provision to indicate how minimum lot area is calculated for townhome development.
- Page 42—Correction to RSF-2 lot sizes in Table 6.7.

Chapter 7

- Page 10—Correction to title of Table 7.2.A, adding “Single Family” to make it clear that the standards apply to all residential development.

Chapter 8

- Page 3—Correcting the enforcement action procedure to match what past policy and practice has been.

Chapter 9

- A number of corrections, clarifications and additions are proposed in “Terms Defined”.

November 19, 2001

Ms. Kathy Portner
City of Grand Junction
Community Development Department
250 North 5th Street
Grand Junction, CO 81501

Dear Ms. Portner:

We have reviewed the Overview of Changes and Clarifications proposed for the Zoning and Development Code Update and offer the following comments.

There are several good changes proposed such as those delineated below:

- Chapter 2 – page 54, Perfecting an Appeal.
- Chapter 2 – pages 58 and 60, Clarifying Planning Commission recommendations.
- Chapter 3 – page 12, RMF-5 may be considered to implement the Residential Medium Low Density.
- Chapter 3 – pages 15 and 16, clarifying the performance standards for calculating density in the RMF-16 and RMF-24 zone districts.
- Chapter 4 – page 13, allowing the Director to approve an increase in fence height.

For the most part we are also in agreement to the areas that only provide for clarification.

We are sure that it does not come as a surprise that there are some issues that we covered in our July 13, 2000 Position Paper (copy attached for your ready reference) that still need to have further review and consideration. They are outlined below:

- 1) **Section 2.3B.4, Neighborhood Meetings.** It is our belief that the meeting date, time location and the notice having to be approved by the Director is overly restrictive and micro-managing. The existing language should be left.
- 2) **Section 4.3.M, page 45, Superstore/Big Box Development/Shopping Center.** Standards should be reviewed if the regulations are implemented in a Shopping Center Development over 50,000 sq. ft.
- 3) **Section 6.3, page 9, Public and Private Parks.** This Section needs to have a careful look particularly as a result of the recently passed and signed Impact Fee Bill. Also there should be credit given in open space calculations for compliance with the Trails Plan.

- 4) **Section 4.2, page 14, Sign Regulation.** The changes proposed have not been previously discussed and should be presented to the Sign Community and those industries and businesses that will be affected.
- 5) **Section 7.2.G, Page 9, Hillside Development and Section 7.2.H, page 13, Ridgeline Development.** These are causing some confusion in interpretation in the development community and should be further addressed.

We are looking forward to an opportunity to further discuss these areas:

Thank you.
HBA – MCAR – WCCA – ABC



By: Larry J. Rasmussen

Cc: Grand Junction Planning Committee

July 13, 2001

Ms. Kathy Portner
City of Grand Junction Community Development Department
250 North 5th Street
Grand Junction, CO 81501

RE: Position Paper concerning 1 year review of City of Grand Junction Zoning and Land Development Code

Dear Ms. Portner:

A lot of water has gone under the bridge since the Grand Junction City Council adopted the new City of Grand Junction *Zoning and Land Development Code (Code)*, dated March 7, 2000. By and large our efforts paid off and we are operating under an improved *Code*. We would estimate that from 70 to 80% of the *Code* is working well, but nobody should be surprised that there are some areas that need to be dealt with, some procedural and some substantial issues need to be addressed or readdressed.

This Position Paper represents the consensus of the Grand Junction Area Chamber of Commerce, Home Builders Association of NW Colorado, Mesa County Association of Realtors, Western Colorado Association of Contractors, Associated Builders and Contractors of Western Colorado and the National Association of Women in Construction as evidenced by the signatures below. We have attempted to address all of our concerns and problems with various sections of the *Code*, and in addition to this paper, we are prepared to site specific examples where the *Code* is just not working, causing unnecessary time delays and unnecessary financial requirements.

We are looking forward to an opportunity to further discuss these issues with the Planning Staff, Planning Commission and City Council in the near future.

Specific issues to be addressed in an abbreviated form in position paper are:

- 1) Pre-Application Conference and Miscellaneous Procedures;
- 2) Superstore/Big Box Development/Shopping Center;
- 3) Public and Private Parks and Open Spaces;
- 4) Landscaping and Buffering;
- 5) Zoning -- Minimum Density Requirements and RMF Zones Bulk Requirements;
- 6) Subdivision Standards;
- 7) SSID's and TED's Manuals have not been adopted;
- 8) TCP Payment; and,
- 9) Administrative Regulations.

- 1) **Section 2.3B.2, page 15, Pre-Application Conference.** After recommendations made from the Urban Land Institute (ULI) review of the development process in Grand Junction, an excellent cross section of our community reviewed this procedure for several months with one of the primary goals to eliminate the need of staff to continue to require additional requirements before the "due process" commenced. Section 2.3.B states "*At any time during the processing of any application, the Director may require additional information to respond to issues or concerns that may not have been evident at the Pre-Application conference.*" It is our position that the process envisioned by the "Pre-App Committee" is not adhered to (example, recent Target Application). We should make sure the *Code* language and staff's review follows the Committee's recommendations.

Section 2.3.B.5.d, page 18, Applicant's Response. As previously indicated during the initial review, the response time to review comments is too short and ultimately causes delays in the scheduling of public hearings. Typically, 2nd round of review comments are generated, which causes further delays.

Section 2.8.B.2, page 30, Preliminary Plat. This section is one of many under "Review Criteria" which seems redundant. In reviewing the criteria of subsection b, c, d and e, each one of these subsections is repeated in the referenced subsection. This makes review of an application by the applicant much more difficult. Simplicity should be the goal.

Another item of concern deals with the amount of information required now at the preliminary plat stage, due to the final plat stage being administrative. The need for Geotechnical Investigations with core drillings, and other more technical reports before a final design has been approved by the Planning Commission is very costly and may not be applicable if the subdivision design is required to be modified.

- 2) **Section 4.3.M, page 45, Superstore/Big Box Development/Shopping Center.** Under date of June 21 Greg Schafer of Bray and Company sent to Kathy Portner an E-mail outlining some of the ways this section is not working. We support Greg's comments. Also the minimum size should be increased from 50,000 square feet and the Design Standards should be reviewed if the regulations are to be implemented in total development over 50,000 square feet.
- 3) **Section 6.3, page 9- Public and Private Parks.** During the prior review of the *Code*, we were under the assumption that the \$225.00 per lot Open Space fee would not continue to be collected with the implementation of the new *Code* requirement of either the dedication of open space or a payment of 10% of the appraised value of the subject property in lieu of dedication of land. We continue to believe that either one or the other type of fee should be charged, not both. This double dipping is inequitable. We also still have concerns on the timing of the payment of Open Space Fee. We believe that the impact to the park system comes with the building of homes. We believe that all of the fee should not be required to be paid at the time of platting, possibly a percentage at platting and the additional at the time of application for building permit.

- 4) **Exhibit 6.5.A, page 25, Landscaping Requirements.** This exhibit needs to be completely revised. The term "Improved Area" must be revised especially when it comes to including storage or display areas. Under the strict interpretation of this section a 16-acre site zoned I-1, with outdoor storage would be required to provide 279 trees and over 2,300 shrubs under the requirement of 1 tree per 2,500 square feet of improved area, and 1 shrub per 300 square feet of improved area. Doing the math (1 tree has a 40 square foot crown and 1 shrub has a 16 square foot crown), approximately 11-acres of the 16-acre site would be covered in landscaping. This seems excessive to the undersigned groups.

- 5) **Chapter 3, page 1 through 50, Zoning.** Minimum density requirements is an interesting concept in attempting to implement the *Growth Plan*. The problem encountered numerous times during the last year is one of compatibility, especially when developing "infill" projects. This is especially true when adjacent platted lot sizes are much larger than what is now required by the *Code* or the *Growth Plan*. Although a 20% reduction of the minimum density is allowed by the *Code*, more flexibility is still needed.

Table 3.2, page 2, Zoning Districts Dimensional Standards. A review of the RMF-8 through RMF-24 bulk standards should occur. As stated in this table, it is almost impossible to build the maximum density allowed using the zone's bulk standards and the parking, buffering, and landscaping standards in the *Code*. This is also occurring in the non-residential zones as well (See Exhibit 6.5.A Comment).

- 6) **Subdivision Standards.** The subdivision standards for the most part are acceptable to the development community. An area of concern is the inconsistent width requirement of sidewalks and pedestrian trails. The City standards on sidewalks and trails are shown in cross-section maps. On-road attached sidewalks are shown at 5½ feet in width, but some city staff have required up to 8-feet in width on some subdivisions. Trails are shown with an 8 foot width, but most of the recent requests from staff are for 10 foot wide trails. Once again, approved standards should be enforced.

- 7) **SSID's and TED's Manuals have not been adopted.** Updated versions of these two manuals have not been adopted noting the changes made in the new *Code*. Without these documents being completed and implemented, the purpose of the ULI recommendations and the "Pre-App Committee" of determining the required application material needed by the City staff to accurately inform a potential applicant is incomplete.

Although a draft TEDS Manual has been under review, but not adopted, the staff at many Pre-App meetings are requiring the use of the draft TEDS Manual in the design of a subdivision or Site Plan. What occurs if this draft is not adopted or the draft is revised? Will the application be required to be changed to meet the new draft? Only the adopted version of the TEDS Manual should be required to be used.

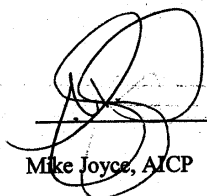
At several Pre-application or General Meetings attended by member of the undersigned groups, the existing SSIDS Manual requirement sheets have been tailored for individual projects. This causes many inconsistencies in the submittal or procedural requirements, and enhances the chances of delays or additional requirements being added at a later date.

- 8) **TCP Payment.** The TCP fee needs to be reviewed in light of the shift of the Public Works Department requiring road improvements to be installed in lieu of escrow or payment of the TCP.
- 9) **Administrative Regulations.** There have been questions throughout the development community of "What exactly are Administrative Regulations?" It seems several of these Administrative Regulations have been proposed and implemented by the Public Works Department on lot grading, fire flow, etc.. How are these regulations authorized to become part of the *Code*, TEDS, SSIDs or other manuals, policies, plans, etc.? Are they adopted by the City Council?

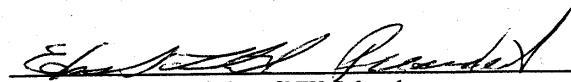
Thank you again for the opportunity to make comments on the 1 year review of the *Code*. Overall our groups feel that a majority of the new *Code* is an improvement over the previous *Code*. We look forward to discussing the "problem" areas with the staff, Planning Commission and City Council in workshops in the near future. If you would like additional information or have questions or comments, please feel free to call either Larry Rasmussen at 434-1569, or Mike Joyce at 255-1131. Once again, thank you for considering our concerns.

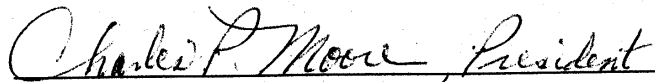
Sincerely,


Larry Rasmussen


Mike Joyce, AICP

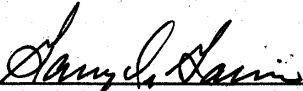

Grand Junction Area Chamber of Commerce


Home Builders Association of NW Colorado

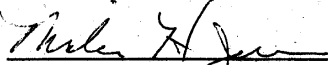

Charles P. Moore, President
Mesa County Association of Realtors

Ms. Kathy Portner
Position Paper on 1 year review of Zoning and Development Code
July 13, 2001

5


Western Colorado Association of Contractors


Associated Builders and Contractors of Western Colorado


National Association of Women in Construction

cc: Grand Junction Area Chamber of Commerce
Home Builders Association of NW Colorado
Mesa County Association of Realtors
Western Colorado Association of Contractors
Associated Builders and Contractors of Western Colorado
National Association of Women in Construction

**BECKNER, ACHZIGER, McINNIS
& RAAUM, LLC**

Attorneys at Law

Larry B. Beckner
John A. Achziger
Bruce R. Raaum

Caré McInnis Raaum
(of counsel)

Suite 850, Alpine Bank Building
225 North Fifth Street
P.O. Box 220
Grand Junction, Colorado 81502
Telephone: (970) 245-4300
Telefax: (970) 243-4358

December 3, 2001

Members of the Grand Junction City Council
250 North 5th Street
Grand Junction, CO 81501

HAND DELIVER
DEVELOPMENT DEPARTMENT

Re: Proposed Amendment to Zoning & Development Code

Dear Members of the Council:

This office represents the Bank of Grand Junction. On behalf of the Bank, a request is hereby made for a language change in paragraph 1 of Section 3.4(B) of the City of Grand Junction Zoning and Development Code (referred to as the B-1 Zone) by the addition of the words "*medium-high density*" after the word "residential". Based on this request, the new language would read:

1. **Purpose.** To provide small areas for office and professional services combined with limited retail uses, designed in scale with surrounding residential uses; a balance of residential and non-residential uses. B-1 implements the residential *medium-high and* high density and commercial future land use classifications of the GROWTH PLAN.

This amended language change would implement TEXT AMENDMENT (c) of Resolution No. 107-99 of the City of Grand Junction which amended certain portions of the text of the GROWTH PLAN. A copy of this Resolution is attached to this letter. The changes to Policy 1.6 and Policy 11.2 have been made to the Text of the GROWTH PLAN and the Planning Staff is actively using the updated policy language. However, the appropriate changes to the development regulations, as required by text amendment (c), have not been made.

Revised Policy 1.6 specifically permits the development of limited neighborhood service and retail uses within an area planned for *residential land use categories*. Revised Policy 11.2 specifically contemplates the inclusion of small scale neighborhood commercial development in *areas designated for residential development*. Revised Action Item #5 directs a change in the development regulations to permit neighborhood service and retail uses in *residential areas*.

The Text Amendment clearly contemplates allowing neighborhood commercial development in multiple residential land use categories. The current language for a B-1 Zone includes only the residential high density category and not multiple residential categories.

Therefore, the addition of the *medium-high residential* category to the B-1 Zone would implement the policy of the Text Amendment.

I appeared before the Planning Commission on Tuesday, November 20, and presented this request to the Commission. At the hearing, the Planning Staff acknowledged that this requested modification to the B-1 language was appropriate but the Staff requested additional time to prepare "appropriate compatibility standards" as a part of the language change. The Planning Commission determined that the Resolution did not contain a specific time limit for changing the language in the Development Code and recommended giving Staff additional time to prepare the appropriate compatibility standards before recommending to Council that the B-1 language be amended.

The Bank believes that the language of the 1999 Resolution does not require the development of *additional* compatibility standards. The Resolution was adopted in 1999 and the Development Code was adopted in 2000. The appropriate compatibility standards are already in the language of the Development Code. The only error was not including more than one residential category in the B-1 Zone. It is interesting to note that all zones which permit residential uses have multiple residential categories except for the B-1 and for the RMF-5 zone. The Staff is recommending a change to the RMF-5 zone to include an additional category. I am requesting that a similar change be made to the B-1 zone by the addition of the medium-high residential category. The Bank requests the amendment to the B-1 Zone language without any further delay for three reasons:

1. Appropriate compatibility standards and size and spacing limitations are already a part of the Development Code. In the B-1 Zone, there are specific standards which include size and space limitations. By reference, Table 3.5 establishes authorized uses in a B-1 Zone. The intensity and density of development and street design standards are clearly defined for a B-1 Zone. In addition, the B-1 Zone includes Performance Standards which place restrictions on location, parking, hours of business, location of service entrances and outdoor storage and displays. Finally, the B-1 Zone requires the office, professional services and limited retail uses to be **designed in scale with surrounding residential uses**. Within these defined standards, the Staff has considerable authority to require a Planned Development with additional requirements including limitation of height, square footage and visual compatibility (such as color and design) with surrounding residential areas (similar to the type of restrictions and requirements Staff is imposing on the development of the 12th Street Medical Plaza, which is also in a B-1 Zone).
2. The Planning Staff has recommended to the Council two changes to the Development Code: (i) an amendment to Chapter 3, page 12, adding a provision

to allow the RMF-5 zoning to be considered to implement the Residential Medium Low Density category (provided the project density does not exceed the Growth Plan maximum density), and (ii) an amendment to Chapter 3, page 17, adding a provision to allow the RO district to be considered in areas designated as Residential Medium Density.

Note that in both of these proposed amendments, one additional Residential Category is being added to both the RMF-5 zone and the RO zone. These categories are being added without the development of additional compatibility standards. A similar change should be made to the B-1 Zone by adding the *medium-high residential density* category.

3. Over two years have elapsed since the Resolution was adopted in September of 1999. Revised Policies 1.6 and 11.2 were implemented almost immediately by making the appropriate language change to the GROWTH PLAN Text. The policies have been adopted and used by Staff for about two years. However, the Policy change does little until the Policies are implemented through proper modifications to the development regulations. It is past time to implement the language of the Resolution and make the appropriate language change to the B-1 Zone of the Development Code.

I am also attaching to this letter a copy of the GROWTH PLAN TEXT AMENDMENTS to Chapter 5 of the Mesa Countywide Land Use Plan as adopted by the Mesa County Commissioners in 1999. Of particular interest is the introductory paragraph which reads:

1. The Plan encourages neighborhood service and retail uses in residential neighborhoods. Instead of revising the Future Land Use Map to designate specific areas for these uses ahead of time, or revising the map to reflect approved neighborhood business uses, requests for neighborhood business sites shall be considered as consistency reviews.

This language is very instructive. It clearly encourages neighborhood service and retail uses in *all* residential neighborhoods and it directs that consistency reviews should be used and not Plan amendments. The only way this language can be implemented in a B-1 Zone is to include at least one additional residential category.

Your consideration of this request is greatly appreciated.

Sincerely,



Larry B. Beckner

LBB:lb

cc: Robert Johnson
Rob Katzenson
Dan Wilson

B. B-1: Neighborhood Business

1. **Purpose.** To provide small areas for office and professional services combined with limited retail uses, designed in scale with surrounding residential uses; a balance of residential and non-residential uses. B-1 implements the residential high density and *commercial* future land use classifications of the GROWTH PLAN.

B-1 Summary	
Primary Uses	Offices, Retail, Services
Max. Intensity	0.5 FAR, 16 units/acre
Max. Bldg. Size	30,000 sq. ft. for office 15,000 sq. ft. for retail
Min. Density	8 units/acre

2. **Authorized Uses.** Table 3.5 lists the authorized uses in the B-1 District.
3. **Intensity/Density.** Subject to the density bonus provisions of this Code and other development standards in this Code, the following intensity and density provisions shall apply:
 - a. Minimum lot size shall be 10,000 square feet, except where a continuous commercial center is subdivided;
 - b. Non-residential intensity shall not exceed a floor area ratio (FAR) of 0.5;
 - c. Unless a CUP is approved the maximum building size shall not exceed 30,000 square feet for office or any mixed uses, and 15,000 square feet for retail;
 - d. Maximum gross density shall not exceed 16 dwellings per acre, excluding retail and office; and,
 - e. Minimum net density shall not be less than eight dwellings per acre if the only uses are residential.
4. **Street Design.** Effective and efficient street design and access shall be considerations in the determination of project/district intensity.
5. **Performance Standards.**
 - a. **Location.** B-1 Zones are to be limited to the intersection of any arterial or collector street with another collector or arterial street; however, existing retail and office uses which form an existing center as of the effective date of this Code are allowed as B-1.
 - b. **Parking.** Business uses shall be designed and operated so as not to increase on-street parking in front of neighborhood dwellings. On-site parking shall be provided.
 - c. **Hours of Business.** No use in this district shall open or accept deliveries earlier than 5:00 a.m. nor close later than 11:00 p.m. "Close" includes no customers on-site, no deliveries and no illumination of signs.
 - d. **Service Entrances.** Business service entrances, service yards and loading areas shall be located only in the rear or side yard.

- e. **Mixed Use.** Any mix of residential and non-residential uses on one lot or parcel shall be located in the same structure. *Penal*
- f. **Outdoor Storage and Display.** Outdoor storage and permanent displays are prohibited. Portable display of retail merchandise may be permitted as elsewhere provided in this Code.
- g. **Rezone Application.** For the purpose of a rezone application to a B-1 district, the Planning Commission should consider the distance from other commercial and business zoning. New B-1 districts should be located at least eight-tenths (8/10th) of a mile from another business or commercial zone district.

A. TEXT AMENDMENTS to Chapter 5 of the Mesa Countywide Land Use Plan (Area Plan): (*Revisions in italics*)

1. **The Plan encourages neighborhood service and retail uses in residential neighborhoods.** Instead of revising the Future Land Use Map to designate specific areas for these uses ahead of time, or revising the map to reflect approved neighborhood business uses, requests for neighborhood business sites shall be considered as consistency reviews.

- a. *Revise Policy 1.6 to read:*

The City and County may permit the development of limited neighborhood service and retail uses within an area planned for residential land use categories.

- b. *Revise Policy 11.2 to read:*

The City and County will limit commercial development into stable residential neighborhoods. In areas designated for residential development, the City and County may consider inclusion of small scale neighborhood commercial development that provides retail and service opportunities in a manner compatible with surrounding neighborhoods in terms of scale and impact.

- c. *Revise Action Item #5 to read:*

Revise development regulations to permit neighborhood service and retail uses in residential areas subject to appropriate compatibility standards and size and spacing limitations.

2. **The 1998 Persigo Agreement recognizes the need for the Urban Growth Boundary (UGB) to coincide with the Persigo Wastewater Treatment Plant 201 Service Area and the Clifton Sanitation Districts #1 and #2 service area.** To keep the Urban Growth Boundary consistent with the sewer service area boundaries the Urban Growth Boundary is defined as follows:

Urban Growth Boundary: That area included in the Persigo Wastewater Treatment Plant 201 Service Area as amended and the Clifton Sanitation Districts #1 and #2 service areas as amended.

Add a note on the map that the Urban Growth Boundary (UGB) coincides with that area included in the Persigo Wastewater Treatment Plant 201 Service Area as amended and the Clifton Sanitation Districts #1 and #2 service areas as amended and to reference the latest amendments to those service areas for the current UGB.

3. **There are discrepancies in the text of the Plan and on the Map as to densities of land use categories.** The Residential Medium Low density and higher are indicated as dwelling units per acre. The lower density land use categories are indicated in acres on the map and minimum lot size on Exhibit V.2. Zoning regulations should determine the minimum lot sizes not the Plan.

Revise section D. "Future Land Use Classes," Exhibit V.2, and the Future Land Use Map legend to reference land use intensities in terms of gross densities (number of units per acre) and NOT minimum lot sizes.

Plan (the Joint Urban Area Plan) to bring the map into conformance with the general intent of the plans and the plans' goals and policies and current zoning in some instances:

1. **Overlay the Future Land Use Maps with the North Central Valley Plan and Orchard Mesa Plan** and label "See North Central Valley Plan" and "See Orchard Mesa Plan."
2. **Redesignate the Desert Hills Road area on the Redlands north and east of South Broadway near Riggs** from Conservation to Rural (5 to 35 acre densities).
3. **Redesignate the Rosevale area along the Colorado River at Hidden Lake** (southeast of Highway 340 and the Colorado River) from "Residential Medium" (4 to 8 units per acre) to "Residential Medium-Low" (2 to 4 units per acre) to be consistent with the rest of the Rosevale neighborhood.
4. **Redesignate properties along 21 1/2 Road area between H and H 1/2 Roads** - north of the Urban Growth Boundary - from "Rural" (5 to 35 acre densities) to change to Commercial/Industrial to reflect current land use and zoning. The two properties at the northwest and northeast corners of H and 21 1/2 Roads remains a designation of "Rural."
5. **Redesignate the Fruitvale/Pear Park Area** -generally between 29 and 32 Road south of the railroad tracks and north of D Road from Residential Low (0.5 to 2 units per acre or 0.5 to 2 acre densities) and "Residential Medium-Low" (2 to 4 units per acre) to Residential medium (4 to 8 units per acre) to reflect reflect current land use and zoning.

ADOPTION OF AMENDMENTS TO THE MESA COUNTYWIDE LAND USE PLAN
AN ELEMENT OF THE MESA COUNTY MASTER PLAN
AND
CERTIFICATION OF THE AMENDED MESA COUNTYWIDE LAND USE PLAN
TO THE BOARD OF MESA COUNTY COMMISSIONERS

WHEREAS, the Mesa County Planning Commission is charged with the duty to prepare, adopt and adopt amendments to master plans for the County;

WHEREAS, the Joint Urban Area Plan (*Plan*) amendment process is spelled out in an *Agreement between Mesa County and the City of Grand Junction Providing for an Interim Joint Plan Consistency Review and Plan Amendment Process for the Joint Urban Area Plan* approved in the Spring of 1999 and includes the following:

- "Keeping in mind the broad legislative and other authorities of the parties to consider all relevant factors, the decision whether or not to amend the *Plan* shall consider, at a minimum, if:
- a. There was an error in the original *Plan* such that then existing facts, projects, or trends (that were reasonably foreseeable) were not accounted for;
 - b. Events subsequent to the adoption of the *Plan* have invalidated the original premises and findings;
 - c. The character and/or condition of the area has changed enough that the amendment is acceptable;
 - d. The change is consistent with the goals and policies of the *Plan*, including applicable special-area, neighborhood and corridor plans;
 - e. Public and community facilities are adequate to serve the type and scope of land use proposed;
 - f. An inadequate supply of suitably designated land is available in the community, as defined by the presiding body, to accommodate the proposed land use; and
 - g. The community or area, as defined by the presiding body, will derive benefits from the proposed amendment."

WHEREAS, after using the *Plan* for over two years, the staff and Planning Commissions have discovered several areas on the Future Land Use Map and the text which have been problematic and meet the criteria in the *Agreement between Mesa County and the City of Grand Junction Providing for an Interim Joint Plan Consistency Review and Plan Amendment Process for the Joint Urban Area Plan*;

WHEREAS, after proper notice, the Mesa County Planning Commission and the Grand Junction Planning Commission held a joint public hearing and heard public testimony on proposed amendments to the *Mesa Countywide Land Use Plan* in a on 29 July 1999;

- NOW THEREFORE, BE IT RESOLVED BY THE MESA COUNTY PLANNING COMMISSION, that:
1. Amendments to the *Mesa Countywide Land Use Plan* are hereby adopted as a part of the Mesa County Master Plan in accordance with Section 30-28-108 of the Colorado Revised Statutes (Exhibit A); and,
 2. the Mesa County Planning Commission hereby certifies the amendments to the *Mesa Countywide Land Use Plan* to the Board of Mesa County Commissioners and its municipalities pursuant to Section 30-28-109 of the Colorado Revised Statutes.

PASSED AND ADOPTED this 29th day of July 1999.

Thomas Benton . Chairman

ATTEST: _____

CITY OF GRAND JUNCTION, COLORADO

Resolution No. 107-99

AMENDING THE GROWTH PLAN OF THE CITY OF GRAND JUNCTION

Recitals:

After using the Growth Plan for over two years the staff has discovered several areas on the Future Land Use Map and the text which have been problematic. Staff has recommended the following changes to the map and the text.

The Grand Junction Planning Commission met jointly with the Mesa County Planning Commission, in accordance with the "Joint Plan Consistency Review and Plan Amendment Process for the Joint Urban Area Plan", and approved the amendments. The City Council finds that the amendments meet the criteria established for Plan amendments.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION THAT THE GRAND JUNCTION GROWTH PLAN IS AMENDED IN THE FOLLOWING WAYS:

FUTURE LAND USE MAP AMENDMENTS:

1. Overlay the North Central Valley Plan and Orchard Mesa Plan
2. Redesignate the Rosevale area along the Colorado River at Hidden Lake to Residential Medium-Low (2 to 4 units per acre).
3. Redesignate the Fruitvale/Pear Park area, generally bounded by 29 Road, 32 Road, the Southern Pacific Railroad and D Road, from Residential Low (.5 to 2 units/acre) and Residential Medium-Low (2 to 4 units/acre) to Residential Medium (4 to 8 units/acre).

NOTE: See attached maps.

TEXT AMENDMENTS:

- a. Revise Policy 1.6 to read:

The City and County may permit the development of limited neighborhood service and retail uses within an area planned for residential land use categories.

- b. Revise Policy 11.2 to read:

The City and County will limit commercial development into stable residential neighborhoods. In areas designated for residential development the City and County may consider inclusion of small scale neighborhood commercial development that provides retail and service opportunities in a manner compatible with surrounding neighborhoods in terms of scale and impact.

c. Revise Action Item #5 to read:

Revise development regulations to permit neighborhood service and retail uses in residential areas subject to appropriate compatibility standards and size and spacing limitations.

Include a definition of the Urban Growth Boundary as follows:

That area included in the Persigo Wastewater Treatment Plan 201 Service Area as amended and the Clifton Sanitation District #1 and #2 service areas as amended.

Add the following note to the Future Land Use Map:

The Urban Growth Boundary (UGB) coincides with that area included in the Persigo Wastewater Treatment Plant 201 Service Area as amended and the Clifton Sanitation Districts #1 and #2 service areas as amended.

Revise Exhibit V.2 and the Future Land Use Map legend to clarify land use intensities refer to densities and not minimum lot sizes.

PASSED on this 1st day of September, 1999.

ATTEST:

/s/ Stephanie Nye
City Clerk

/s/ Gene Kinsey
President of Council

Attach 8
12th Street Medical Plaza

CITY COUNCIL AGENDA
CITY OF GRAND JUNCTION

CITY COUNCIL			
Subject:	12th Street Medical Plaza – Growth Plan Consistency Review & Rezone		
Meeting Date:	December 19, 2001		
Date Prepared:	December 12, 2001		
Author:	Bill Nebeker	Senior Planner	
Presenter Name:	Bill Nebeker	Senior Planner	
	Workshop	X	Formal Agenda

Subject: Growth Plan Consistency Review and Rezone – 12th Street Medical Plaza & Hospice Campus, 3090 & 3150 North 12th Street; File #GPA-2001-179.

Summary: The applicant is requesting a consistency review for a 100,570 square foot medical office and Hospice development at the site formerly referred to as the Miller Homestead Planned Development. Accompanying the application is a request to rezone the property to a new Planned Development zone and approve an Outline Development Plan (ODP). At its hearing of November 20, 2001 the Planning Commission recommended approval of these requests.

Background Information: See Attached

Budget: N/A

Action Requested/Recommendation: Adopt resolution for Growth Plan Consistency Review and Adopt ordinance on second reading for rezone.

Citizen Presentation:	<input type="checkbox"/>	No	<input type="checkbox"/>	Yes	If Yes,
Name:	Various				
Purpose:					
Report results back to Council:	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	Yes	When:
Placement on Agenda:	<input type="checkbox"/>	Consent	<input checked="" type="checkbox"/>	Indiv. Consideration	<input type="checkbox"/>
					Workshop

BACKGROUND INFORMATION			
Location:		3090 & 3150 North 12th Street	
Applicant:		Bylthe Design for CB&G Partnership	
Existing Land Use:		Two Single Family Homes on Two Lots	
Proposed Land Use:		Medical Office & Hospice Campus	
Surrounding Land Use:	North	Grand Valley Atrium Retirement Home	
	South	Single family residential	
	East	The Fountains – Assisted Living Center	
	West	Multi-family residential – Lakeside	
Existing Zoning:		Planned Development (PD)	
Proposed Zoning:		PD	
Surrounding Zoning:	North	RMF-24	
	South	RMF-8	
	East	PD & RMF-8	
	West	PD	
Growth Plan Designation:		Residential Medium High 12+ units per acre	
Zoning within density range?		Yes - NA	No

Background:

The applicant is requesting a Growth Plan consistency determination, a rezone from Planned Development (PD) to a revised PD and an Outline Development Plan (ODP) for a 78,700 square foot medical office complex, 21,870 square foot of professional offices (Hospice) and a 15,160 square foot inpatient nursing facility (Hospice) to house approximately 24 patients and a chapel. The proposal is located on the site formerly known as the Miller Homestead property on the east side of 12th Street, at Lakeside Drive (approximately 1600 feet north of Patterson Road). The site consists of 13.19 acres.

At the hearing of June 19, 2001 the applicant presented a concept plan to the Planning Commission for direction on whether this proposed land use was acceptable to the commission. Previous to this request, in 1999 the Planning Commission approved a

final plan for the Miller Homestead project. The table below shows the land uses proposed under these three requests:

	Miller Homestead (approved plan)	Concept Plan	ODP
Medical Office	14,000 SF	65,000 SF	78,700 SF
Professional Office	10,300 SF	25,060* SF	21,870 SF
Other		14,375 SF Inpatient care facility – 18 patient beds	15,160 SF Inpatient care facility - 24 patient beds
TOTAL OFFICE	24,300	90,060	100,570
Residential	174 dwelling units		

* The concept plan included 3300 square feet of office for Western Slope Center for Children. This use is not proposed in the current application.

The applicant is proposing to rezone the property to PD with the uses listed above, including some retail accessory uses such as a pharmacy, health food store and possible day care. The proposed underlying or default zoning is B-1.

GROWTH PLAN CONSISTENCY REVIEW

Section 2.4 of the Zoning and Development Code governs Growth Plan Consistency Reviews. The code states that, “because the Growth Plan and accompanying Future Land Use Map (FLUM) are comprehensive, complex documents, it is important that a formal consistency review process be provided to determine if a development proposal is appropriate and consistent with the *plan and map*.” The code also states that “the plan consistency review process should be processed at the same time as related development requests (e. g., rezonings and subdivisions).”

The criteria for a consistency review are quite simple. It requires a finding that the proposed development *is consistent* with all applicable portions of the plan, or the overall intent of the plan if two or more of the applicable portions of the plan appear to conflict; or the proposed development *is inconsistent* with one or more applicable portion of the plan or the overall intent of the plan if two or more of the applicable portions of the plan appear to conflict.

Two major policies in the Growth Plan text, more than any others, guide development of commercial land uses in residential plan categories. Both of these policies have been revised since first adoption of the Growth Plan text.

Policy 1.6: The City and County may permit the development of limited neighborhood service and retail uses within an area planned for residential land use categories.

Policy 11.2: The City and County will limit commercial development into stable residential neighborhoods. In areas designated for residential development, the City and County may consider inclusion of small scale neighborhood commercial development that provides retail and service opportunities in a manner compatible with surrounding neighborhoods in terms of scale and impact.

The intent of these policies is to encourage neighborhood service and retail uses in residential neighborhoods. Instead of revising the Future Land Use Map to designate specific areas for these uses ahead of time, or revising the map to reflect approved neighborhood business uses, requests for neighborhood business sites can be considered as consistency reviews. Hence Policy 1.6 suggests limited neighborhood service and retail uses may be located in areas designated for residential land uses without triggering a growth plan amendment.

In the case of development applications, the overriding question is, how large or how intense is “limited neighborhood service and retail uses?” Policy 11.2 appears to provide guidance on that issue. If a rezone to B-1 was appropriate in an RSF-4 zone district for limited neighborhood service and retail uses without a growth plan amendment, then it stands to reason that a higher, more intense neighborhood service and retail use could be located in a higher residential zone district or land use classification where the character is *not* low density single family residential. The question is what constitutes “limited” and does it change depending on the character of the area?

One limitation with the Growth Plan is that it does not differentiate between different commercial land uses. Non-retail commercial land uses, such as offices, have significantly fewer impacts on a neighborhood than retail uses in terms of traffic, trip generation, clientele, security, etc. Hence it could be argued that when proposing retail and non-retail uses in residential areas, the retail uses would have to be more limited and smaller scale than for non-retail commercial developments. In other words, in the same development area, more square footage of office development would be more appropriate over the same square footage of retail development.

The original Miller Homestead project was approved for 24,300 square feet of medical and professional office use and 174 multi-family dwellings in two and three story dwellings. The office development portion of this proposal was found to be consistent with the Growth Plan and Future Land Use map. It would appear that an increase in this office square footage could be considered on this site given the character of the surrounding area and the fact that the proposed default zone of B-1 zone can be considered in the Residential High Land Use classification.

Planning Commission Recommendation

Staff’s recommendation to the Planning Commission was for denial of the consistency review upon a finding that the proposal was neither limited nor neighborhood oriented. The proposed intensity (square footage) of the development was too great for this residential location. However the Planning Commission found the proposal consistent with the overall intent of the Growth Plan and policies to encourage neighborhood commercial to locate in residential areas without growth plan amendments. Policies 1.6 and 11.2 do not contain thresholds on what constitutes “limited” or “small scale.” The character of the surrounding area (on three sides) includes high-density residential and assisted living. The Commission found that the impacts on surrounding properties from proposed office use would not be greater than the impact from high density residential which is currently approved on this parcel. The proposed uses of medical offices and Hospice administrative offices and a nursing home would be complementary to the surrounding uses by providing needed services (health care) that would more likely be used by seniors in the area. The Commission also considered this proposal as a mixed-use development by looking at it as a small component of an overall larger high density residential neighborhood, rather than only the land use proposed on this parcel. Also while preserving vacant multi-family parcels for high-density use is a desirable goal, there are several multi-family developments already located in this area.

Findings: The Planning Commission found the proposal consistent with Policy 1.6, 11.2 and the overall intent of the Growth Plan.

REZONE

The applicant is proposing a rezone from one Planned Development to another – from the plan approved for the Miller Homestead project to this plan proposing medical office and Hospice uses.

The Planned Zone district is tied directly to a proposed Outline Development Plan (ODP) that will guide the development of a preliminary plan. At preliminary plan review, the zoning will be amended to more specifically address the preliminary plan.

The ODP proposes three lots or areas of the following uses. Size in acres is approximate.

Lot	User	Use	Max. Square Feet	Size in Acres
A	Primary Care Partners	Medical Offices	2,900	1.08
B	Primary Care Partners	Medical Offices	75,800	6.27
C	Hospice	Offices	21,800	3.14
	Hospice	Care Facility	14,400	

Access to the site is via a loop road to 12th Street. The south entrance provides right-in, right-out access to 12th Street only, controlled with landscaped medians constructed as

part of the 12th Street widening project. The north entrance is a full-movement intersection. An open Grand Valley Water Users Association drain ditch is located along the south property line. See ODP map for more information.

Community Benefits

To approve any planned development, the Director must determine whether long-term, substantial community benefits will be derived from the development. The applicant has offered the following as long-term, substantial community benefits.

Long-term, substantial community benefits offered by applicant:

1. More effective infrastructure: Providing comprehensive healthcare and community services closer to the populated north section of town. Consolidating dispersed medical services into one location. Constructing the only inpatient hospice facility in Western Colorado.
2. Reduce Traffic Demands: Not generating same peak hour traffic demand associated with Miller Homestead project. Lessening after 5:00 PM traffic. Providing neighborhood accessibility to the site.
3. Greater Quantity or Quality of Open Space: Providing 32.4% of the site in landscaping. Undergrounding drainage ditch to reduce weed growth and eliminate potential hazard.
4. Other Recreational Amenities: Providing a bike path next to piped ditch and across adjacent properties to tie to 15th Street. Constructing small outdoor and indoor play areas and picnic areas for employees and children.
5. Needed Housing Types or Mix: 24 inpatient beds for Hospice.
6. Innovative Designs: Provide only inpatient Hospice facility in Western Colorado. Providing friendly, home-like architecture. Providing a facility that is accessible to handicapped and elderly. State-of-the-art design for medical facility. Internet access for education, preventive care and wellness. Providing Art on the Corner displays on the property.
7. Resource, Habitat, and Natural Features Protection: Piping drainage ditch along south side to reduce salinity of surface runoff into Colorado River. Using every reasonable effort to preserve, move or replace important and significant natural features on property. Preserving character of historical Hetland home on property.

Default Zone: The applicant is proposing a default zone of B-1. The purpose of a default zone is to have standards for bulk requirements and other aspects of the code that are not specifically enumerated in the applicant's Planned Development. The proposed deviations from the B-1 standards are as follows:

1. Uses allowed include medical offices and typical accessory uses such as a pharmacy, medical supplies and equipment, health food store and day care, and professional offices and a nursing home for Hospice.

2. The site is not located on the intersection of an arterial or collector street with another arterial or collector.
3. The site is located closer than eight-tenths of a mile from another business or commercial zone district.

The code requires that in order for the Planning Commission to recommend and the City Council to approve deviation from the B-1 zone standards, the applicant shall provide amenities *in excess of what would otherwise be required by code*. The code includes the following amenities:

Amenities to deviate from default standards:

- Transportation amenities including trails other than required by the multimodal plan, bike or pedestrian amenities or transit oriented improvements
- Open space, agricultural land reservation or land dedication
- Community facilities for provision of public services beyond those required for development within the PD
- The provision of affordable housing
- Other amenities in excess of minimum standards required by the Code

The applicant will provide an off-street bicycle path through this property and adjacent properties from 12th Street to 14th Street as one of the amenities of this plan.

Rezone Approval Criteria. At its hearing of November 20, 2001 the Planning Commission found that the proposed rezone conforms to Section 2.6 of the Zoning and Development Code regarding rezones, with the following findings. (The Planning Commission's findings are provide in italicized text):

1. The existing zoning was in error at the time of adoption. *This criterion is not applicable since the existing zoning was not in error but a change to a new Planned Development requires a rezone.*
2. There has been a change of character in the neighborhood due to installation of public facilities, other zone changes, new growth trends, deterioration, development transitions, etc. *All development along the 12th Street corridor, including the widening of 12th Street has occurred according to the Growth Plan and existing zoning.*
3. The proposed rezone is compatible with the neighborhood and will not create adverse impacts such as: capacity or safety of the street network, parking problems, storm water or drainage problems, water, air or noise pollution, excessive nighttime lighting, or other nuisances. *The proposed Planned Development is a good fit in this neighborhood and impacts to the neighborhood will be reduced due to the already high-density development on three sides of this site.*

4. The proposal conforms with and furthers the goals and policies of the Growth Plan, other adopted plans, and the policies, the requirements of this Code, and other City regulations and guidelines. *The proposal was found to be consistent with the overall intent of the Growth Plan, by providing neighborhood services and retail uses in an area planned for residential land use categories.*
5. Adequate public facilities and services are available or will be made available concurrent with the projected impacts of the proposed development. *This criterion has been met.*
6. There is not an adequate supply of land available in the neighborhood and surrounding area to accommodate the zoning and community needs. *The applicant's have been unable to find a vacant commercially zoned parcel of this size near St. Mary's and Community Hospitals.*
7. The community or neighborhood will benefit from the proposed zone. *The medical providers that will locate at this site service approximately 30% of the valley's residents with their health care needs. This location will also directly benefit the persons living in the adjacent Atrium and Fountains assisted living and retirement living centers. The community and neighborhood will benefit from the proposed planned development by providing a consolidated health care facility in a convenient location for those who will use the facility the most.*

ODP Approval Criteria. The Planning Commission found that the requested ODP demonstrated conformance with the following approval criteria.

- a. The Growth Plan, major street plan and other adopted plans and policies. *As discussed above, the Commission found the plan consistent with the Growth Plan. The plan is consistent with the major street plan since it is located along 12th Street, a designated minor arterial designed to accommodate the traffic that will be generated by this use. All traffic will access the site via this street and not through adjacent residential properties.*
- b. The rezoning criteria provided in Section 2.6. *See rezone section above.*
- c. The planned development requirements of Chapter Five. *See rezone section above.*
- d. The applicable corridor guidelines and other overlay districts in Chapter Seven. *The 12th Street corridor guidelines state that the section of 12th Street between G Road south to Hermosa Avenue, which includes this area, "should retain the residential scale and character" of the area. The Commission found that the proposed office use would be designed to be compatible with the surrounding area and would be residential in scale and character.*
- e. Adequate public services and facilities shall be provided concurrent with the projected impacts of the development. *This criterion has been met.*
- f. Adequate circulation and access shall be provided to serve all development pods/areas to be developed. *This criteria has been or can be provided with the planned development.*

- g. Appropriate screening and buffering of adjacent property and uses shall be provided. *The ODP did not provide this specific level of detail. Appropriate buffers and screening will be determined at preliminary plan approval.*
- h. An appropriate range of density for the entire property or for each development pod/area to be developed. *This criterion has been satisfied. See table above for range of intensity for each pod area.*
- i. An appropriate set of “default” or minimum standards for the entire property or for each development pod/area to be developed. *This criteria has been satisfied.*
- j. An appropriate phasing or development schedule for the entire property or for each development pod/area to be developed. *A phasing schedule has been provided that will be refined at the time of preliminary plan approval. No dividing of the parcel will be allowed until after the preliminary plan is approved.*
- k. The property is at least twenty (20) acres in size. *The property is not at least 20 acres in size, however staff recommended that the applicant change the request from a preliminary plan to the ODP to concentrate the discussion on the growth plan consistency review, rather than a site-specific plan.*

PLANNING COMMISSION RECOMMENDATION: Approval of the ODP with the findings listed above. A separate motion is not required for approval of the ODP since it is included in the rezone ordinance.

Attachments to this report include the following:

- 1. Surrounding Growth Plan Designations – Color Map
- 2. Surrounding Zoning – Color Map
- 3. Aerial photo/vicinity map
- 4. ODP

CITY OF GRAND JUNCTION, COLORADO

RESOLUTION NO. ____

FINDING THE 12TH STREET MEDICAL PLAZA AND HOSPICE PLANNED DEVELOPMENT LOCATED AT 3090 AND 3150 NORTH 12TH STREET TO BE CONSISTENT WITH THE GROWTH PLAN

Recitals.

The applicant has submitted an Outline Development Plan for a 100,570 square foot medical office and Hospice on the property located at 3090 and 3150 North 12th Street. The applicant requested a finding that the plan is consistent with the overall intent of the Growth Plan. The Future Land Use Map designates this parcel for Residential High Density land uses which allows medical offices in a B-1 zone district. The B-1 zone district implements the Residential High-Density land use category of the Future Land Use Map.

At its November 20, 2001 hearing the Planning Commission found the proposal to be consistent with the overall intent of the Growth Plan and policies to encourage neighborhood commercial to locate in residential areas without growth plan amendments. These findings were based on the character of the proposed development and the existing character of the surrounding neighborhood.

After public notice and public hearing before the Grand Junction City Council, City Council finds that the proposed development is consistent with the overall intent of the City's Growth Plan.

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

The following described property to be known as the 12th Street Medical Plaza and Hospice Planned Development, as described in City Community Development File #GPA-2001-179 is hereby found to be consistent with the overall intent of the City's Growth Plan.

Includes the following tax parcels: 2945-013-00-008 and 2945-013-00-010.

Parcel 1: The north 9 acres of the SW ½, W ½, NW1/4, SW1/4 Section 1 T.1S., R1.W, Ute Meridian excepting therefrom right-of-way described in book 2536, pages 90 and 93 and book 2592, page 947.

Parcel 2: Lots 53, 54, 55 and 56, Block 15 and the W1/2 of vacated road between Blocks 15 and 16 and the road adjoining Block 15 on the North thereof; AND beginning at the NW cor Lot 54, thence N 30'; thence W 10', thence S to a pt 10' W of SW cor Lot

53, thence E 10' thence N to pob; All in Fairmont Subdivision; And the S 1 acre of the W ½ NW ¼ SW ¼ Section 1 T.1.S, R.1W Ute Meridian; exception therefrom the following: Beg at a pt 30' E and 30' N of SW cor of NW ¼, SW1/4, SW ¼ Sec 1, T.1.S, R.1.W, Ute Meridian; thence N 320' to drain ditch; thence N 44°30' E 50', thence N 78°10' E 147', thence N 68°25E 103', thence S88°05' E 201', thence N40°E 240' to pt 30' E of NE cor Lot 55, Block 15, Fairmont Subdivision thence W 630' to pob, and excepting right-of-way described in Book 2521, page 567 and 569 and book 2592, page 950.

PASSED and ADOPTED on this 19th day of December, 2001.

Attest:

President of the Council

City Clerk

CITY OF GRAND JUNCTION, COLORADO

ORDINANCE NO. ____

ZONING TWO PARCELS LOCATED AT 3090 AND 3150 NORTH 12TH STREET FROM PD (FOR MILLER HOMESTEAD) TO PD FOR THE 12TH STREET MEDICAL PLAZA AND HOSPICE CARE PLANNED DEVELOPMENT

Recitals.

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 Planned Development zone.

After public notice and public hearing before the Grand Junction City Council, City Council approves the PD zone district with the following findings:

- This zone district meets the criteria of Chapter 5 of the Zoning and Development Code regarding Planned Developments by providing substantial community benefits and amenities in excess of what would otherwise be required by the Code.
- This zone district meets the criteria found in Section 2.6 of the Zoning and Development Code.
- The zoning is consistent with the Growth Plan.

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

The following property shall be zoned Planned Development (PD) zone district with a default zone of B-1, with exceptions as follows:

1. Uses allowed include medical offices and typical ancillary uses such as a pharmacy, medical supplies and equipment, health food store and day care, and professional offices and a nursing home for Hospice.
2. The site is not located on the intersection of an arterial or collector street with another arterial or collector.
3. The site is located closer than eight-tenths of a mile from another business or commercial zone district.

The Outline Development Plan for this Planned Development includes the following:

Lot	User	Use	Max. Square Feet	*Size in Acres
A	Primary Care Partners	Medical Offices	2,900	1.08
B	Primary Care Partners	Medical Offices	75,800	6.27

C	Hospice	Offices	21,800	3.14
	Hospice	Care Facility	14,400	

* Lot size is approximate.

A revised zoning ordinance for this Planned Development shall be required, based on and at the time of, preliminary plan approval. The preliminary plan shall include all elements shown on the ODP, committed to by the applicant in writing, or verbally at the November 20, 2001 Planning Commission hearing and all requirements in the Planning Commission motion at the same hearing.

Includes the following tax parcels: 2945-013-00-008 and 2945-013-00-010.

Parcel 1: The north 9 acres of the SW 1/2, W 1/2, NW1/4, SW1/4 Section 1 T.1S., R.1.W, Ute Meridian excepting therefrom right-of-way described in book 2536, pages 90 and 93 and book 2592, page 947.

Parcel 2: Lots 53, 54, 55 and 56, Block 15 and the W1/2 of vacated road between Blocks 15 and 16 and the road adjoining Block 15 on the North thereof; AND beginning at the NW cor Lot 54, thence N 30'; thence W 10', thence S to a pt 10' W of SW cor Lot 53, thence E 10' thence N to pob; All in Fairmont Subdivision; And the S 1 acre of the W 1/2 NW 1/4 SW 1/4 Section 1 T.1.S, R.1W Ute Meridian; exception therefrom the following: Beg at a pt 30' E and 30' N of SW cor of NW 1/4, SW1/4, SW 1/4 Sec 1, T.1.S, R.1.W, Ute Meridian; thence N 320' to drain ditch; thence N 44°30' E 50', thence N 78°10' E 147', thence N 68°25'E 103', thence S88°05' E 201', thence N40°E 240' to pt 30' E of NE cor Lot 55, Block 15, Fairmont Subdivision thence W 630' to pob, and excepting right-of-way described in Book 2521, page 567 and 569 and book 2592, page 950.

Introduced on first reading this _____ day of _____, 2001.

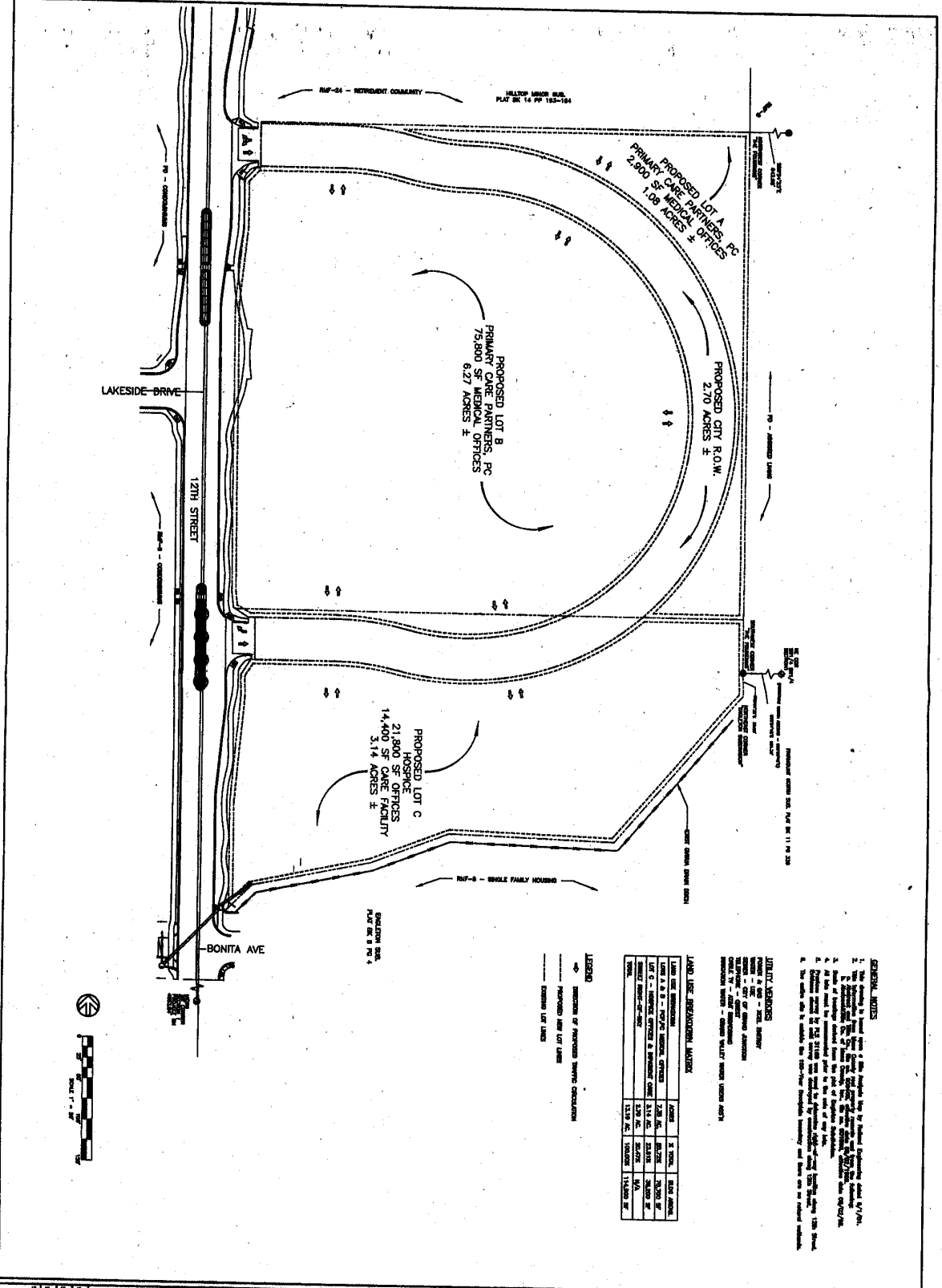
PASSED and ADOPTED on second reading this ____ day of _____, 2001.

Attest:

President of the Council

City Clerk





SPECIAL NOTES

1. The proposed site plan is based on the latest available information and is subject to change without notice.
2. The proposed site plan is based on the latest available information and is subject to change without notice.
3. The proposed site plan is based on the latest available information and is subject to change without notice.
4. The proposed site plan is based on the latest available information and is subject to change without notice.
5. The proposed site plan is based on the latest available information and is subject to change without notice.
6. The proposed site plan is based on the latest available information and is subject to change without notice.

UTILITY SERVICES

WATER - 12" DIAMETER
SEWER - 12" DIAMETER
GAS - 12" DIAMETER
ELECTRICITY - 4" DIAMETER
TELEPHONE - 4" DIAMETER
CABLE TV - 4" DIAMETER
FIBER OPTIC - 4" DIAMETER

LAND USE DESIGNATION MATRIX

LAND USE DESIGNATION	LOT A	LOT B	LOT C
LOT A - B - PRIMARY CARE PARTNERS, PC	2,700 SF	75,000 SF	21,800 SF
LOT C - HOSPICE HOSPRICE	2,700 SF	75,000 SF	21,800 SF
LOT D - HOSPICE HOSPRICE	2,700 SF	75,000 SF	21,800 SF
LOT E - HOSPICE HOSPRICE	2,700 SF	75,000 SF	21,800 SF
LOT F - HOSPICE HOSPRICE	2,700 SF	75,000 SF	21,800 SF
LOT G - HOSPICE HOSPRICE	2,700 SF	75,000 SF	21,800 SF
LOT H - HOSPICE HOSPRICE	2,700 SF	75,000 SF	21,800 SF
LOT I - HOSPICE HOSPRICE	2,700 SF	75,000 SF	21,800 SF
LOT J - HOSPICE HOSPRICE	2,700 SF	75,000 SF	21,800 SF
LOT K - HOSPICE HOSPRICE	2,700 SF	75,000 SF	21,800 SF
LOT L - HOSPICE HOSPRICE	2,700 SF	75,000 SF	21,800 SF
LOT M - HOSPICE HOSPRICE	2,700 SF	75,000 SF	21,800 SF
LOT N - HOSPICE HOSPRICE	2,700 SF	75,000 SF	21,800 SF
LOT O - HOSPICE HOSPRICE	2,700 SF	75,000 SF	21,800 SF
LOT P - HOSPICE HOSPRICE	2,700 SF	75,000 SF	21,800 SF
LOT Q - HOSPICE HOSPRICE	2,700 SF	75,000 SF	21,800 SF
LOT R - HOSPICE HOSPRICE	2,700 SF	75,000 SF	21,800 SF
LOT S - HOSPICE HOSPRICE	2,700 SF	75,000 SF	21,800 SF
LOT T - HOSPICE HOSPRICE	2,700 SF	75,000 SF	21,800 SF
LOT U - HOSPICE HOSPRICE	2,700 SF	75,000 SF	21,800 SF
LOT V - HOSPICE HOSPRICE	2,700 SF	75,000 SF	21,800 SF
LOT W - HOSPICE HOSPRICE	2,700 SF	75,000 SF	21,800 SF
LOT X - HOSPICE HOSPRICE	2,700 SF	75,000 SF	21,800 SF
LOT Y - HOSPICE HOSPRICE	2,700 SF	75,000 SF	21,800 SF
LOT Z - HOSPICE HOSPRICE	2,700 SF	75,000 SF	21,800 SF

LEGEND

--- PROPOSED CITY R.O.W.

--- PROPOSED LOT LINES

--- EXISTING LOT LINES

304

304 Medical Center
12th Street
Grand Junction, CO 81505
Phone: (970) 241-3040
Fax: (970) 241-3041

304















HOSPICE CAMPUS AND
PRIMARY CARE PARTNERS
MEDICAL SERVICES
3004 S. STREIN 12TH ST
GRAND JUNCTION
COLORADO

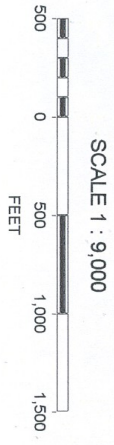
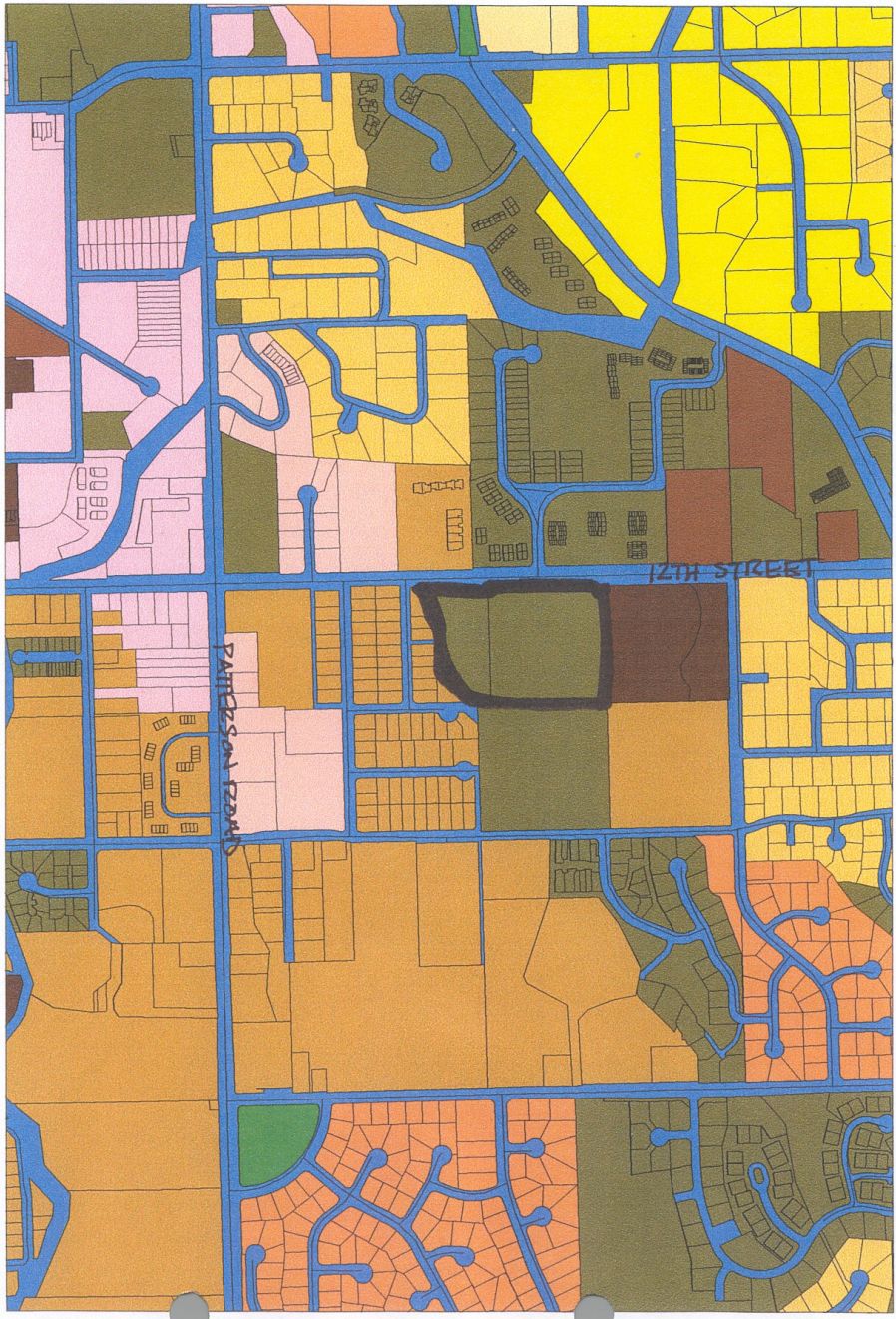
CDP
DRAWING

NOT FOR CONSTRUCTION

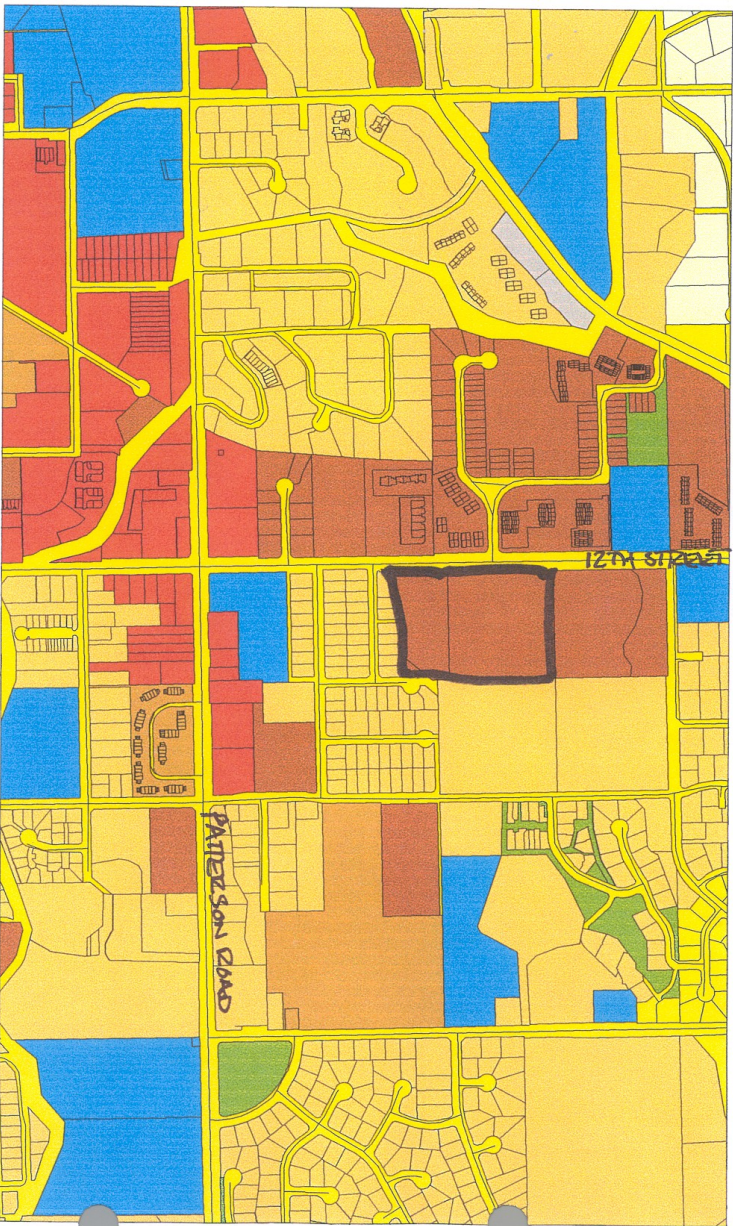
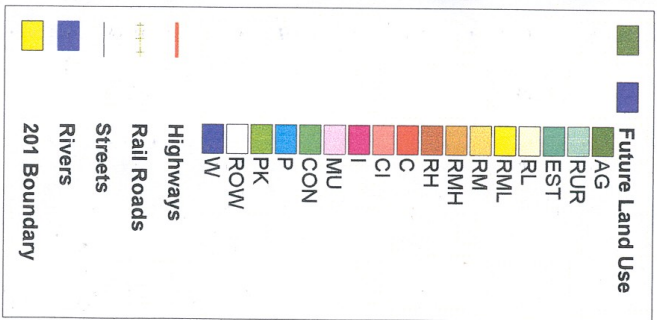
DATE: 9/27/01
SCALE: AS SHOWN
APP: ODP

12th Street Medical - Surrounding Zoning

ZONING	
	RSF-1
	RSF-2
	RSF-4
	RMF-5
	RMF-8
	RMF-16
	RMF-24
	PD
	R-O
	B-1
	B-2
	I-O
	I-1
	1-2
	CSR
	PAD
	PI
	Streets



12th Street Medical - Surrounding Growth Plan Designations



SCALE 1 : 10,000



Attach 9
Madaris Annexation

CITY COUNCIL AGENDA
CITY OF GRAND JUNCTION

<i>CITY COUNCIL</i>		
Subject:	Madaris Annexation	
Meeting Date:	December 19, 2001	
Date Prepared:	December 12, 2001	
Author:	Dave Thornton	Principal Planner
Presenter Name:	Dave Thornton	Principal Planner
Workshop	X	Formal Agenda

Subject: Annexation of the Madaris Annexation, #ANX-2001-214

Summary: Resolution for Acceptance of Petition to Annex and Second reading of the annexation ordinance for the Madaris Annexation located 539 31 ½ Road (#ANX-2001-214). The 5.852-acre Madaris Annexation consists of one parcel of land.

Background Information: See Attached

Budget: N/A

Action Requested/Recommendation: It is recommended that City Council approve the resolution for the acceptance of petition to annex and pass on second reading the annexation ordinance for the Madaris Annexation.

Citizen Presentation:	<input type="checkbox"/>	No	<input type="checkbox"/>	Yes	If Yes,
Name:					
Purpose:					

Report results back to Council:	X	No	<input type="checkbox"/>	Yes	When:	
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Placement on Agenda:	<input type="checkbox"/>	Consent	X	Indiv. Consideration	<input type="checkbox"/>	Workshop
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BACKGROUND INFORMATION			
Location:		539 31 ½ Road	
Applicant(s):		Rosella F. Madaris	
Existing Land Use:		Single Family Residential	
Proposed Land Use:		Same	
Surrounding Land Use:	North	Railroad Tracks & I-70 Business Loop	
	South	Residential	
	East	Residential (Ethington Estates Sub)	
	West	Residential	
Existing Zoning:		Planned Commercial	
Proposed Zoning:		RSF-4	
Surrounding Zoning:	North	I-1 (Railroad property)	
	South	RSF-R	
	East	RMF-8	
	West	RSF-2	
Growth Plan Designation:		Residential Medium Low	
Zoning within density range?		X	Yes
			No

Staff Analysis:

ANNEXATION:

This annexation area consists of annexing 5.852 acres. Owners of the property have signed a petition for annexation as part of their request to seek a change in zoning from Commercial to Residential, pursuant to the 1998 Persigo agreement with Mesa County.

It is staff's professional opinion, based on review of the petition and knowledge of applicable state law, including the Municipal Annexation Act Pursuant to C.R.S. 31-12-104, that the Madaris Annexation is eligible to be annexed because of compliance with the following:

- a) A proper petition has been signed by more than 50% of the owners and more than 50% of the property described;
- b) Not less than one-sixth of the perimeter of the area to be annexed is contiguous with the existing City limits;
- c) A community of interest exists between the area to be annexed and the City. This is so in part because the Central Grand Valley is essentially a single demographic and economic unit and occupants of the area can be expected to, and regularly do, use City streets, parks and other urban facilities;

- d) The area is or will be urbanized in the near future;
- e) The area is capable of being integrated with the City;
- f) No land held in identical ownership is being divided by the proposed annexation;
- g) No land held in identical ownership comprising 20 contiguous acres or more with an assessed valuation of \$200,000 or more for tax purposes is included without the owners consent.

MADARIS ANNEXATION SUMMARY		
File Number:		ANX-2001-214
Location:		539 31 ½ Road
Tax ID Number:		2943-103-00-093
Parcels:		1
Estimated Population:		2
# of Parcels (owner occupied):		1
# of Dwelling Units:		1
Acres land annexed:		5.852 acres for annexation area
Developable Acres Remaining:		5 acres
Right-of-way in Annexation:		None
Previous County Zoning:		Commercial (County)
Proposed City Zoning:		(RSF-4) Residential Single Family – Four with a maximum of 4 units per acre
Current Land Use:		Residential
Future Land Use:		Same
Values:	Assessed:	= \$ 10,190
	Actual:	= \$ 98,470
Census Tract:		17.01
Address Ranges:		539 31 ½ Road
Special Districts:	Water:	Clifton Water & Ute Water
	Sewer:	Central Grand Valley Sanitation
	Fire:	Clifton Fire
	Drainage:	Grand Junction Drainage District
	School:	District 51
	Pest:	

ANNEXATION SCHEDULE	
Nov. 7th	Referral of Petition (30 Day Notice), First Reading, Exercising Land Use
Nov. 13th	Planning Commission considers Zone of Annexation
Dec. 5th	First Reading on Zoning by City Council
Dec 19th	Acceptance of Petition and Public hearing on Annexation and Zoning by City Council
Jan. 20, 2002	Effective date of Annexation and Zoning

Action Requested/Recommendation: It is recommended that City Council approve the Madaris Annexation.

Attachments:

- Resolution of Acceptance of Petition
- Annexation Ordinance
- Annexation Map

RESOLUTION NO. __-01

A RESOLUTION ACCEPTING PETITIONS FOR ANNEXATION, MAKING CERTAIN FINDINGS, DETERMINING THAT PROPERTY KNOWN AS

MADARIS ANNEXATION

IS ELIGIBLE FOR ANNEXATION

LOCATED AT 539 31 ½ ROAD

WHEREAS, on the 7th day of November 2001a petition was submitted to the City Council of the City of Grand Junction, Colorado, for annexation to said City of the following property situate in Mesa County, Colorado, and described as follows:

A certain parcel of land lying in Section 10, Township 1 South, Range 1 East of the Ute Meridian, County of Mesa, State of Colorado, being more particularly described as follows:

ALL that part of the NW ¼ SW ¼ of Section 10, Township 1 South, Range 1 East of the Ute Meridian, lying South of the Right of Way of the Denver and Rio Grande Railroad ALSO DESCRIBED as follows: BEGINNING at the Southeast corner of the Northwest Quarter of the Southwest Quarter (NW ¼ SW ¼) of said Section 10, thence South 89°44'25" West, along the South line of said Northwest Quarter of the Southwest Quarter (NW ¼ SW ¼) of said Section 10, a distance of 1279.85 feet to a point 30.00 feet East of the Southwest corner of the Northwest Quarter of the Southwest Quarter (NW ¼ SW ¼) of said Section 10; thence North 00°20'30" West along a line 30.00 feet East of and parallel to the West line of the Northwest Quarter of the Southwest Quarter (NW ¼ SW ¼) of said Section 10, a distance of 4.89 feet to a point on the Southerly right-of-way for the Southern Pacific Transportation Company (formerly the Denver and Rio Grande Railroad), as laid out and now in use; thence North 72°50'00" East, along said Southerly right-of-way for the Southern Pacific Transportation Company, a distance of 1336.16 feet to a point on the East line of the Northwest Quarter of the Southwest Quarter (NW ¼ SW ¼) of said Section 10; thence South 00°28'13" East, along the East line of the Northwest Quarter of the Southwest Quarter (NW ¼ SW ¼) of said Section 10, a distance of 393.47 feet, more or less, to the POINT OF BEGINNING.

CONTAINING 254,914.459 sq. ft. or 5.852 Acres

WHEREAS, a hearing on the petition was duly held after proper notice on the 19th day of December, 2001; and

WHEREAS, the Council has found and determined and does hereby find and determine that said petition is in substantial compliance with statutory requirements therefor; that one-sixth of the perimeter of the area proposed to be annexed is contiguous with the City; that a community of interest exists between the territory and the City; that the territory proposed to be annexed is urban or will be urbanized in the near future; that the said territory is integrated or is capable of being integrated with said City; that no land held in identical ownership has been divided without the consent of the landowner; that no land held in identical ownership comprising more than twenty acres which, together with the buildings and improvements thereon, has an assessed valuation in excess of two hundred thousand dollars is included without the landowner's consent; and that no election is required under the Municipal Annexation Act of 1965.

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

The said territory is eligible for annexation to the City of Grand Junction, Colorado, and should be so annexed by Ordinance.

ADOPTED this _____ day of December, 2001.

Attest:

President of the Council

City Clerk

CITY OF GRAND JUNCTION, COLORADO

ORDINANCE NO.

**AN ORDINANCE ANNEXING TERRITORY TO THE
CITY OF GRAND JUNCTION, COLORADO**

MADARIS ANNEXATION

APPROXIMATELY 5.852 ACRES

LOCATED AT 539 31 1/2 ROAD

WHEREAS, on the 7th day of November, 2001, the City Council of the City of Grand Junction considered a petition for the annexation of the following described territory to the City of Grand Junction; and

WHEREAS, a hearing on the petition was duly held after proper notice on the 19th day of December, 2001; and

WHEREAS, the City Council determined that said territory was eligible for annexation and that no election was necessary to determine whether such territory should be annexed.;

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

That the property situate in Mesa County, Colorado, and described to wit:

A certain parcel of land lying in Section 10, Township 1 South, Range 1 East of the Ute Meridian, County of Mesa, State of Colorado, being more particularly described as follows:

ALL that part of the NW 1/4 SW 1/4 of Section 10, Township 1 South, Range 1 East of the Ute Meridian, lying South of the Right of Way of the Denver and Rio Grande Railroad ALSO DESCRIBED as follows: BEGINNING at the Southeast corner of the Northwest Quarter of the Southwest Quarter (NW 1/4 SW 1/4) of said Section 10, thence South 89°44'25" West, along the South line of said Northwest Quarter of the Southwest Quarter (NW 1/4 SW 1/4) of said Section 10, a distance of 1279.85 feet to a point 30.00 feet East of the Southwest corner of the Northwest Quarter of the Southwest Quarter (NW 1/4 SW 1/4) of said Section 10; thence North 00°20'30" West along a line 30.00 feet

East of and parallel to the West line of the Northwest Quarter of the Southwest Quarter (NW ¼ SW ¼) of said Section 10, a distance of 4.89 feet to a point on the Southerly right-of-way for the Southern Pacific Transportation Company (formerly the Denver and Rio Grande Railroad), as laid out and now in use; thence North 72°50'00" East, along said Southerly right-of-way for the Southern Pacific Transportation Company, a distance of 1336.16 feet to a point on the East line of the Northwest Quarter of the Southwest Quarter (NW ¼ SW ¼) of said Section 10; thence South 00°28'13" East, along the East line of the Northwest Quarter of the Southwest Quarter (NW ¼ SW ¼) of said Section 10, a distance of 393.47 feet, more or less, to the POINT OF BEGINNING.

CONTAINING 254,914.459 sq. ft. or 5.852 Acres

be and is hereby annexed to the City of Grand Junction, Colorado.

INTRODUCED on first reading on the 7th day November, 2001.

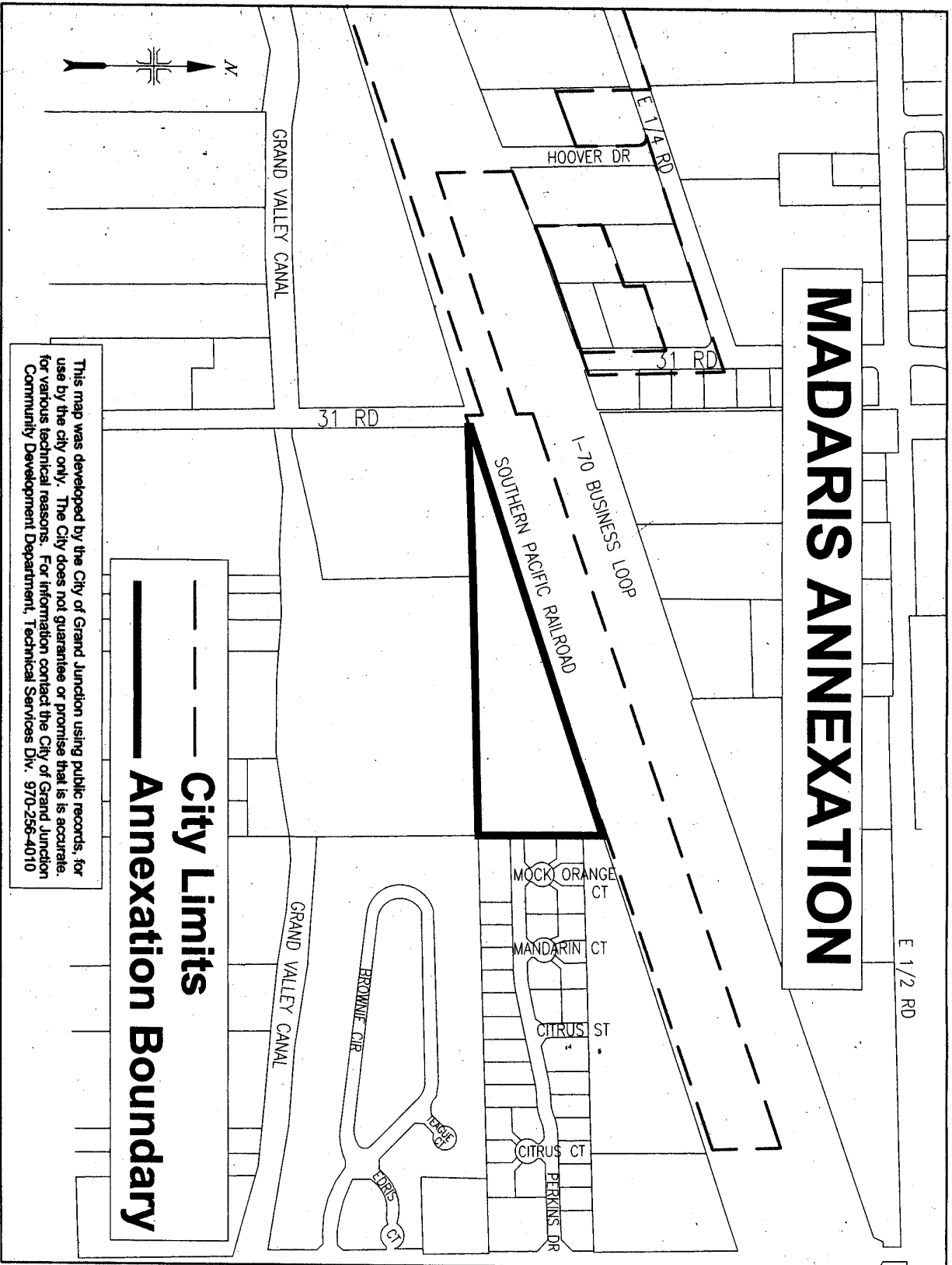
ADOPTED and ordered published this _____ day of December, 2001.

Attest:

President of the Council

City Clerk

MADARIS ANNEXATION



This map was developed by the City of Grand Junction using public records, for use by the city only. The City does not guarantee or promise that it is accurate for various technical reasons. For information contact the City of Grand Junction Community Development Department, Technical Services Div. 970-256-4010

--- City Limits
—— Annexation Boundary

Attach 10
Zoning Madaris Annexation

CITY COUNCIL AGENDA
CITY OF GRAND JUNCTION

<i>CITY COUNCIL</i>		
Subject:	Madaris Annexation Zone of Annexation	
Meeting Date:	December 19, 2001	
Date Prepared:	December 12, 2001	
Author:	Dave Thornton	Principal Planner
Presenter Name:	Dave Thornton	Principal Planner
	Workshop	X Formal Agenda

Subject: Zone of Annexation of the Madaris Annexation, #ANX-2001-214

Summary: Second reading of the annexation zoning ordinance for the Madaris Annexation located 539 31 ½ Road (#ANX-2001-214). The 5.852-acre Madaris Annexation consists of one parcel of land. Planning Commission recommended a Residential Single Family with a maximum of four units per acre (RSF-4) zone district. State law requires the City to zone newly annexed areas within 90 days of the annexation. The proposed City zoning conforms to the Growth Plan's Future Land Use map and recommendation for Residential Medium Low, with residential land uses between 2 and 4 units per acre for this area.

Background Information: See Attached

Budget: N/A

Action Requested/Recommendation: It is recommended that City Council approve on second reading the zone of annexation ordinance for the Madaris Annexation.

Citizen Presentation:	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	Yes	If Yes,
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Name:									
Purpose:									
Report results back to Council:		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes	When:		
Placement on Agenda:		<input type="checkbox"/>	Consent	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Indiv. Consideration		<input type="checkbox"/>	Workshop

BACKGROUND INFORMATION				
Location:		539 31 ½ Road		
Applicant(s):		Rosella F. Madaris		
Existing Land Use:		Single Family Residential		
Proposed Land Use:		Same		
Surrounding Land Use:	North	Railroad Tracks & I-70 Business Loop		
	South	Residential		
	East	Residential (Ethington Estates Sub)		
	West	Residential		
Existing Zoning:		Planned Commercial		
Proposed Zoning:		RSF-4		
Surrounding Zoning:	North	I-1 (Railroad property)		
	South	RSF-R		
	East	RMF-8		
	West	RSF-2		
Growth Plan Designation:		Residential Medium Low		
Zoning within density range?		X	Yes	No

Staff Analysis:

This annexation area consists of annexing 5.852 acres. Owners of the property have signed a petition for annexation as part of their request to seek a change in zoning from Commercial to Residential, pursuant to the 1998 Persigo agreement with Mesa County.

ZONE OF ANNEXATION:

Under the 1998 Persigo Agreement with Mesa County, the City is allowed to zone newly annexed areas with a zone that is either identical to current County zoning or conforms to the City’s Growth Plan’s Future Land Use Map. This proposed zoning of RSF-4 conforms to the City’s Growth Plan’s Future Land Use Map. In addition the prrposed zoning conforms to Zoning and Development Code criteria (below) sections 2.14.F and 2.6.

RSF-4 ZONE DISTRICT

- This property is currently zoned Planned Commercial in Mesa County which does not conform to the Future Land Use Map.

- The RSF-4 does conform to the recommended densities found on the Growth Plans Future Land Use map currently designated as Residential Medium Low: 2 to 4 units per acre.
- Zoning this annexation with the RSF-4 Zone district meets the criteria found in Sections 2.14.F and 2.6 of the Grand Junction Zoning and Development Code.

Zoning and Development Code criteria:

Section 2.14.F: “Land annexed to the City shall be zoned in accordance with Section 2.6 to a district that is consistent with the adopted Growth Plan or consistent with existing County zoning.”

Section 2.6: Approval Criteria. In order to maintain internal consistency between this code and the Zoning Maps, map amendments must only occur if:

1. The existing zoning was in error at the time of adoption;
2. There has been a change of character in the neighborhood due to installation of public facilities, other zone changes, new growth trends, deterioration, development transitions, etc.
3. The proposed rezone is compatible with the neighborhood and will not create adverse impacts such as: capacity or safety of the street network, parking problems, storm water or drainage problems, water, air or noise pollution, excessive nighttime lighting, or other nuisances;
4. The proposal conforms with and furthers the goals and policies of the Growth Plan, other adopted plans, and the policies, the requirements of this Code, and other City regulations and guidelines;
5. Adequate public facilities and services are available or will be made available concurrent with the projected impacts of the proposed development;
6. There is not an adequate supply of land available in the neighborhood and surrounding area to accommodate the zoning and community needs; and
7. The community or neighborhood will benefit from the proposed zone.

<i>ANNEXATION SCHEDULE</i>	
Nov. 7th	Referral of Petition (30 Day Notice), First Reading, Exercising Land Use
Nov. 13th	Planning Commission considers Zone of Annexation
Dec. 5th	First Reading on Zoning by City Council
Dec 19th	Acceptance of Petition and Public hearing on Annexation and Zoning by City Council
Jan. 20, 2002	Effective date of Annexation and Zoning

Attachments:

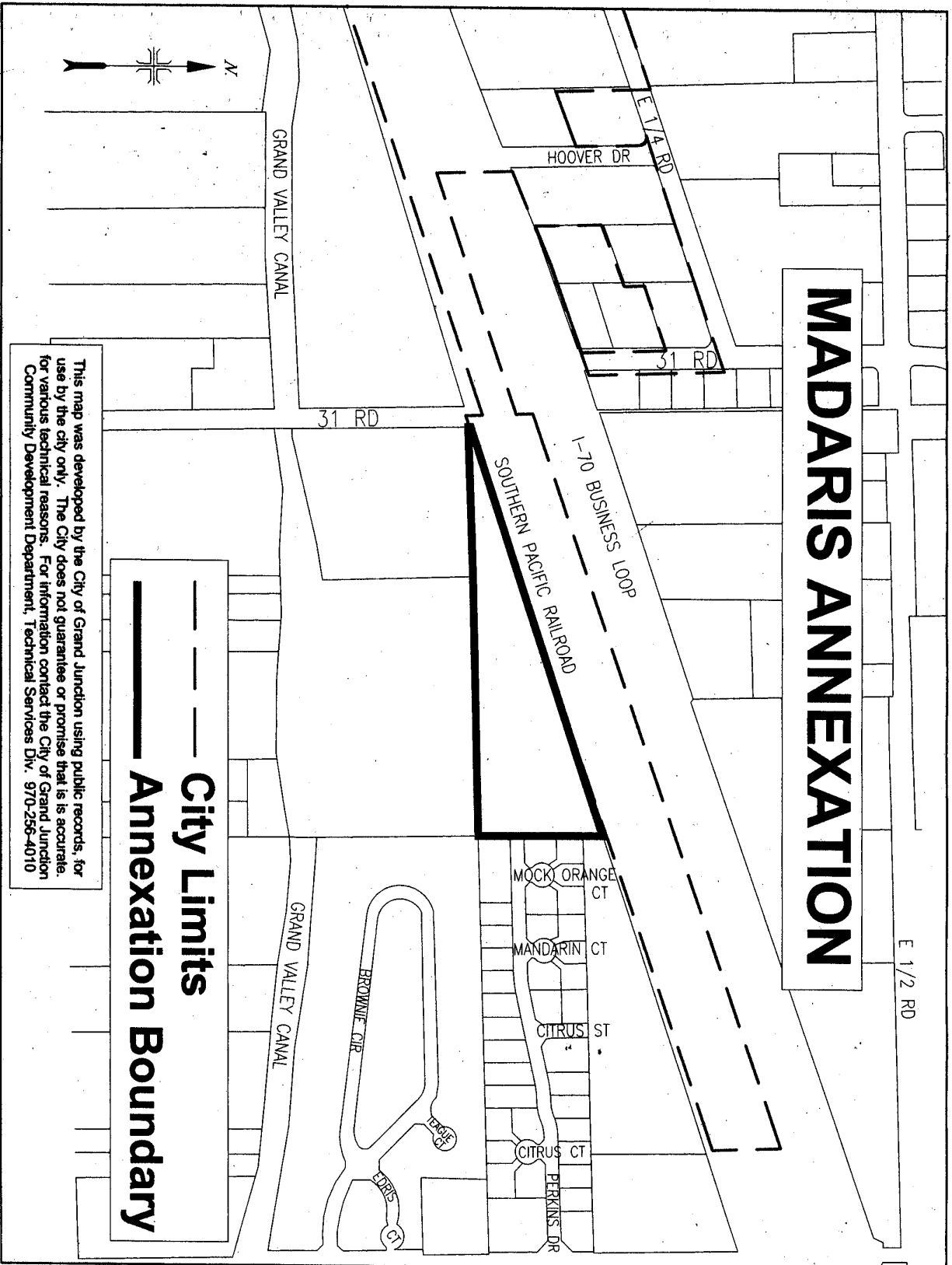
1. **Annexation Summary**

2. Annexation Map
3. Future Land Use Map
4. Zoning Ordinance

MADARIS ANNEXATION SUMMARY		
File Number:		ANX-2001-214
Location:		539 31 ½ Road
Tax ID Number:		2943-103-00-093
Parcels:		1
Estimated Population:		2
# of Parcels (owner occupied):		1
# of Dwelling Units:		1
Acres land annexed:		5.852 acres for annexation area
Developable Acres Remaining:		5 acres
Right-of-way in Annexation:		None
Previous County Zoning:		Commercial (County)
Proposed City Zoning:		(RSF-4) Residential Single Family – Four with a maximum of 4 units per acre
Current Land Use:		Residential
Future Land Use:		Same
Values:	Assessed:	= \$ 10,190
	Actual:	= \$ 98,470
Census Tract:		17.01
Address Ranges:		539 31 ½ Road
Special Districts:	Water:	Clifton Water & Ute Water
	Sewer:	Central Grand Valley Sanitation
	Fire:	Clifton Fire
	Drainage:	Grand Junction Drainage District
	School:	District 51
	Pest:	

Action Requested/Recommendation: Planning Commission recommended that City Council approve RSF-4 for the Madaris Zone of Annexation.

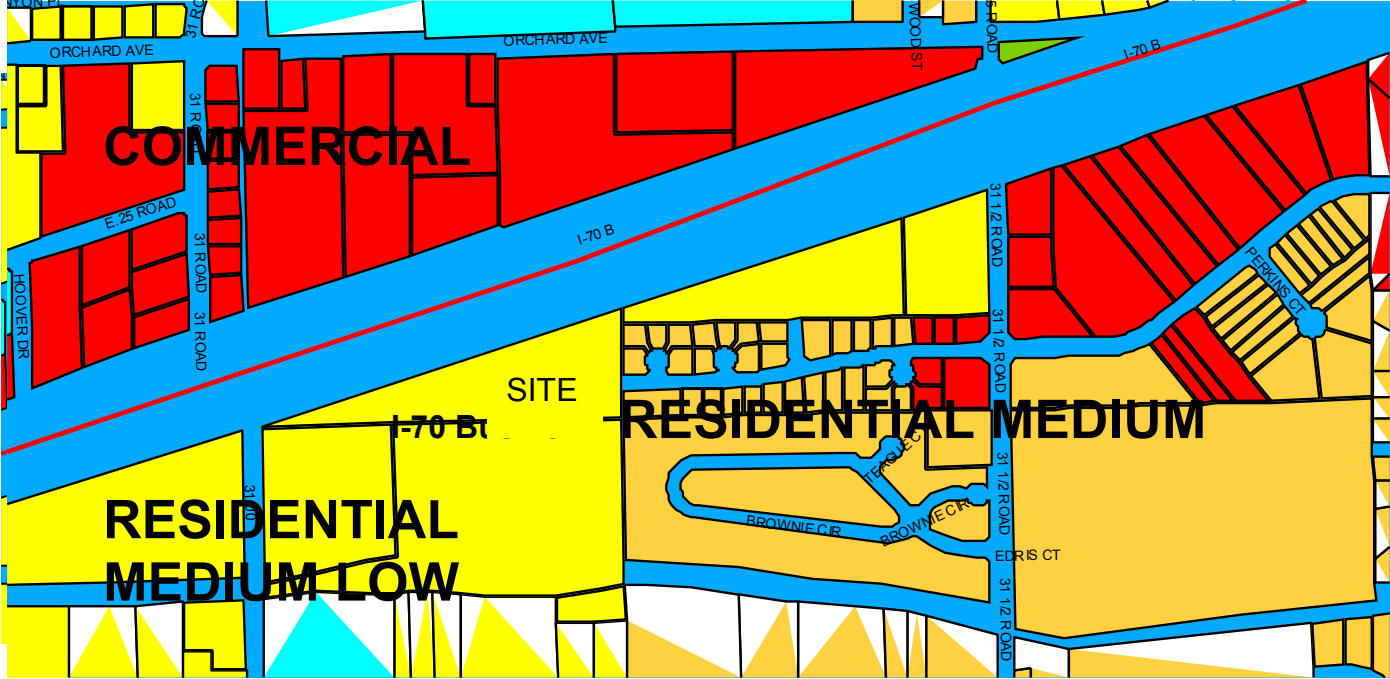
MADARIS ANNEXATION



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--- City Limits
—— Annexation Boundary

FUTURE LAND USE MAP



31 Road

31 1/2 Road

CITY OF GRAND JUNCTION, COLORADO

ORDINANCE NO. ____

**ZONING THE MADARIS ANNEXATION TO RESIDENTIAL SINGLE FAMILY WITH A
MAXIMUM OF FOUR UNITS PER ACRE (RSF-4)**

LOCATED AT 539 31 ½ Road

Recitals.

After public notice and public hearing as required by the Grand Junction Zoning and Development Code, the Grand Junction Planning Commission recommended approval of applying an RSF-4 zone district to this annexation.

After public notice and public hearing before the Grand Junction City Council, City Council finds that the RSF-4 zone district be established for the following reasons: This zone district meets the criteria of Section 2.14.F of the Zoning and Development Code by being identical to or nearly identical to the former Mesa County zoning for each parcel and conforms to the adopted Growth Plan Future Land Use Map. This zone district meets the criteria found in Section 2.6 of the Zoning and Development Code.

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

**The following property shall be zoned the Residential Single Family with a
maximum of four units per acre (RSF-4) zone district**

Includes the following tax parcel 2943-103-00-093

**A certain parcel of land lying in Section 10, Township 1 South, Range 1 East of
the Ute Meridian, County of Mesa, State of Colorado, being more particularly
described as follows:**

ALL that part of the NW ¼ SW ¼ of Section 10, Township 1 South, Range 1 East of the Ute Meridian, lying South of the Right of Way of the Denver and Rio Grande Railroad ALSO DESCRIBED as follows: BEGINNING at the Southeast corner of the Northwest Quarter of the Southwest Quarter (NW ¼ SW ¼) of said Section 10, thence South 89°44'25" West, along the South line of said Northwest Quarter of the Southwest Quarter (NW ¼ SW ¼) of said Section 10, a distance of 1279.85 feet to a point 30.00 feet East of the Southwest corner of the Northwest Quarter of the Southwest Quarter (NW ¼ SW ¼) of said Section 10; thence North 00°20'30" West along a line 30.00 feet East of and parallel to the West line of the Northwest Quarter of the Southwest Quarter (NW ¼ SW ¼) of said Section 10, a distance of 4.89 feet to a point on the Southerly

right-of-way for the Southern Pacific Transportation Company (formerly the Denver and Rio Grande Railroad), as laid out and now in use; thence North 72°50'00" East, along said Southerly right-of-way for the Southern Pacific Transportation Company, a distance of 1336.16 feet to a point on the East line of the Northwest Quarter of the Southwest Quarter (NW ¼ SW ¼) of said Section 10; thence South 00°28'13" East, along the East line of the Northwest Quarter of the Southwest Quarter (NW ¼ SW ¼) of said Section 10, a distance of 393.47 feet, more or less, to the POINT OF BEGINNING.

CONTAINING 254,914.459 sq. ft. or 5.852 Acres

Introduced on first reading this 5th day of December, 2001.

PASSED and ADOPTED on second reading this ____ day of _____, 2001.

Attest:

President of the Council

City Clerk