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

MONDAY, JULY 30, 2007, 7:00 P.M.

*****NOTE NEW FORMAT FOR MONDAY NIGHT MEETING****

Call to Order

Pledge of Allegiance

Council Recognitions

Appointments

To Airport Authority

Ratify Appointment to Mesa County Building Code Board of Appeals

Citizen Comments

***** PRESENTATIONS *****

1. **Energy Conservation Efforts** [Attach 1](#)

Alpine Bank's Green Team will share their efforts toward conservation. Then the City's energy conservation committee, GJ CORE (Conserving Our Resources Efficiently), will present ideas for conserving energy and other resources.

Resolution No. 112-07 - A Resolution Supporting the Efforts of GJ Core (Conserving Our Resources Efficiently) to Promote Conservation and Reuse of Our Resources

®Action: *Adopt Resolution No. 112-07*

Presenters: Sonya Foster and Norm Franke, Alpine Bank
Kathy Portner, Neighborhood Services Manager

2. **Ambulance Transport Update** [Attach 2](#)

The Fire Department will update City Council on the first 12 months of ambulance transport service for the Grand Junction Ambulance Service Area (ASA) and discuss future development of this service.

Staff presentation: Ken Watkins, Fire Chief

***** CONSENT CALENDAR ***®**

3. **Minutes of Previous Meetings** [Attach 3](#)

Action: Approve the Summary of the July 16, 2007 Workshop and the Minutes of the July 18, 2007 Regular Meeting

4. **Vacation of Utility Easement – Mesa State College, Located at 1100 North Avenue** [File #VE-2005-206] [Attach 4](#)

Vacation of a 20' utility easement that is no longer needed. The utilities that were located in this easement have been relocated, inspected and accepted by the City of Grand Junction.

Resolution No. 113-07 – A Resolution Vacating a 20' Utility Easement within Lot 1, Block 1 of the Elam Subdivision, Located on the Mesa State College Campus, 1100 North Avenue

®Action: Adopt Resolution No. 113 -07

Staff presentation: Senta L. Costello, Associate Planner

5. **Contract Amendment #1 Signal System Communications** [Attach 5](#)

This amendment will fund the connection of two additional signals on 12th Street at Grand Avenue and 12th Street and one CCTV camera to the traffic signal communications system. The current contract connects five signals on North Avenue from 1st to 12 Street with CCTV cameras at 1st, 7th and 12th. The signal at 12th and Gunnison and the Parks Administration building to the network will also be connected to the fiber optic network.

Action: Authorize the City Manager to Execute a Construction Contract Amendment #1 to the Signal System Communications Phase 1D Project with Dillie and Kuhn, Inc. in the Amount of \$61,603.25

Staff presentation: Tim Moore, Public Works and Planning Director

6. **CDBG Contract with Grand Valley Catholic Outreach** [File #CDBG-2006-03] [Attach 6](#)

The Subrecipient Contract formalizes the City's award of \$100,000 to Grand Valley Catholic Outreach as allocated from the City's 2006 CDBG Program for development of low and moderate income housing as previously approved by Council.

Action: Authorize the City Manager to Sign the Subrecipient Contact with Grand Valley Catholic Outreach for the City's 2006 Program Year, Community Development Block Grant Program

Staff presentation: Kristen Ashbeck, Senior Planner

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

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

7. **Council Assignments for 2007-2008** [Attach 7](#)

Resolution No. 114 -07 - A Resolution Appointing and Assigning City Councilmembers to Represent the City on Various Boards and Organizations

®Action: Adopt Resolution No. 114 -07

Staff presentation: City Council

8. **Watershed Plan-Town of Palisade/City of Grand Junction** [Attach 8](#)

On June 18, 2007 the Genesis Watershed Plan public comments and focus group discussions were presented to City Council for review. Since that time the Genesis Watershed Plan stakeholders have met and incorporated the majority of the public comments into the finalized Watershed Plan. Attached is a redline version of the Watershed Plan that shows what comments were incorporated.

Action: Adopt Watershed Plan

Staff presentation: Terry Franklin, Water Services Manager

9. **Watershed Regulations**

[Attach 9](#)

Ordinance No. 3961, establishing requirements for permits for certain activities in the Grand Junction watersheds, was adopted September 6, 2006. Regulations implementing the ordinance have been prepared by Utility Department staff, in conjunction with various affected interest groups.

Resolution No. 115-07 – A Resolution Adopting the Watershed Protection Regulations

®Action: Adopt Resolution 115-07

Presenters: Terry Franklin, Water Services Manager

10. **Non-Scheduled Citizens & Visitors**

11. **Other Business**

12. **Adjournment**

Attach 1

Energy Conservation Efforts

Alpine Bank Green Team Initiative
Presentation to City Council
July 30, 2007

Building Public and Private Partnerships

- I. The Alpine Bank Green Team Experience
 - A. Community education and partnerships (Hilltop, Sonoran Institute, The Audubon Society, Green Building Workshops)
 - B. Who, What, Where, and Why
 - C. ISO 14001:2004 Environmental Certification - introduction

- II. Environmental Management System (EMS)
 - A. The EMS cycle
 - B. The EMS team & leadership
 - C. Our guiding documents and policies
 - D. Identifying priorities
 - E. Action plans
 - i. Action plan template
 - ii. Action plan support & completed tasks
 - iii. Action plans underway
 - iv. Action plans proposed
 - F. Employee education
 - i. What do I need to know?
 - ii. How can I help?
 - iii. Resources

- III. ISO 14001:2004 Certification
 - A. What is it?

- IV. Community Partnerships

- V. Green Acknowledgements

- VI. Questions & Discussion

THANK YOU!

CITY OF GRAND JUNCTION

CITY COUNCIL AGENDA					
Subject	City Energy Conservation Committee Efforts				
File #					
Meeting Day, Date	Monday, July 30, 2007				
Placement on the Agenda	Presentation	X	Consent		Individual
Date Prepared	July 19, 2007				
Author Name & Title	Kathy Portner, Neighborhood Services Manager				
Presenter Name & Title	Kathy Portner, Neighborhood Services Manager				

Summary: The City's energy conservation committee, GJ CORE (Conserving Our Resources Efficiently), will present ideas for conserving energy and other resources.

Budget: to be determined.

Action Requested: Consider adopting a Resolution supporting the efforts of GJ CORE.

Background Information: see attached

Attachments: Proposed Resolution

GJ CORE ACTION PLAN

Local governments are in a unique position to implement and coordinate local action that will lead to significant and real reductions in energy use by influencing land use, transportation, building construction, waste management and management of City facilities and operations. Local government actions taken to conserve resources and increase energy efficiency provide multiple local benefits by decreasing pollution, creating jobs, reducing energy expenditures, enhancing urban livability and sustainability, and saving money for the City government, its businesses and its citizens.

In addition, other conservation measures, specifically water conservation and recycling, are vital to maintaining and enhancing the high quality of life we enjoy in the Grand Valley. The Council believes that as responsible citizens and stewards of the Grand Valley, the City must take a leadership role in conserving our resources.

The City has formed an energy conservation team, GJ CORE (Conserving Our Resources Efficiently) to assess and monitor the progress of proposed initiatives and current conservation practices, work to introduce new practices, and explore new conservation opportunities from other communities and outside entities. The committee has the following representation:

Terry Franklin—Water Services
Dan Tonello—Persigo
Darren Starr—Solid Waste
Hank Masterson/Steve Kollar—Fire
Eileen List—Environmental Coordinator
Jerry Roberts/Shawn Cooper—Parks
Angela Harness—Administration
Jody Kliska—Traffic
Jim Stavast—Facilities
Jay Valentine—Purchasing and Fleet
Kathy Portner—Neighborhood Services

The purpose of GJ CORE is to promote and monitor waste reduction, energy conservation, water conservation, alternative transportation, and pollution reduction and prevention in all City operations.

MOBILITY/FLEET:

Reduce fuel consumption and resulting emissions by considering the purchase of flexible fuel vehicles, hybrids and electric cars where possible, considering fuel economy and vehicle size requirements for all purchases, and reducing trips.

- **Flexible Fuel Vehicles:** Continue to purchase flexible fuel vehicles capable of running on gasoline as well as E-85 (ethanol). We currently have 34.
- **E-85 Fuel:** City is proceeding with installing a fuel tank for E-85 at the Shops facility.
- **Biodiesel Fuel:** City will continue to review this as an option for our fleet.
- **Fuel Economy in Fleet Replacement:** Fleet replacement review will consider fuel economy and vehicle size requirements. Hybrid vehicles will be considered. An electric car was recently purchased for parking meter enforcement. Other uses for electric cars will be considered.
- **Vehicle Anti-Idling Policy:** Implemented in 2004: “Drivers of City vehicles will shut off the ignition immediately upon arriving at their destination. Drivers should not idle City vehicles at any time, but particularly after exiting the vehicle, with the exception of certain public safety functions.”
- **Trip Reduction Policy:** A proposed policy: “City employees will reduce the number of miles driven by consolidating trips, carpooling, using alternative transportation, and planning appropriate locations for meetings to minimize travel.”
- **Employee Incentives for Alternative Transportation:** Provide incentives for employees to use alternative transportation to and from work, such as walking, bicycling, carpooling and riding GVT.

ENERGY AND BUILDINGS/FACILITIES

Reduce energy consumption at all City buildings and facilities and explore alternative energy sources.

- **Energy Management Fund:** Establish and maintain an energy management fund for maintenance, upgrades and retrofits.
- **Occupancy Sensors/Daylight Sensors:** Phase in occupancy and daylight sensors into all facilities.
- **Green Building Techniques:** Utilize green building techniques for new facilities/remodels/additions
- **Alternative Energy:** Incorporate alternative energy (heating/cooling pumps, solar) into all new facilities and explore options for retrofitting existing facilities.
- **Consolidate Equipment:** Consolidate equipment, such as refrigerators, copiers, printers in each facility to reduce redundancy in energy use.
- **Indoor Temperature Setting:** Mandate indoor temperature settings (lower in winter/higher in summer) and phase in computer controls in all facilities.
- **Timers on Drinking Fountains:** No need to refrigerate all night.
- **Vending Machines:** Bid out for no lights, low energy use.
- **Energy Star:** Purchase only Energy Star equipment. Phase out old equipment.
- **Electronics Policy:** Mandate that all computers, screens, printer, etc. are shut down every night.

- **Energy Demand Management:** Review and assess methods to minimize energy consumption at facilities, such as hours/days of operation.
- **Lighting Surveys:** Continue with lighting upgrades to more efficient fixtures and bulbs.
- **Reduce VOC's:** Avoid using oil based paints and products as much as possible to reduce the production of VOC's (volatile organic compounds).
- **HVAC Maintenance:** Ongoing preventative maintenance programs on all HVAC equipment to ensure filters are changed regularly and equipment is checked for efficient operation; install Variable Frequency Drive at City Hall.

RECYCLING/REDUCE AND REUSE

Develop programs and policies to reduce the amount of waste and to recycle at all City facilities.

- **Recycling:** Provide opportunity for recycling at all City facilities. Each facility, including Two Rivers Convention Center and the Avalon Theater, will be provided appropriate containers for recycling paper, glass, plastic and aluminum. City Parks and sports facilities will also provide recycling containers.
- **Electronics Recycling:** Continue to properly dispose of electronics through recycling programs.
- **Hazardous Wastes:** Expand collection of hazardous waste (i.e. spray paint, batteries, etc.) collection to all departments
- **Printer Cartridges:** Require re-use/recycling of printer/copier cartridges for all departments
- **Paper Reduction:** Internet version of all Codes and Regulations to reduce hard copies; E-mail paychecks—no hard copies of direct deposits; E-mail newsletters; print 2-sided copies
- **Purchasing Policy:** Purchase of recycled materials where possible; environmentally friendly cleaning products;

WATER AND WASTEWATER RESOURCE AND ENERGY CONSERVATION

Support the efforts of DRIP, and the water and wastewater facilities to conserve resources.

- **DRIP:** Support the efforts of DRIP. DRIP is a collaborative effort between the valley's domestic water providers, CSR Cooperative Extension and anyone in the community who is interested in helping develop a public information program to educate the public concerning the Drought Response Plan, the importance of water conservation, and how to reduce water use.
- **Colorado Green Industry Best Management Practices (BMPs):** The Parks and Recreation Department strives to follow the "Colorado Green Industry Best Management Practices (BMPs) for the conservation and Protection of Water

Resources in Colorado”. All treated water is metered to track usage in pools, buildings, parks, and landscaped streetscapes to identify high use areas and make reduction adjustments.

- **Persigo Composting:** Exploring opportunities related to biosolids composting.
- **Aeration Basin Aeration System Up-grade:** Black & Veatch was hired by the City in 2006 to design an aeration system up-grade for the aeration basins at Persigo. The up-grade will automatically regulate the air feed to the aeration basins while maintaining a pre set dissolved oxygen concentration. The upgrade will help to conserve energy consumption by only supplying the amount of oxygen needed to properly operate the process. This up-grade will also help to enhance effluent quality by allowing the operational staff more control of the process.
- **Anaerobic Digester Gas Utilization:** RTW Engineering was hired in 2006 to identify beneficial uses of the methane gas being produced at Persigo. The study was completed during September, 2006, and identified several alternative uses for the gas. The most appealing recommendation suggested using the methane gas to operate micro-turbines which produce electricity. The value of the electricity and hot water produced by the micro-turbines is estimated at approximately \$100,000 per year. Implementation of this project is currently be discussed by the City Manager and Utility Manager.
- **Heating Systems:** The majority of unit processes at Persigo have heating units that are inefficient and need repair. Currently these units consume approximately \$95,000 worth of natural gas per year. As a result, other heating alternatives are being researched by staff. These alternatives include Geo-thermal, more efficient natural gas units and hot water.

EDUCATION/LEGISLATION/FUNDING/OUTREACH

Assess and monitor progress of proposed initiatives and current conservation practices, monitor legislation, funding and current trends, and develop an educational and outreach program.

- **Webpage:** Develop GJ CORE webpage
- **Energy-wise/Resource Conservation Campaign:** Develop informational newsletters, fact sheets, resources, training sessions, incentives for employees regarding conservation efforts.
- **Monitor legislation:** Monitor state and federal legislation related to resource conservation.
- **Funding:** Pursue outside funding sources through grants and rebates.
- **Baseline/Benchmarks:** Establish baseline data, goals and benchmarks for energy consumption initiatives.
- **Outreach:** Establish a community committee to look at expanding the efforts community-wide. Community efforts to consider might include: expanded

recycling program, rebates and incentives for water and energy conservation, green building and fire codes, E-government and transportation options (2008).

PROJECTS ALREADY COMPLETED OR PROPOSED FOR 2007

Facilities

- Recycle Center: installed a new white Energy Star rated roof, replace lighting with new T8 light fixtures, install passive solar heating system for the plastics room.
- Police Station: installed a new white Energy Star rated TPO roof; replaced exterior can and down light bulbs with compact fluorescent bulbs
- Operations Center: installed a new white Energy Star rated TPO roof; replaced existing water heater with a tankless water heater; replaced floodlights in the parking bays with compact fluorescent floodlights; relocation of paint being stored in the large Quonset hut to enable turning off 2 gas furnaces running 12 hours per day during the winter
- Fire Stations: Fire Station 1--insulation of window panels; Fire Station 2-- installation of an automatic attic ventilation fan; Fire Station 3-- water saver fixtures, replaced water heater and boiler with energy star rated appliances, replaced 2 apparatus bay unit heaters with new more efficient models, replace existing lighting with energy efficient T8 fluorescent lighting, installation of occupancy sensors; Fire Station #4--water saving fixtures in showers and sinks, replace existing lighting with energy efficient T8 fluorescent lighting, installation of occupancy sensors, replace boiler with energy efficient new boiler.
- Parks Administration: replaced existing water heater with a tankless water heater.
- Senior Recreation Center: low flow toilets installed, replaced exterior can and down light bulbs with compact fluorescent bulbs, replace existing lighting with energy efficient T8 and dimmable compact fluorescent light fixtures, installation of occupancy sensors in appropriate areas, replace existing air conditioning condensing units with new energy efficient condensers.
- Lincoln Park Barn: upgrade with new siding, insulation and windows, installed motion sensor light switches in rest rooms, replace heater units with new, efficient heaters, improve performance of the heating system.
- Replacement of Two Rivers Convention Center HVAC—will improve efficiency and reduce energy consumption.
- Municipal Service Center: Replace existing lighting with energy efficient T8 or T5HO fluorescent lighting, install occupancy sensors.

Other Energy Savings

- (2004) Installed a small hydro-electric plant at Kannah Creek Water Treatment Facility. This hydro plant eliminated 99% of electrical consumption for an annual savings of over \$8,000.
- (2006) Installed variable frequency drive units on backwash pumps at water treatment facility. Reduced kilowatt, demand from an average above 124 kW to less than 95 kW per month for an annual savings of at least \$4,500.
- (2006) Installed a geo-thermal heating and air conditioning system at water treatment facility, for an annual savings of at least \$2,500 in natural gas usage.
- Automated residential trash pickup has resulted in fewer trucks and fewer trips to the landfill, reducing fuel consumption.
- Elimination of two lift stations, Duck Pond Park and Pepsi, resulting in energy savings.
- (1993) Installation of automated valves on both flow lines so water is transported to the treatment plant as needed, resulting in significant savings in electricity for pumping, a savings of over \$26,000 per year.
- (2002) Installed set back thermostats on all water plant hearing thermostats.
- (2000) Retrofit of Ridges Pumping Station with variable frequency drive units and soft starts to make sure power demand is held to a minimum.
- Retrofit Mante Heights Pump Station with a new 10 horse power pump and variable frequency drive unit to eliminate larger pumps from coming on to compensate for smaller pumps that had exceeded capacity.
- Converted traffic signals to LED's, estimated to reduce energy consumption by up to 90%.
- (1994) Installed new "Fine Bubble" aeration system at Persigo, eliminating 22 – 16 Hp motors resulting in \$130,000 annual electrical savings.

Water Conservation Efforts

- Cemeteries Irrigation: Irrigation is supplied using recycled backwash from the treatment plant, saving 1,000,000 gallons per day of treated water.
- Lincoln Park Golf Course Irrigation: Water to the golf course now comes from the City's GVIC shares. 1,400,000 MGD of treated water was eliminated and replaced with 0.7 MGD of irrigation water.
- Central Control Irrigation System: Over 75 park irrigation systems are controlled by a central computer to monitor the amount of water needed based on weather, wind, and other environmental conditions.
- Underground and automated sprinkler systems in City parks with metered water usage, resulting in 14% savings in water usage.
- (2007) Stocker Stadium artificial turf
- Eliminated open ditch stock water deliveries to the City's Anderson Ranch saving 700 acre feet of water each year and providing stock water from the Kannah Creek flow line instead (1,140,000 gallons per day over 200 days).

- Reduced “lost and unaccounted for” water from 18% in 1994 (equivalent to 400 million gallons of water per year) to below 10% in 1999 by reduction of water breaks and large meter replacements and inspections.

CITY OF GRAND JUNCTION

RESOLUTION NO.

A RESOLUTION SUPPORTING THE EFFORTS OF GJ CORE (CONSERVING OUR RESOURCES EFFICIENTLY) TO PROMOTE CONSERVATION AND REUSE OF OUR RESOURCES

Recitals:

Local governments are in a unique position to implement and coordinate local action that will lead to significant and real reductions in energy use by influencing land use, transportation, building construction, waste management and management of City facilities and operations. Local government actions taken to conserve resources and increase energy efficiency provide multiple local benefits by decreasing pollution, creating jobs, reducing energy expenditures, enhancing urban livability and sustainability, and saving money for the City government, its businesses and its citizens.

In addition, other conservation measures, specifically water conservation and recycling, are vital to maintaining and enhancing the high quality of life we enjoy in the Grand Valley. The Council believes that as responsible citizens and stewards of the Grand Valley, the City must take a leadership role in conserving our resources.

One of the Solutions listed in the 2005-2006 Strategic Plan is: "A Balance of Character, Economy and Environment: Our community will encourage the values that reflect our small town character while supporting a strong, diverse and growing economy. We will continue to live in a well planned environment supported by exceptional services and physical infrastructure with a commitment to preserving, conserving and re-using resources". One of the Goals to achieve that solution is: "Continue to promote conservation, reuse and development of our resources".

The City has implemented a number of energy and resource conservation programs and policies including, emphasis on fuel economy in fleet replacement, modifications at the water treatment facility and Persigo Wastewater Treatment Plant to reduce energy demands, numerous water conservation measures, an expanding recycling program and facilities upgrades to reduce energy demands.

The City has formed an energy conservation team, GJ CORE (Conserving Our Resources Efficiently) to assess and monitor the progress of proposed initiatives and current conservation practices, work to introduce new practices, and explore new conservation opportunities from other communities and outside entities.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION, COLORADO that the City Council supports the efforts of GJ CORE to promote conservation and efficient use of our resources.

PASSED on this _____ day of _____, 2007.

ATTEST:

City Clerk

President of Council

Attach 2
Ambulance Transport Update

CITY OF GRAND JUNCTION

CITY COUNCIL AGENDA					
Subject	Ambulance Transport Update				
File #					
Meeting Day, Date	Monday, July 30, 2007				
Placement on the Agenda	Presentation	X	Consent		Individual
Date Prepared	July 24, 2007				
Author Name & Title	Jim Bright, Fire Dept. Operations Officer				
Presenter Name & Title	Ken Watkins, Fire Chief				

Summary: The Fire Department will update City Council on the first 12 months of ambulance transport service for the Grand Junction Ambulance Service Area (ASA) and discuss future development of this service. The update will include a brief history of the process to award the service to the Fire Department and will also address:

- **Accomplishments**
- **Call volume and number of patients transported**
- **Revenue and financial report**
- **Response standards compliance**
- **Unanticipated challenges**
- **Continuing issues**
- **Future development of this service**

Budget: N/A

Action Requested/Recommendation: No action by Council is requested.

Attachments: None

Background Information: Pursuant to Mesa County Resolution MCM 2004-220-2 that divided the County into Ambulance Service Areas, an RFP process was conducted in 2005 resulting in City Council selecting the Grand Junction Fire Department as sole provider of ambulance service in the Grand Junction ASA. After extensive discussion, evaluation, and planning in 2005 and 2006, the Fire Department began providing emergency and non-emergency ambulance transport service in the Grand Junction

ASA on July 1, 2006. During this first 12 months of operation the Department has experienced significant challenges and accomplishments as it has met the provisions of the RFP and provided a high level of care and service to Grand Junction.

Attach 3
Minutes

**GRAND JUNCTION CITY COUNCIL
WORKSHOP SUMMARY
July 16, 2007**

The City Council of the City of Grand Junction, Colorado met on Monday, July 16, 2007 at 7:06 p.m. in the City Hall Auditorium to discuss workshop items. Those present were Councilmembers, Teresa Coons, Bruce Hill, Gregg Palmer, Doug Thomason, Linda Romer Todd and Council President Pro Tem Bonnie Beckstein. Council President Jim Doody was absent.

Summaries and action on the following topics:

- 1. STREET CONSTRUCTION COSTS:** Council President Pro Tem Beckstein asked Public Works and Planning Director Tim Moore to review the cost increases that have occurred regarding materials and labor for street construction as it is impacting the City's ability to keep up with street repair and maintenance. Councilmember Palmer asked if the Transportation Capacity Payment (TCP) amount needs to be increased. Mr. Moore concurred that to be the case; that in order to keep up with the current costs, the TCP would need to be increased by nearly triple. He explained how the City had changed its policy in 2005 to encourage the payment of the TCP instead of having the developer perform the improvements themselves, since the previous policy resulted in a patchwork of improvements. Council President Pro Tem Beckstein urged the Council's attention on this issue as it cannot wait until the completion of the Comprehensive Plan.

Councilmember Hill agreed, noting the policy was correct, but the fee has not kept up with the increase in construction costs.

Action summary: The City Council appreciated the information being brought forward.

Council President Pro Tem Beckstein called a recess at 8:09 p.m.

The meeting reconvened at 8:15 p.m.

- 2. CITY-OWNED PROPERTY ADJACENT TO TIARA RADO:** City Attorney John Shaver presented a resolution that would include 80 acres of City-owned property adjacent to Tiara Rado in a Growth Plan Amendment application.

Inclusion does not approve the project, but only allows for the inclusion of the 80 acres. The developer does intend to provide the City with another nine-hole golf course. Mr. Shaver reviewed the various provisions contained within the resolution.

Councilmember Palmer inquired what the current Growth Plan designation is for the subject property. City Attorney Shaver advised it is CSR (Community Services and Recreation). He explained the two options for the application coming forward. The request for zoning would come from Staff and the developer. The purpose is to segregate the City Manager and Staff from any consideration that the Council will have when the application comes before them.

Council President Pro Tem Beckstein confirmed that the public hearing process will still need to be completed. City Attorney Shaver concurred, but noted that the City Council does have the option to become more involved and to decide what will be in the application if that is their preference.

City Attorney Shaver said there is really no legal conflict of interest because no member of Council will benefit financially from the application. As to whether there is a perception of a conflict, City Attorney Shaver felt assured that Council will review the application and decide on their action on the application based on the evidence presented.

Councilmember Hill asked for some changes in the resolution and thought there should be another step before Staff files a joint application, an outreach perhaps through the Parks and Recreation Department and further review.

Councilmember Coons felt this first step would not preclude that additional review and outreach.

Councilmember Todd agreed with Councilmember Hill on the wording changes. Councilmember Thomason did not disagree but thought this decision in the resolution is the first step.

Council President Pro Tem Beckstein noted that a Growth Plan amendment is separate from the development. Mr. Shaver agreed except if the plan comes forward as a Planned Development.

Councilmember Hill agreed the City Council can make those decisions based on the evidence but there is that perceived conflict. He still thought the Parks and Recreation Department could still do some outreach first and let the community participate.

Both Councilmember Coons and Todd thought the inclusion and the resolution will open up the process. Councilmember Thomason said the Parks and Recreation Advisory Board did look at this and weighed in on it. He agreed that the resolution will open up the discussion.

Council President Pro Tem Beckstein felt the process will allow the community to comment so she supports going forward with the resolution.

Action summary: Staff was directed by a majority of Council to correct the wording as discussed and then place the amended resolution on Wednesday's agenda.

3. **PLANNING UPDATE:** Planning Manager Lisa Cox reviewed some of the changes that have occurred in the Planning Division, the goals that have been identified, and the action steps being taken to achieve those goals. Customer service improvements include improved communications through a newsletter, prompt return of phone calls and email contacts plus being available to meet with customers. Education of citizens is another goal and Ms. Cox listed some of the ways education is being achieved, including a program called Planning 101, an outreach educational session for citizens. In-house training to keep planners up-to-date is a priority. This includes peer-to-peer training from conferences, etc. Community outreach and building partnerships in the community, including meeting with the Chamber Planning Oversight Committee and others, is another goal.

Planning Manager Cox reviewed the current workload and number of applications in the pipeline as well as the complexity of those projects.

Ms. Cox explained the challenges they have had to fill vacancies in the division, and some of the measures being taken to fill those spots. In addition, contracts, partnerships, and training opportunities in the community are being explored and put into place to ensure continuity so that customer service stays in place.

In conclusion, Ms. Cox spoke to some of the long term planning projects, including the South Downtown Plan and the Comprehensive Plan.

Action summary: City Council said they are hearing positive comments relative to the community outreach. The Listening to Business Report Part 2 presented at the noon workshop had positive feedback regarding the development process.

4. **NORTH AVENUE CORRIDOR PLAN:** Kathy Portner, Neighborhood Services Manager, introduced the topic and introduced the consultants. She described the project and noted that besides presenting the draft plan, the discussion should address implementation strategies. Phase One of the North Avenue

Corridor is defined as North Avenue from 12th Street east to I-70 Business Loop.

Steve Wilensky, the Consultant from EDAW introduced EDAW's Senior Planner, Silvia Kjolseth and Bill Cunningham, from Leland Consulting Group, and then spoke of his physical planning and policy planning process as well as some of the goals and strategies. Mr. Wilensky pointed out many of the challenges the project faces including bicycle and pedestrian access, the lack of a theme along the corridor, and the streetscape being hazardous and aesthetically unpleasing.

Mr. Cunningham said the purpose is for the City Council to buy into the guiding principle and then let Staff and others work on the nuts and bolts. The strategy is to inform the Council on the process so they are confident in it and to lay the groundwork for future investment. Mr. Cunningham stated that revitalizing such an area means overcoming a number of barriers. The barriers in this corridor they identified: lost market identify, fragmented ownership, street relationship, over-zoning, and lack of a strong cheerleader for the area like a neighborhood association.

Mr. Wilensky said a linear corridor is hard to address. Using Mesa State College as a resource is one opportunity, as well as the stadiums, and the VA Hospital. Districting the corridor was one idea, as well as something to keep the lights on after five o'clock. 29 Road is one catalyst, as well as 28th and 12th, two other major intersections. Mr. Wilensky put forward a number of EDAW's ideas.

Ms. Kjolseth pointed out how some of the changes can happen with the existing right-of-ways including landscaping and streetscaping.

Mr. Cunningham noted that private investment will happen quicker if the City is willing to advance the ideas. Higher standards will require offsetting incentives to support demonstration projects like a plaza. He listed a number of things that Staff can do to help implementation, including outreach, and a complete regulatory review to identify any gaps. He also stated that the time frames may take anywhere from ten to fifty years, but measures of success will appear.

Ms. Portner then said the next step will be to put the draft plan back out for public review and then come back to the Council later. Staff is looking for input.

Council President Pro Tem Beckstein asked why the corridor does not start at First Street. Ms. Portner explained that they were looking at the most manageable pieces and they took the least manageable piece first.

Council President Pro Tem Beckstein asked about criticism from the public as to minimizing the north-south corridors for traffic, especially in regards to public

safety and in getting to St. Mary's. She is concerned with safety with the amount of truck traffic.

It is Council President Pro Tem Beckstein's desire to keep the student population north of North Avenue and west of 12th Street. She disagrees with student housing east of 12th Street.

Councilmember Coons appreciated the involvement of Mesa State College and wondered why there were not more college centered activities. Addressing issues such as the unmanageable traffic corridor, looking at safety improvements, and more shopping opportunities at the east end has real potential.

Councilmember Palmer stated it was good to be proactive and the area will be very blighted in the future without revitalization. Creating an opportunity to reinvest and reinvent, making it more pedestrian friendly, creating opportunity for student workforce and senior housing, all these will make it less of a commercial corridor.

Councilmember Todd said signs hiding behind trees are an issue and the land use code needs to be revisited. There should be relief for buildings that cannot meet landscaping and parking requirements and allow expansion for existing businesses, while being cautious with mobile homes and affordable housing.

Councilmember Hill stated it is key they be ready for private investment, to lay out the vision when 29 Road gets open and creates accessibility, as it becomes more difficult even further east. A mixed use overlay to create housing, food, service and amenities should all be part of a development package. He stated not changing the driving lanes, but suggested improving the pedestrian experience. He agrees with the need for a cheerleader similar to the Horizon Drive urban renewal situation.

Council President Pro Tem Beckstein suggested reorganizing the North Avenue Neighborhood Group, keeping the street as a main thoroughfare, and she hopes that 29 Road is an incentive for development.

Councilmember Todd said the existing business owners need to be kept in mind.

Action summary: The City Council thanked them for the update and were supportive of many of the ideas put forward.

5. **ANNUAL BUFFER PROGRAM UPDATE:** Margy Latta, Mesa Land Trust (MLT) presented an annual update, identifying the number of current easements under their trust and reviewing the history of the organization. The Trust reports to the

Purchase of Development Rights Committee, on which Councilmember Thomason serves on behalf of the City. The MLT has a number of roles in the buffer zone project, the purpose of which is to maintain buffer areas between the municipalities in the Grand Valley.

Ms. Latta identified a number of possible properties for conservation easements. She listed the buffer accomplishments and the buffer partner contributions. She expressed appreciation for Grand Junction's support. The biggest portions of properties are donated by the property owners. The property owners can get tax credits which they can sell for cash. The bulk of the funding comes from GOCO and National Resource Conservation funds.

Rob Bleiberg, Director of MLT, pointed out that for every dollar Grand Junction puts into the project, \$20 of property is conserved.

Councilmember Coons asked Ms. Latta to explain what those conservation easements mean.

Ms. Latta explained that the easement goes with the land in perpetuity, building envelopes are identified, clustering of buildings is encouraged, and trail easements along the river are requested but are at the discretion of the land owners. A conservation easement identifies general uses; it keeps agricultural property agricultural and water rights stay with the property. She stated that she can review the 28 pages of a conservation easement with anyone interested.

Councilmember Coons noted that these are voluntary agreements, but once signed it is in perpetuity.

Councilmember Todd asked what happens when a hobby farmer decides not to farm again.

Mr. Bleiberg stated that the owner decides on what rights they want to retain. The restrictions stay in place upon sale and the next buyer will have to adhere to those restrictions.

Mr. Bleiberg talked about the how's, the why's and how important it is to protect the natural resources and how this brings dollars to the community by bringing in outside dollars and tax incentives. The vision for Mesa County is that the growth is happening quite rapidly; both for folks who live here now and those coming to the area. There are shared interests; the buffer zones want to identify those special places in the community and preserve them.

Action summary: Rob Bleiberg distributed a newsletter and invited City Councilmembers to schedule site visits.

Councilmember Hill said with the future buffer properties, one thing that the group needs to look at is a zoning overlay to address the small parcels in order to retain the buffer separation.

Councilmember Palmer agreed, pointing out that it is really up to the policy makers. He also felt that the adjoining municipalities should participate at a higher level. Mr. Bleiberg said the MLT stays out of land use proceedings but they can look at other options or tools for the smaller pieces.

Councilmember Thomason asked Mr. Bleiberg to distinguish between TDR and a conservation easement. Mr. Bleiberg explained that TDR is a transfer of development rights; the owner can sell the development rights to someone in the adjoining city. Conservation easements extinguish those development rights.

Councilmember Todd said TDR's aren't really effective. Ms. Latta said TDR's are done with deed restrictions and that it is not as strong of a document as a conservation easement.

- 6. FILLING THE CITY MANAGER POSITION:** City Council discussed how they will proceed to fill the City Manager's position. City Attorney John Shaver advised that it was his understanding that it is Council's desire to discuss how to go forward.

Council President Pro Tem Beckstein said it is her desire for a resolution to be brought forward for Ms. Kadrich to be the candidate for the position.

Councilmember Coons said there are options to appoint a City Manager; one option is a formal review and recruitment process or to talk about the potential merits of the Acting City Manager and the advisability of appointing her.

Councilmember Palmer stated when McKenney and Peckham were hired to recruit for the City Manager position, there was a year's grace period if the candidate did not stay a year. The City currently has the option to begin another search but there would be some expenses incurred. From the last national search, the current Acting City Manager was in the top three then.

Councilmember Palmer is comfortable with current person's job performance and the Council has already lost institutional memory and he would like to minimize that from occurring again. Councilmember Palmer believes there is effective leadership at this time and does not want to do another search.

Councilmember Todd concurred that there is a capable leader in place already.

Councilmember Thomason was not interested in exploring other options.

Councilmember Coons said that another national search does not make sense if Ms. Kadrich is interested in being the candidate.

Councilmember Palmer was comfortable with Ms. Kadrich's performance, and believes that the right person is in place right now.

Councilmember Hill said the City doesn't need to spend the time or the money because the last City Manager put the next Manager in place by hiring Laurie Kadrich as the Deputy.

Councilmember Coons received numerous positive comments from Department Heads and others regarding Ms. Kadrich.

Councilmember Todd would like to have the City Attorney draft the resolution needed to be able to take the action on Wednesday night.

Council President Pro Tem Beckstein was in agreement.

Action summary: The City Attorney was directed to draft a resolution for Wednesday's agenda to appoint Laurie Kadrich as the City Manager.

ADJOURN

The meeting adjourned at 11:12 p.m.

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

July 18, 2007

The City Council of the City of Grand Junction convened into regular session on the 18th day of July 2007, at 7:00 p.m. in the City Auditorium. Those present were Councilmembers Teresa Coons, Bruce Hill, Gregg Palmer, Doug Thomason, Linda Romer Todd, and Council President Pro Tem, Bonnie Beckstein. Council President Jim Doody was absent. Also present were Acting City Manager Laurie Kadrich, City Attorney John Shaver, and City Clerk Stephanie Tuin.

Presentations

Kids Day America Presentation

Dr. Wes Sheader of Kids Day America presented a check for \$1,130.90 to Resource Officer Jason LaCount of the DARE Program.

Certificates of Appointment

To the Downtown Development Authority and Downtown Grand Junction Business Improvement District Board of Directors

Patti Hoff and Scott Holzschuh were present to receive their certificates of appointment to the Downtown Development Authority and Downtown Grand Junction Business Improvement District Board of Directors.

Appointments

To the Avalon Theatre Advisory Committee

Councilmember Hill moved to re-appoint Andre van Schaffen and appoint Katherine Roy to the Avalon Theatre Advisory Committee for three year terms expiring June, 2010. Councilmember Todd seconded the motion. Motion carried.

To the Commission on Arts and Culture

Councilmember Coons moved to appoint Dr. Gisela Flanigan to the Commission on Arts and Culture for a partial term expiring February, 2009. Councilmember Hill seconded the motion. Motion carried.

Council President Pro tem Beckstein announced the appointment to the Walker Field Airport Authority is postponed.

Citizen Comments

Fred Aldrich, representing the Grand Valley Irrigators, asked those included in the group to stand (about 20 stood). Mr. Aldrich stated that all water providers are dependent on each other and have made this valley a desert oasis having shared over 125 years of cooperation. However, various groups have concerns with the current planning and development policies.

One of the specific concerns were that there are no development requirements that irrigation water be provided to subdivisions which places the burden on the municipal providers, mostly Ute Water. Plats disregard the rights of irrigators. Properties are being platted on top of irrigators' rights-of-ways. Bridge and utility crossings are not coordinated with the irrigators. Trails are not regulated by public ordinance and the public is ill-informed as to restrictions on their use. Notice of violations are issued to citizens using the irrigation canals, but the citizens don't take them seriously. Public safety has yet to be addressed with regard to canal irrigation access and the previous multi-modal study does not address the issue so the hazards remain the same.

The friction is increasing, and cooperation has been sought with the City in City projects. Water comes from Green Mountain Reservoir, where other jurisdictions also receive and compete for water from these sources. The politics related to water resources may be changing creating additional challenges for the irrigators. There is a need for this Council to spend time face to face with irrigators to discuss the issues, and Mr. Aldrich extended an invitation for the Council to meet with the irrigator board to try and fix some of these issues.

CONSENT CALENDAR

Councilmember Todd read the items on the Consent Calendar and then moved to approve the Consent Calendar. It was seconded by Councilmember Hill and carried by roll call vote to approve the Consent Items #1 through #24.

1. Minutes of Previous Meetings

Action: Approve the Minutes of the June 18, 2007 Special Session, the Summary of the June 18, 2007 Workshop, the Minutes of the June 20, 2007 Regular Meeting and the Minutes of the July 10, 2007 Special Session

2. Grand Junction Regional Communication Center Remodel

This approval request is for the award of a construction contract, for the remodel of the Grand Junction Regional Communication Center (GJRCC).

Action: Authorize the City Purchasing Division to Enter into a Contract, in the Amount of \$126,901 with PNCI Construction, Inc. for the Completion of the Remodel

3. **Road Oil for Chip Seal Program**

Purchase of approximately 95,745 gallons of road oil for the annual Streets Division chip seal program.

Action: Authorize the City Purchasing Division to Purchase 95,745 Gallons of Road Oil from Cobitco Inc., Denver, Colorado, in the Amount of \$180,000

4. **Purchase of a 3,500 Gallon Street Flusher Unit**

This purchase is for a new 2008 Peterbilt 340 Cab and Chassis with an Anderson Tank Flusher Unit for the Streets Division. The vehicle is currently scheduled for replacement in 2007 as identified by the annual review of the fleet replacement committee.

Action: Authorize the City Purchasing Division to Purchase a New 2008 Peterbilt 340 Cab and Chassis with an Anderson KSF 35055 3,500 Gallon Flusher Body, from Grand Junction Peterbilt in the Amount of \$104,500.00

5. **Purchase of a Truck Chassis Mounted Street Sweeper**

This purchase is for one new 2008 Eagle F Broom Street Sweeper with Sterling SC8000 chassis for the Public Works Street Cleaning Division. The 2002 Elgin Street Sweeper is currently scheduled for replacement in 2007 as identified by the annual review of the fleet replacement committee.

Action: Authorize the City Purchasing Division to Purchase an Eagle F Broom Street Sweeper with Dual Side Brooms and Belt Conveyor and Sterling SC8000 Chassis from Faris Machinery Company for the Amount of \$172,338

6. **Indoor Water Slide at Orchard Mesa Swimming Pool**

Contract with Westwind Leisure Group Ltd., for the design and installation of the indoor waterslide for the Orchard Mesa Community Center Pool.

Action: Authorize the Purchasing Division to Enter into a Contract with Westwind Leisure Ltd., for the Design and Construction of the Waterslide at Orchard Mesa Community Center Pool, in the Amount of \$94,950. As part of the Existing Intergovernmental Agreement with Mesa County for the Operation and

Maintenance of the Pool, the County will be Reimbursing the City 50% (\$47,475) of the Cost of These Improvements

7. **Setting a Hearing on the HDP Investment Group Annexation, Located at 841 21 ½ Road** [File #ANX-2007-176]

Request to annex 15.84 acres, located at 841 21 ½ Road, just west of Bond Street. This area is within the recently adopted H Road/Northwest Area Plan. The HDP Investment Group Annexation consists of three parcels.

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

Resolution No. 99-07 – A Resolution Referring a Petition to the City Council for the Annexation of Lands to the City of Grand Junction, Colorado, Settings a Hearing on Such Annexation, and Exercising Land Use Control, HDP Investment Group Annexation, Located at 841 21 ½ Road

Action: Adopt Resolution No. 99-07

b. **Setting a Hearing on Proposed Ordinance**

Proposed Ordinance Annexing Territory to the City of Grand Junction, Colorado, HDP Investment Group Annexation, Approximately 15.84 Acres, Located at 841 21 ½ Road

Action: Introduction of Proposed Ordinance and Set a Hearing for September 5, 2007

8. **Setting a Hearing on Rezoning the Amorelli Property, Located at 2719 H Road** [File #RZ-2007-112]

Request to rezone 2719 H Road, comprised of 5.346 acres, from R-1 (Residential – 1 du/ac) to R-2 (Residential – 2 du/ac). The parcel is located on the south side of H Road and east of 27 ¼ Road adjacent to the Grand Valley Mainline Canal.

Proposed Ordinance Rezoning a Parcel of Land from Residential One Unit per Acre (R-1) to Residential Two Units Per Acre (R-2), Located at 2719 H Road

Action: Introduction of Proposed Ordinance and Set a Hearing for August 15, 2007

9. **Setting a Hearing on Zoning the Mesa Ayr Subdivision Annexation, Located at 3139 D ½ Road** [File #PP-2006-214]

Request to zone the 5.03 acre Mesa Ayr Subdivision Annexation, located at 3139 D ½ Road, to R-5 (Residential 5 du/ac).

Proposed Ordinance Zoning Mesa Ayr Annexation to R-5, Located at 3139 D ½ Road

Action: Introduction of Proposed Ordinance and Set a Hearing for August 1, 2007

10. **Setting a Hearing Zoning the Fletcher Annexation, Located ½ Mile West of Monument Road on South Camp Road** [File #ANX-2006-108]

Request to zone 139 acre Fletcher Annexation, on South Camp Road ½ mile west of Monument Road, Planned Development 1.12 dwelling units per acre.

Proposed Ordinance Zoning the Fletcher Annexation to Planned Development 1.12 (PD), Located Approximately ½ Mile West of Monument Road on the North Side of South Camp Road

Action: Introduction of Proposed Ordinance and Set a Hearing for August 1, 2007

11. **Setting a Hearing on Changes in Traffic and Parking Regulations**

Adoption by reference of 2003 Model Traffic Code for Colorado and Enactment of Parking Code, including new Reverse Angle Parking provisions.

Proposed Ordinance Adopting by Reference the 2003 Model Traffic Code for Colorado (Except Part 12) and Repealing Articles X through XIV of the 1977 Model Traffic Code Adopted by Reference and Enacting a Parking Code for the City of Grand Junction

Action: Introduction of Proposed Ordinance and Set a Hearing for August 15, 2007

12. **Rescinding the Street Annexation, Located at 623 29 ½ Road and a Portion of the 29 ½ Road Right-of-Way**

Staff request that City Council formally rescind the Street Annexation initially presented to City Council on May 16, 2007 and denied (as per request) at the June 18, 2007 meeting. The annexation involved the Street property located at 623 29 ½ Road and included portions of the 29 ½ Road right-of-way.

Resolution 100-07 – A Resolution Rescinding Resolution No. 74-07 Concerning a Petition to the City Council for the Annexation of Lands to the City of Grand Junction, Colorado, Vacating the Second Reading of the Annexation Ordinance

and Releasing Land Use Control, Street Annexation, Located at 623 29 ½ Road and Includes Portions of the 29 ½ Road Right-of-Way

Action: Adopt Resolution No. 100-07

13. **Sale of a Riverside Parkway Remnant, Located at 2741 D Road**

Approval of contract for the sale of a remnant property at 2741 D Road as more particularly described in the agreement.

Resolution No. 101-07 – A Resolution Authorizing the Sale Contract for a Portion of the Property Located at 2741 D Road, Grand Junction, Colorado

Action: Adopt Resolution No. 101-07

14. **Contract with Mesa County for Building Inspection Services**

Approval of contract for building inspection and contractor licensing services with Mesa County. The agreement has served both the City and County well in the past and the recommended action will provide for the continuation of those services. The contract term is for two years.

Resolution No. 102-07 – A Resolution Authorizing a Contract with Mesa County for Building Inspection and Contractor Licensing Services

Action: Adopt Resolution No. 102-07

15. **7th Street Corridor Project Phase II – Landscape and Irrigation**

City Council has approved the reconstruction of 7th Street from the south side of Grand Avenue to the north side of Ute Avenue and the reconstruction of Main Street from 7th Street to 8th Street. Bids were opened on Tuesday, July 3, 2007 for the 7th Street Corridor Project, Phase II – Landscape and Irrigation.

Action: Authorize the City Manager to Execute a Contract for the 7th Street Corridor Project Phase II with American Civil Constructors, Inc. in the Amount of \$255,800

16. **Accept the Improvements and Set a Hearing on the Assessments Connected with El Poso Street Improvement District No. ST-06, Phase B**

Improvements in the El Poso Street Improvement District have been completed from Maldonado Street to Mulberry Street, between West Grand Avenue and West Chipeta Avenue.

Resolution No. 103-07 – A Resolution Approving and Accepting the Improvements Connected with El Poso Street Improvement District No. ST-06, Phase B

Proposed Ordinance Approving the Assessable Cost of the Improvements Made in and for the El Poso Street Improvement District No. ST-06, Phase B in the City of Grand Junction, Colorado, Pursuant to Ordinance No. 178, Adopted and Approved the 11th Day of June, 1910, as Amended; Approving the Apportionment of said Cost to East Lot or Tract of Land or Other Real Estate in Said Districts; Assessing the Share of Said Cost Against Each Lot or Tract of Land or Other Real Estate in Said Districts; Approving the Apportionment of Said Cost and Prescribing the Manner for the Collection and Payment of Said Assessment

Action: Adopt Resolution No. 103-07, Introduction of Proposed Ordinance and Set a Hearing for September 5, 2007

17. **Award of Signal System Communications Contract**

Bids were opened on June 26, 2007 for the Signal Communications Phase 1D Project. The low bid was submitted by Dillie & Kuhn, Inc. in the amount of \$274,345.50.

Action: Authorize the City Manager to Execute a Construction Contract for the Signal System Communications Phase 1D Project with Dillie & Kuhn, Inc. in the Amount of \$274,345.50

18. **Conveyance of a Nonexclusive Easement to Union Pacific Railroad Company at West Independent Avenue and 25 Road**

Union Pacific Railroad Company (“UPRR”), is requesting an easement across City property adjacent to West Independent Avenue to memorialize an existing utility use.

Resolution No. 104-07 – A Resolution Concerning the Granting of a Non-Exclusive Utilities Easement to Union Pacific Railroad Company, a Delaware Corporation

Action: Adopt Resolution No. 104-07

19. **Conveyance of a Nonexclusive Easement to Public Service Company of Colorado a/k/a Xcel Energy at B ³/₄ Road**

Xcel Energy (“Xcel”), is requesting an easement across City property adjacent to B ³/₄ Road to memorialize an existing utility use.

Resolution No. 105-07 – A Resolution Concerning the Granting of a Non-Exclusive Utilities Easement to Public Service Company, a Colorado Corporation aka Xcel Energy

Action: Adopt Resolution No. 105-07

20. **Construction, Lighting and Landscaping Contract for West Main Street Parking Lot**

The West Main Street Parking Lot low bidder was Reyes Construction with a price of \$168,587.20. The project will be started on July 23, 2007 and be completed by August 17, 2007. The parking lot includes parking lot lights. The landscaping will be constructed after the asphalt paving is completed. The landscaping will be completed under a separate contract.

Action: Authorize the City Manager to Execute a Construction Contract for the West Main Street Parking Lot for \$168,587.20 with Reyes Construction

21. **Change Order #1, Riverside Parkway Phase 2**

Change Order #1 of the Riverside Parkway Phase 2 contract with SEMA Construction Company adds additional sanitary sewer work and the construction of a crash-wall at the 25 Road bridge crossing the Union Pacific Railroad for a total increase in the contract of \$312,883.74

Action: Approve Change Order #1, Riverside Parkway Phase 2 with SEMA Construction in the Amount of \$312,883.74 for a Total Contract of \$31,868,438.85

22. **Recycling Contract with CRI, Inc.**

The City of Grand Junction Solid Waste Department continues to provide curbside recycling to our customers, with a public-private cooperation contract with Curbside Recycling Indefinitely, Inc. (GJ CRI) The new contract covers residential collection, current drop-off site (city shops), future buy-back center, and an agreement for commercial collection of City trash customer.

Action: Approve a Contract with Curbside Recycling Indefinitely, Inc. for Collection and Processing of Recycled Products in the Amount of \$486,345

23. **Withdrawal of Appeal of a Planning Commission Decision to Deny the Pinnacle Ridge Preliminary Plan, Located Northeast of Monument Road and Mariposa Drive** [File #PP-2005-226] – Continued from April 4, 2007

Appeal of the Planning Commission denial of the Pinnacle Ridge Preliminary Plan, consisting of 72 single family lots on 45.33 acres in a RSF-2 (Residential Single Family, 2 du/ac) zone district. The applicant has withdrawn the appeal.

Action: Rescind the Appeal of the Planning Commission Denial of the Pinnacle Ridge Preliminary Plan

24. **Authorize the Human Resources Manager to Terminate Retirement Plans**

The City has selected a new retirement plan provider. The resolution allows the Human Resources Manager to sign any documents needed to terminate the relationship with the old provider.

Resolution No. 109-07 – A Resolution Authorizing the Human Resources Manager to Terminate the City Retirement Plan Provider and Trustee, to Designate a Successor Plan Provider and Trustee and to Take Any and All Other Necessary or Required Action Related Thereto

Action: Adopt Resolution No. 109-07

ITEMS NEEDING INDIVIDUAL CONSIDERATION

Appointment of City Manager

The City Council discussed appointment of a City Manager at the July 16, 2007 Workshop and directed Staff to bring a resolution forward for consideration naming Acting City Manager Laurie M. Kadrach as the new City Manager.

John Shaver, City Attorney, reviewed this item. He reviewed the resolution being brought forward, particularly the authority of the City Council to appoint Ms. Kadrach and that Ms. Kadrach has the experience to perform the duties of City Manager. The resolution does make note that a contract is yet to be negotiated.

Councilmember Hill stated there was good discussion on Monday night and the previous City Manger did a great service to the community by hiring another finalist as the Deputy City Manager. Now that Council has seen Ms. Kadrach's performance, he is satisfied that the City has a top-notch person.

Councilmember Coons stated she has received unsolicited comments from Staff and Department Heads on how they work with Ms. Kadrach and how supportive they are of her.

Councilmember Todd stated that she had just come onto City Council when Ms. Kadrich became interim City Manager and found that she had the candor and ability to work well with groups and with Staff.

Councilmember Thomason gave his support on how Ms. Kadrich made a smooth transition and acclimated to the community, stated his support of appointing Ms. Kadrich.

Councilmember Palmer stated that Ms. Kadrich has good support and has been willing to step in and be part of the community, and he is glad to have her on board.

Council President Pro Tem Beckstein stated that looking back during the first round, this lady did her homework, came early, checked out the community, has enthusiasm, and is part of the major changes and the momentum.

Resolution No. 110-07 – A Resolution Appointing Laurie M. Kadrich as City Manager

Councilmember Palmer moved to adopt Resolution No. 110-07. Councilmember Thomason seconded the motion. Motion carried by roll call vote.

City Manager Laurie Kadrich said she is honored to be considered and she does accept this appointment in the most serious way to allow her to serve with Council in meeting the needs of the community. She stated she fell in love with the community last fall. She has invited the community and community groups to call her, and is happy to speak with community and neighborhood groups to let folks see that she is that kind of Manager today and will be in the future.

She thanked the employees, whom she found to be dedicated individuals, and stated that their hearts are in the right place. Ms. Kadrich thanked David Varley and his wife Grace for welcoming her to the community and all he shared with her. She stated that she will continue in the direction initiated by the previous City Manager.

Ms. Kadrich received a standing ovation.

Increase Application Fees for Liquor Licensing

The Colorado Legislature authorized an increase in the application fees allowed to be charged by local jurisdictions in this last legislative session. The local application fees have not been increased since 1997 however the cost of processing and administering liquor licenses has increased significantly. The law enacted allows for a stepped increase through 2010. The new law also established an application fee for the processing of Special Events Permits.

Stephanie Tuin, City Clerk, reviewed this item. The proposal is to increase liquor

license fees. She reviewed State liquor laws and explained how an application is processed through the liquor licensing process. License fees are set by State law and the maximum application fee is established by the State. The City of Grand Junction can keep all the application fees. Fees are used to offset the processing fees, however, the current fees do not offset the costs, thus the request for an increase.

Resolution No. 95-07 – A Resolution Amending Resolution No. 51-97 to Amend Liquor License Application Fees and Establish an Application Fee for Special Events Permits in the City of Grand Junction, Colorado

Councilmember Thomason moved to adopt Resolution No. 51-97. Councilmember Coons seconded the motion. Motion carried by roll call vote.

Public Hearing – Rezoning Property Located at 675 23 Road [File #FP-2007-133]

Request to rezone a portion of Lot 2 of the Taurus Subdivision from C-2 (General Commercial) to I-1 (Light Industrial).

The public hearing was opened at 7:52 p.m.

Ken Kovalchik, Senior Planner, reviewed this item. He described the site, the location, and the existing zoning of the surrounding properties. He reviewed the history of the Preliminary Plan review. He stated that Staff discourages dual land use on the same parcel. A requirement of the Final Plan is that the applicant ask for a rezone to one zone, I-1. Staff recommends approval with the condition that the rezone be final upon recordation of the Final Plat. He recommends changing the C-2 portion of Lot 1, Block 2 to I-2.

Mark Austin, representing the applicant, was present to answer questions. There were none.

There were no public comments.

The public hearing was closed at 7:53 p.m.

Councilmember Hill supported the request.

Ordinance No. 4100 – An Ordinance Rezoning a Portion of Lot 2 of the Taurus Subdivision from C-2 to I-1, Located at 675 23 Road

Councilmember Hill moved to adopt Ordinance No. 4100 and ordered it published. Councilmember Coons seconded the motion. The motion carried by roll call vote.

Council President Pro Tem Beckstein called a recess at 7:55 p.m.

The meeting reconvened at 8:06 p.m.

Public Hearing – Brady South Annexation Growth Plan Amendment [File #GPA-2007-051]

The applicant is proposing to develop a 12.62 acre site comprised of 3 parcels for commercial/industrial use. The westerly parcel (347 27 ½ Road) is already shown as Industrial on the Growth Plan Future Land Use Map but the two easterly parcels (348 27 ½ Road and 2757 C ½ Road) are shown residential. Thus, in order to develop the 3 parcels as one commercial/industrial project, a Growth Plan Amendment is requested to change the Growth Plan Future Land Use Map from Residential Estate 2-5 acre lots to Commercial Industrial (CI).

The public hearing was opened at 8:07 p.m.

Kristen Ashbeck, Senior Planner, reviewed this item. She described the site and the location, and stated that there are three parcels totaling 12.5 acres. The development application will proceed following the Growth Plan Amendment. The rendering plant on the property has been demolished. One structure still exists on the site.

She described the current zoning and the surrounding zoning. The Future Land Use Plan shows the property as residential with large lots. The request is to change the two easterly parcels from residential to industrial. The Riverside Parkway has created easy access to the parcels. This parcel has the potential to expand commercial/industrial uses in the South Downtown Plan. Buffer and green space can make the use compatible with the adjacent recreational uses. Ms. Ashbeck reviewed the Growth Plan Amendment criteria and pointed out which criteria were being met including that the change will provide benefit to the community.

Councilmember Palmer asked what uses can be on a commercial/industrial land use category. Ms. Ashbeck replied that there are three zone districts I-1, I-O or C-2, none of the zones allow heavy industry.

Councilmember Palmer asked about fuel storage, stockyards, and auto salvage. Ms. Ashbeck said any of these uses will need a Conditional Use Permit. The zoning will be another process.

Councilmember Coons asked if there is a likelihood that any of the property would be zoned I-2. Ms. Ashbeck stated that it can't be under the proposed new land use designation. The existing County zoning is I-2, the existing Land Use Designation is residential.

Robert Jones, II, with Vortex Engineering, representing the applicant, was in agreement with the Staff report and Planning Commission recommendation. He reviewed the history

of the parcel, it has a long history of industrial use. The Riverside Parkway has provided better access and there is a need in the community for additional industrial property. No conflicts have been identified with the Las Colonias Master Plan or the South Downtown Plan, the property is in an Enterprise Zone which encourages commercial and industrial development, not residential. It meets the criteria for a Growth Plan Amendment and he asked for approval.

Janet Magoon, 2752 Cheyenne Drive, wanted to clarify the surrounding properties, across the river is residential and Eagle Rim Park. She had pictures of the area, foliage is the only thing that blocks the view from her house of this subject property.

The property is adjacent to the property for Las Colonias Park. She is concerned that sound will be amplified from the subject parcel and the wind usually blows up from the parcel to her neighborhood.

Aspen Drilling is now conducting business on the property without the proper permits. Noise from the trucks can be heard on her side of the river. She urged Council to deny the request and wait until Las Colonias Park is developed and then see what happens on the industrially zoned property. She feels the only acceptable zoning is Light Commercial or a Planned Development.

Penny Heuscher, 330 Mountain View Court, stated she and many others have signed petitions that oppose the change that would allow industrial use. She provided the signed petitions. The citizens have made their view clear that they do not want industrial uses on the rivers. The Planning Commission was split on the decision. Residential is on the east and was there first. Three species of endangered fish live in this section of the river. The property is in a flood plain. A Planned Development zone would be a better fit, or a Light Commercial zone. There are alternatives. There were approximately 20 citizens who stood agreeing with Ms. Heuscher.

Enno Heuscher, 2525 8th Street, Suite 104, handed out information including a two page review of the Colorado Riverfront Commission's plans and stated the proposal and Growth Plan for this area are inconsistent with FEMA regulations. The Riverfront Commission recommended a Commercial zone which does not involve incompatible uses.

Paul Didier, 2808 Laddie Way, Audobon Society representative, stated that he sent a letter objecting to the Growth Plan Amendment. Many cities spend millions to undo what this resolution proposes. This river provides water to users downstream. He thought trucking should be next to I-70, not by the river. The property on the north side of I-70 is less harmful to the residential areas.

Susan Cypher, 316 27 3/8 Road, stated that she has lived in Orchard Mesa for 28 years and lived with the smells of the rendering plant for a long time. Ms. Cypher talked about

living with the trucking experience when there were loud beeps, it was loud and messy, and accidents happened. She thought when the rendering plant went away the City was going in the right direction. She said she can see what Eagle Rim Park with wildlife could be like and that will be lost if that area is industrialized. She asked the Council to listen to the opposition because truckers will pollute and the river is not a buffer.

Laura Anino, Grand Valley Recreation Resources, 3667 Martello Drive, questioned the impact the truckers will have on traffic if a recreation center goes in Las Colonias. She respects the need for trucking, but this may not be the best place.

Russ Justice, with Brady Trucking, stated that he tried to find a piece of property out by I-70, but couldn't find it. He stated that after looking for a year, he purchased and cleaned up the subject property and eliminated the drug problem.

He intends to put in a nice looking industrial park. He wants to be a good neighbor and feels that the project can be compatible with the river. He said that Haliburton is on the river. He understands there will be noise and pointed out that trains can be heard banging there now. He stated that there is Industrial behind them and beside them, and said that it won't go away. He said he would be glad to trade with anyone who has property on I-70.

Enno Heuscher, stated that Haliburton is next to Corn Lake, not on the river.

John Wieser, moved here from Cleveland in 1979. Mr. Wieser noted that the river experience back east was the brunt of jokes when the river caught fire and they cleaned up the areas along the river and stated that "industrial park" is an oxymoron. As a canoer, he loves the river and this request just doesn't seem to make sense.

Carole Chowen, 2342 Rattlesnake Court, #B said she recently floated the river and called it a magical experience, seeing the many great blue herons. She would like to have the City Council help Brady Trucking find an appropriate location along I-70.

Robert Jones II, Vortex Engineering, representing the applicant, addressed some concerns. He showed that there wasn't a buffer between the properties and doubted that anyone would construct a home on the property. The applicant is working with Staff on continuing the trail through the property. There are areas on the property that are outside the flood plain and the entrance is adjacent to an industrial park.

There were no other public comments.

The public hearing was closed at 9:01 p.m.

Councilmember Todd stated she is very familiar with property and doesn't see how the residential land use designation can stand on this property. If the previous owners were

allowed to have input into the Growth Plan she suspects they would not have supported residential development.

Councilmember Thomason questioned City Attorney John Shaver on the Aspen Drilling operation currently operating in the area and whether or not they were in violation.

City Attorney Shaver questioned the relevance of Councilmember Thomason's question and expressed his concern that by discussing the possible enforcement, it may tend to influence the discussion away from the criteria.

Councilmember Coons asked Staff why Planned Development is not possible on that property. City Attorney Shaver cited significant criteria, relative to the Growth Plan Amendment to Council.

Councilmember Coons clarified her understanding that once the Amendment is in place, then Planned Development would be possible as an application. City Attorney Shaver explained they do not use Planned Development as a Growth Plan designation, unless it is already zoned Planned Development. One can't convey expectations of use under a Planned Development, which is unlike straight zoning that has specific requirements in the Code.

Councilmember Todd asked how the enterprise zone is relevant. City Attorney Shaver replied that it isn't because it is relative to financing, and is not geared toward land use decisions.

Council President Pro Tem Beckstein said she is trying to understand the Growth Plan Amendment and what to look for, what suits the area or surrounding properties, or what the applicant wants. Ms. Ashbeck answered some of both, what suits the area and what the applicant wants. Initially the Brady Trucking proposal requested Industrial, but through discussions and through neighborhood meeting input, the applicant decided that I-2 is not appropriate, so Commercial/Industrial was determined more appropriate for both parcels.

Council President Pro Tem Beckstein asked about the vision for Las Colonias Park and asked if it would fit in with the area or impact the Growth Plan Amendment in fitting the area to the west. Ms. Ashbeck stated that the Park is not directly adjacent, and the adjacent piece is already Industrial. A recreation center and civic center is not necessarily in conflict with light industrial uses and a trail easement is required of the developer.

Councilmember Coons asked about the consideration of such a riparian area and the impacts. Ms. Ashbeck stated the difficulty and that the protection of habitat considerations must be included in the review process.

Councilmember Coons stated that she appreciates the clean-up efforts after a long history of industrial use. She said her biggest concern is the effort and time invested in the future vision of areas along the river, light commercial, and businesses and retail, and if these uses could fit with what is called a jewel of a river. Ms. Coons wonders what people's reaction would be to travel through the industrial area to get to a recreational area even with increased access to the river. She believes Council needs to take a long view at this situation and taking the first step is not easy. They should find other places for industrial, therefore she cannot support the Growth Plan Amendment.

Councilmember Palmer stated that he appreciates the efforts made by the Brady Trucking owner, but there is a need for a comprehensive plan to identify where such areas should be and creating a vision for South Downtown does not include industrial along the river or next to residential. He agrees with the Riverfront Commission's vision, will not support a Growth Plan Amendment.

Councilmember Hill stated that when the rendering plant property was on the market and the Riverfront Commission looked to purchase it, the City was asked to help, but didn't. It is a heavy industrial property, but there are beautiful properties hidden up the road and strides have been made along the river, but it is not the question tonight, as it is not the City's property. If it is compatible to downzone to a less Industrial zone with two County heavily industrially zoned properties surrounding it, he can support C-1 which will downzone the property.

Councilmember Thomason stated it was hard to ignore the history of the site, but with the Conditional Use process in effect, he is confident it will be improved. He did underscore the lack of industrially zoned property and can support the Growth Plan Amendment. He sees no reason to overturn the Planning Commission decision.

Councilmember Todd stated that there was an argument at the time of the Growth Plan process when they tried to get the City to look at individual properties when establishing designations. The battle was lost as there was no support and she doesn't think anyone would build a house on this property.

Council President Pro Tem Beckstein said the community knows the Council has a concern, and in the north part of town, where they have Estate zoning no one wants more industrial there. Before them is a Growth Plan Amendment and the City has an experienced Staff. There will be a public hearing for the next steps. There are ways of getting this done with proper communication, and they will not choose heavy industrial. She has faith in the Planning Division and a Comprehensive Plan is still two years away. It is not fair to ask developers to wait. It is not an easy decision, as they do value the river that supplies beauty and tourism and with the water situation there is so much more that has to be considered. That is why through the process she will support the amendment.

Resolution No. 106-07 – A Resolution Amending the Growth Plan of the City of Grand Junction to Designate Approximately 5 Acres Located at 348 27 ½ Road and 2757 C ½ Road from Residential Estate to Commercial Industrial

Councilmember Hill moved to adopt Resolution No. 106-07. Councilmember Todd seconded the motion. The motion carried by roll call vote 4 to 2 with Councilmembers Coons and Palmer voting NO.

Public Hearing – Sutton Annexation and Zoning, Located at 413 South Camp Road
[File #ANX-2007-057]

Request to annex and zone 53.69 acres, located at 413 South Camp Road, to R-2 (Residential, 2 units per acre). The Sutton Annexation consists of two parcels and is located on the west side of South Camp Road, north of the Canyon View Subdivision in the Redlands.

The public hearing was opened at 9:30 p.m.

Faye Hall, Associate Planner, reviewed this item. She described the location, the site, and the existing County zoning. She reviewed the criteria for rezoning: the proposed zone is compatible with the neighborhood, it conforms to and furthers the goals and policies of the Growth Plan and other adopted plans and policies, the requirements of this Code, and other City regulations. There are adequate public facilities and services available or will be supplied at the time of further development of the property.

She concluded that the request meets the annexation and rezoning requirements.

The applicants were present and they did not wish to speak

There were no public comments.

The public hearing was closed at 9:35 p.m.

a. Acceptance Petition

Resolution No. 107-07 – A Resolution Accepting a Petition for Annexation, Making Certain Findings, Determining that Property Known as the Sutton Annexation, Located at 413 South Camp Road and Including the Redlands Water and Power Company Canal Property is Eligible for Annexation

b. Annexation Ordinance

Ordinance No. 4101 – An Ordinance Annexing Territory to the City of Grand Junction, Colorado, Sutton Annexation, Approximately 53.69 Acres, Located at 413 South Camp Road and Including the Redlands Water and Power Company Canal Property

c. Zoning Ordinance

Ordinance No. 4105 – An Ordinance Zoning the Sutton Annexation to R-2, (Residential, 2 units per acre) Located at 413 South Camp Road and the Redlands Water and Power Company Canal Property

Councilmember Palmer moved to adopt Resolution No. 107-07 and adopt Ordinance Nos. 4101 and 4105 and ordered them published. Councilmember Hill seconded the motion. Motion carried by roll call vote.

Public Hearing – Growth Plan Amendment Located at 2076 Ferree Drive [File #GPA2007-061]

The petitioners, The R. Kenton Page Trust, requests adoption of a resolution to amend the Growth Plan Future Land Use Map from Estate (2-5 Ac./DU) to Residential Medium Low (2-4 DU/Ac.) for the property located at 2076 Ferree Drive in the Redlands. The Planning Commission recommended approval of the proposed Growth Plan Amendment request at their May 22, 2007 meeting.

The public hearing was opened at 9:35 p.m.

Scott D. Peterson, Senior Planner, reviewed this item. He described the request. The Planning Commission did review the request and recommend approval. He then described site and the location. The two properties were recently annexed into the City. The request is in anticipation of future residential development. The request is a designation from Estate to Residential Medium Low. It was originally designated as Estate in the Growth Plan due to its size and the surrounding property was designated Residential Medium Low due to the parcel size. Since the adoption of the Growth Plan a lot of development has occurred in the area. Mr. Peterson went through the other criteria. He said it is reasonable to request additional density to take advantage of the existing infrastructure and facilities. He noted the applicant is present and can answer questions.

Robert Jones II, Vortex Engineering, 255 Vista Valley Drive, Fruita was representing the applicant. He concurred with the Staff presentation and again reviewed the Growth Plan Amendment criteria and stated it will be a quality infill development. He asked for approval.

Cynthia Krikava, 2063 Ferree Drive, is not opposed to development but is concerned about safety in the neighborhood. She was told the County will maintain Ferree Drive

and the problem is the area at the corner of the two bends in Highway 340 is not suitable, and she would like to see a roadway study. Properties are zoned 2 to 4 units per acre but that is not what is built. It is impossible to build at that zoning and it is an intrusion onto the canal. She would be happy to show anyone who visits the site.

Robert Jones II, Vortex Engineering, appreciated the comments and understands the situation of the intersection with Broadway. An opportunity to improve the situation was addressed in the Preliminary Plan. There were no public comments. Regarding the existing lots, they are larger because there was no sewer available when they were built, but now there is. Mr. Jones read from the Redlands Neighborhood Plan where the policy section regarding sewer states the density is encouraged near the Tiara Rado interceptor. This property touches that interceptor.

Councilmember Palmer asked if the developer has proposed infrastructure changes. Mr. Jones replied that there were discussions at the Planning Commission meeting but doesn't have those plans at this time.

Councilmember Palmer asked how the intersection questions will be addressed. City Attorney Shaver responded that Council will not be directly involved but there will be significant engineering involved and CDOT will be involved. If Council does feel that criteria can be met, then vote no. He read the section and advised that through engineering and planning, it may be that only the low end of the density can be supported on this site.

Councilmember Coons asked if a traffic study is likely to be part of the review. City Attorney Shaver replied yes and all the other criteria relative to traffic.

There were no other public comments.

The public hearing was closed at 9:55 p.m.

Councilmember Todd commented that when they look at proposals to look at the availability of the infrastructure and the need for building sites, when there are opportunities to develop where there is infrastructure in place, the City can support them.

Councilmember Thomason stated that he trusts the process and when it is compatible he will support it.

Councilmember Coons said she had questions on traffic at that corner but understands that it is part of the review process, and it will be a paramount issue for the developer. Since the infrastructure is there she would support the Growth Plan Amendment.

Councilmember Palmer stated that his reason to raise a question is so that it is on the record. He doesn't disagree with Councilmember Thomason. He hears a lot about

housing shortages, and is encouraged by the building community maximizing densities and he is supportive if density fits.

Councilmember Hill stated when he sees the larger view, the Estate zoning seems odd. If the Residential Medium Low is consistent with what is there, yes, he would support it.

Council President Pro Tem Beckstein stated that the Growth Plan Amendment is to determine what fits the area and the criteria and she trusts the Staff to follow through with the necessary steps and the review process.

Resolution No. 108-07 – A Resolution Amending the Growth Plan of the City of Grand Junction to Designate Approximately 13.4 Acres, Located at 2076 Ferree Drive from Estate (2-5 AC/DU) to Residential Medium Low (2-4 DU/AC)

Councilmember Todd moved to adopt Resolution No. 108-07. Councilmember Hill seconded the motion. Motion carried by roll call vote.
Council President Pro Tem Beckstein called a recess at 10:02 p.m.

The meeting reconvened at 10:14 p.m.

Public Hearing – Vacating Portions of Texas Avenue, College Place and Alley Rights-of-Way Adjacent to Mesa State College Properties – 1020 Through 1040 Texas Avenue [File #VR-2007-052]

Mesa State College is requesting to vacate portions of Texas Avenue, College Place and alley rights-of-way located adjacent to their properties in anticipation of creating a simple subdivision plat to merge six properties into one to develop the area as a parking lot for the campus. The Planning Commission recommended approval of the proposed right-of-way vacations at their May 22, 2007 meeting.

The public hearing was opened at 10:14 p.m.

Scott D. Peterson, Senior Planner, reviewed this item. The Planning Commission did review and recommended approval of this item.

Mr. Peterson described the site and the location. If approved, the College intends to demolish the existing homes and use the property for a parking lot. The request meets the Growth Plan Amendment criteria.

Councilmember Palmer asked if the houses to the north will lose any access. Mr. Peterson stated that Mesa State College owns those houses too and they will retain an easement for access.

Tom Logue, representing Mesa State College, stated he concurred with the Staff presentation and was available for questions.

There were no public comments.

The public hearing was closed at 10:19 p.m.

Ordinance No. 4106 – An Ordinance Vacating Portions of Texas Avenue, College Place and Alley Rights-of-Way Adjacent to Mesa State College Properties, Located at 1020 Through 1040 Texas Avenue

Councilmember Thomason moved to adopt Ordinance No. 4106 and ordered it published. Councilmember Hill seconded the motion. Motion carried by roll call vote.

Infill/Redevelopment Request for The Plaza, Located at 28 ¾ Road

A request for infill/redevelopment incentives for street improvements along the east side of 28 ¾ Road adjacent to a proposed development called The Plaza. The review committee is supporting the cost of curb and gutter along the east side of 28 ¾ Road from the corner of North Avenue north to the end of the property, where Grand Mesa Little League Park property begins.

Ivy Williams, Development Services Supervisor, reviewed this item. The funds for infill/redevelopment comes from the Economic Development Fund. She said Mr. Logue is here representing the applicant. The property is within the infill boundary. The site is also in the redevelopment boundary. She described the location and the site. The site meets the two acre requirement for redevelopment. It is zoned C-1. The request is for curb, gutter and sidewalk improvements on the east side of 28 ¾ Road. She described the Review Committee's considerations. She advised that with limited funds the Committee rated the curbs and gutter as the highest priority.

Council President Pro Tem Beckstein asked who the owners of the property are. Ms. Williams named two entities. Council President Pro Tem Beckstein asked about the members of the LLC. City Attorney Shaver stated that because the entities are not clients, he does not see any conflict.

Councilmember Palmer said his wife is involved in Grand Mesa Little League, with no financial benefit.

Councilmember Coons asked how much the fund balance is. Ms. Williams stated that they have previously allocated \$167,942, the rest of the \$250,000 is being recommended for this project.

Councilmember Palmer stated that it is the largest fund request so far. Ms. Williams stated that there was a larger request in 2005.

Tom Logue representing Scotty Investment and In and Out LLC, stated that members are present and are long time residents. They have done other projects but this one is the largest. The members have a strong commitment to the community. He spoke on how the project meets the infill/redevelopment goals, although it does not provide affordable housing since it is a commercial development, it does provide employment, and reduces sprawl.

The drainage along North Avenue is extremely poor, and requires creativity in the development of the property to deal with the drainage problem. The plan will have a pond that will pump into the existing drainageway in North Avenue which will be expensive.

Because of the dual jurisdictions, they will have to deal with both the City and CDOT for the road improvements. Existing structures need to be demolished and the streets are substandard in the area. There are also hazardous material concerns such as asbestos, and fuel storage clean up. In addition, the water and sewer mains are backfilled with mill tailings, and they may have to excavate concrete from an old highway requiring a lot of extraordinary expenses. The roadway improvement details are important due to the nearby activities generated by the little league park and the school which draw a lot of youth activities. In addition Wal-Mart generates a lot of pedestrian traffic.

The property is under six acres and they are proposing four new buildings for light retail and personal services uses, and restaurant pads. Primary access will be from 28 ³/₄ Road and they will be asking for vacation of Pear Street. Mr. Logue indicated that about \$98,000 will still remain unfunded even if the request is approved. Mr. Logue went through a number of justifications for approval. He asked for Council's consideration of \$120,000 of funding, partially from the TCP, and another \$50,000 next year.

William Shuman, 815 25 Road, LLC member, stated that all members are local and own the property free and clear. He said they have committed tenants and although they have a lot of additional expenses to deal with, they are only asking for help with the improvements on the public property. He explained the safety improvements and that the members want to encourage people to come back to North Avenue. With the completion of that intersection it will start the ball rolling on the North Avenue Corridor improvements.

Councilmember Hill said they had just previously reviewed the North Avenue Corridor presentation and it is important to know when the right time is to leverage dollars to accomplish these improvements. The significant investment in 29 Road is timely. He suggest that the Council take \$100,000 out of TCP fund to do this now to jumpstart the North Avenue Corridor improvements.

Councilmember Coons stated that it was very serendipitous that this is before Council tonight. She encourages commercial at the east end of the valley to jumpstart renewal on North Avenue. She is concerned about encumbering next year's funding, and is also concerned about using up all the funds, but still supports the infill request and would like to find another way to fund the other piece.

Councilmember Todd agreed with Councilmember Hill's suggestion, and supports the project.

Councilmember Thomason asked what else is pending. Ms. Williams stated that there is a proposed 72 unit housing project from the Housing Authority.

Councilmember Todd asked the status of the Transportation Capacity Payment fund (TCP). Tim Moore, Public Works and Planning Director stated that the fund balance is on target plus some carryover from last year. They have a few projects coming forward this year or next, but they do have some flexibility with the fund balance.

Councilmember Coons stated it would be her desire to have Staff to find the money.

Councilmember Thomason stated that given the time value of money he thinks Council should get the best bang for the buck, and would be in favor of adding to the \$70,000 with a cap at \$100,000.

Councilmember Palmer stated that the issue is the infill request and the Council should have Staff look at other possibilities, as there are certain risks when a project is taken on. It is not really Council's issue with possible cost overruns, however, there is a lot to like about this project and he knows it will improve the area. There is a need to have a starting place and he supports the Staff recommendation, but encourages Staff to look at other options for the rest of the request.

Councilmember Hill moved to approve an incentive reimbursement for curb and gutter for \$169,247 of which \$70,582 would come from the infill incentive program and the balance to be determined and reported back from Staff for The Plaza. Councilmember Coons seconded the motion. Motion carried 5 to 1 with Councilmember Palmer voting NO.

Development of City-Owned Property Adjacent to Tiara Rado

Inclusion of 80 acres of City-owned property adjacent to Tiara Rado in a development application was discussed at the July 16, 2007 Workshop. City Council directed Staff to bring a resolution forward for consideration.

John Shaver, City Attorney, reviewed this item. It is being brought forward from the workshop on Monday. The resolution was amended based on Monday's discussion.

The resolution is narrow in scope and allows for inclusion of the City-owned property in a Growth Plan Amendment application.

Councilmember Hill stated this was not a public hearing but discussing the comments from Monday night. There will be a process and Council will listen to the evidence, but this action does forge a private-public partnership. He urged an outreach to the community to create informed consent, a consistent City approach but expressed urgency because the timeframe for Growth Plan Amendments. He discussed changing the “rule” due to the dynamic community development. It is going to create immediate conflict to create this partnership. He is supportive of the public-private partnership but is concerned it will make for a contentious issue.

Councilmember Coons stated it was time to figure out a public-private partnership and she agrees with doing Growth Plan Amendments more frequently, but that change is not currently in place. She feels it would be best to have a thorough discussion and then make a decision at that point. She stated that approving the Growth Plan Amendment does not assume or promise any development.

Councilmember Todd said the resolution and making the growth plan designation change will allow the time for more review. She stated this is the appropriate time to make the discussion available.

Councilmember Thomason stated that this application does not commit the City, it triggers the process. He supports the resolution.

Councilmember Palmer said that he agrees with changing the timeframe for Growth Plan Amendments. This resolution has nothing to do with the golf course, it is the density of the housing that is the issue and he doesn't think the Council needs to initiate the process to initiate discussion. Encouraging discussion will allow the process to go smoother, and fix the concerns up front. He stated that he would prefer not to initiate this process until there is more discussion between the parties involved.

Council President Pro Tem Beckstein thanked those present for staying, and stated that the Council should have addressed this conversation a year ago but believes the concerns will be addressed through the Growth Plan Amendment process where everyone can express their opinion.

Resolution No. 111-07 – A Resolution Authorizing the Filing of an Application to Amend the Growth Plan Designation for the City Property Located at 2064 S. Broadway in the City of Grand Junction, Colorado

Councilmember Coons moved to adopt Resolution No. 111-07. Councilmember Todd seconded the motion. Motion carried by roll call vote 4 to 2 with Councilmember Hill and Councilmember Palmer voting NO.

Non-Scheduled Citizens & Visitors

There was a question on clarification from the audience. Mr. Shaver said the resolution allows a review of the City property and it could be alone or could be done in conjunction with the other property. It allows the City to file a Growth Plan Amendment application.

Paul Brown, 2067 E ½ Road, whose property abuts the property, asked why would the City expend its money and time to go through this process without the developers.

Councilmember Hill stated that Council gave direction to the City Manager to decide.

Council President Pro Tem Beckstein said any application will go through the City Planning Process.

City Attorney Shaver said ultimately it will be a request for a Growth Plan Amendment and then a request for zoning. The two can be considered together or the City Manager could decide another request/utilization for the property.

Carol Kissinger, 449 High Tiara Court, president of the HOA at Seasons, said she is here because she heard about it on the news and the news suggested there would be public outreach. She suggested that it should have been made clear that no public comment would be taken. This property is zoned "park". City Attorney Shaver said no, as it is zoned CSR. Ms. Kissinger said if there was not anticipation of doing the golf course then why not sell it. Councilmember Hill responded that the Charter requires a vote of the people to sell City property and such a question probably wouldn't pass.

Ms. Kissinger stated that assuming the partnership happens and the developer does not go through with his part of the partnership, the City should require some good guarantees in order to assure that the developer completes the project.

Steve Voytilla, 2099 Desert Hills Road, thinks the City is courting the developer and he will fight against the high density.

Councilmember Hill said his fellow Councilmembers are doing this so they can step back and be separate from the process.

Mike Anton, 2111 Desert Hills Road, expressed the same sentiments, if there is no time-line in place, then perhaps the City should step back and take some time. He hopes the City being the applicant doesn't influence the Planning Department and Commission when they are processing the application.

City Attorney John Shaver replied that this resolution does not compel the City Manager to file an application, it allows her to do it.

Council President Pro Tem Beckstein invited all comments via phone and email.

Other Business

There was none.

Adjournment

The meeting adjourned at 11:46 p.m.
Stephanie Tuin, MMC
City Clerk

Attach 4

Vacation of Utility Easement – Mesa State College, Located at 1100 North Avenue

CITY OF GRAND JUNCTION

CITY COUNCIL AGENDA			
Subject	Vacation of Utility Easement - Located at 1100 North Avenue/Mesa State College		
File #	VE-2005-206		
Meeting Day, Date	Monday, July 30, 2007		
Placement on the Agenda	Consent	X	Individual
Date Prepared	July 20, 2007		
Author Name & Title	Senta L. Costello, Associate Planner		
Presenter Name & Title	Senta L. Costello, Associate Planner		

Summary: Vacation of a 20' utility easement that is no longer needed. The utilities that were located in this easement have been relocated, inspected, and accepted by the City of Grand Junction.

Budget: N/A

Action Requested/Recommendation: Approval of a Resolution vacating a 20' utility easement.

Background Information: See attached Staff report/Background information

Attachments:

1. Staff report/Background information
2. Site Location Map / Aerial Photo Map
3. Future Land Use Map / Existing Zoning Map
4. Resolution
5. Exhibit A

BACKGROUND INFORMATION					
Location:		<i>Mesa State College Campus</i>			
Applicants:		Applicant: Mesa State College – Tim Foster Representative: Rolland Engineering			
Existing Land Use:		<i>College campus</i>			
Proposed Land Use:		<i>College campus</i>			
Surrounding Land Use:	North	<i>College campus</i>			
	South	College campus			
	East	College campus			
	West	College campus			
Existing Zoning:		CSR			
Proposed Zoning:		CSR			
Surrounding Zoning:	North	CSR			
	South	CSR			
	East	CSR			
	West	CSR			
Growth Plan Designation:		Public			
Zoning within density range?		X	Yes	<input type="checkbox"/>	No

PROJECT DESCRIPTION: Applicant is requesting to vacate a 20' utility easement that is no longer needed. The utilities that were located in this easement have been relocated, inspected, and accepted by the City of Grand Junction.

RECOMMENDATION: Approval.

Staff Analysis

1. Background

The 20' utility easement was created when Bunting Avenue and the north/south alley between Houston Avenue and College Place, North Avenue and Bunting Avenue was vacated in May of 2005 by Ordinance 3759. The entire block was consolidated into one lot with the Elam Subdivision Plat recorded in June 2005. The future vacation of these easements was contingent upon the relocation and acceptance of the sanitary and storm sewer infrastructure. The sanitary and storm sewer infrastructure has been installed and accepted.

2. Consistency with the Growth Plan

The request is consistent with the following Growth Plan goals and policies:

Goal 5: To ensure that urban growth and development make efficient use of investments in streets, utilities and other public facilities.

Goal 6: To promote the cost-effective provision of services for businesses and residents by all service providers.

Policy 6.4 – The City and County will encourage consolidations of services whenever such consolidations will result in improved service efficiencies while maintaining adopted level of service standards.

3. Section 2.11.C of the Zoning and Development Code

Requests to vacate any easement must conform to all of the following:

a. The Growth Plan, major street plan and other adopted plans and policies of the City.

- The request is in conformance with the Growth Plan, major street plan, and other adopted plans and policies of the City.

b. No parcel shall be landlocked as a result of the vacation.

- No parcels will be landlocked as a result of the vacation.

c. Access to any parcel shall not be restricted to the point where access is unreasonable, economically prohibitive or reduces or devalues any property affected by the proposed vacation.

- Access will not be restricted to any parcels as a result of the vacation.

- d. There shall be no adverse impacts on the health, safety, and/or welfare of the general community and the quality of public facilities and services provided to any parcel of land shall not be reduced (e.g. police/fire protection and utility services).
 - The request will not cause any adverse impacts on the health, safety and/or welfare of the general community and the quality of public facilities and services provided to any parcel of land will not be reduced.
 - The request eliminates an unnecessary public easement, reducing public maintenance without reducing public services.

- e. The provision of adequate public facilities and services shall not be inhibited to any property as required in Chapter Six of the Zoning and Development Code.
 - The request eliminates an unnecessary easement and will not inhibit any public facilities or services to any properties.

- f. The proposal shall provide benefits to the City such as reduced maintenance requirements, improved traffic circulation, etc.
 - The request eliminates an unused utility easement that will alleviate any potential future maintenance issues.

FINDINGS OF FACT/CONCLUSIONS

After reviewing the Mesa State College Easement Vacation application, VE-2005-206 for the vacation of an easement, the Planning Commission made the following findings of fact and conclusions:

1. The requested easement vacation is consistent with the goals and policies of the Growth Plan.

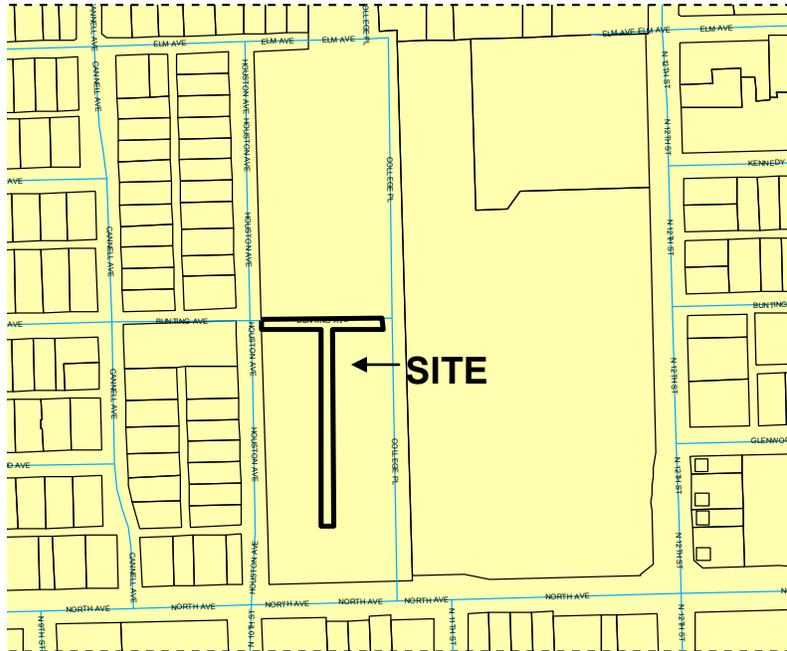
2. The review criteria in Section 2.11.C of the Zoning and Development Code have all been met.

PLANNING COMMISSION RECOMMENDATION:

The Planning Commission forwarded a recommendation of approval of the requested easement vacation, VE-2005-206 to the City Council with the findings and conclusions listed above.

Site Location Map

Figure 1



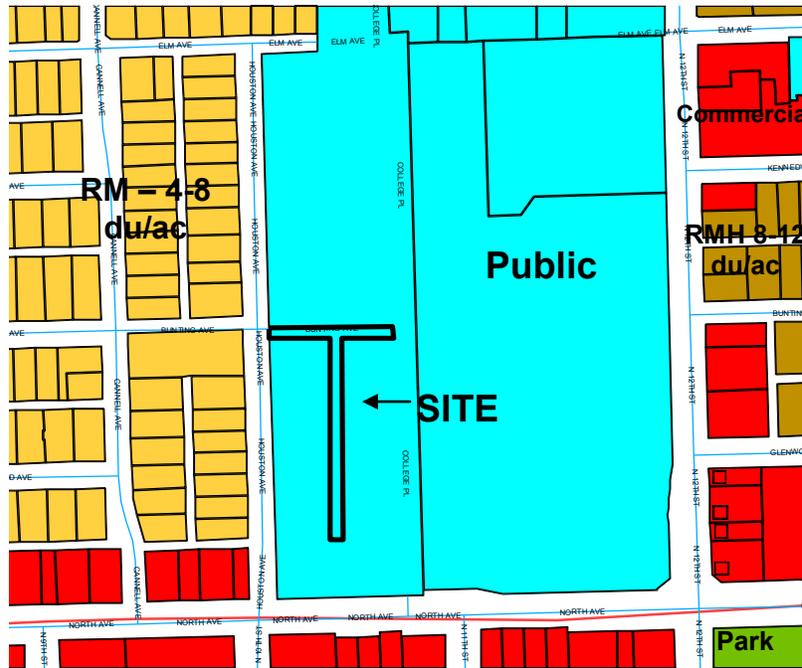
Aerial Photo Map

Figure 2



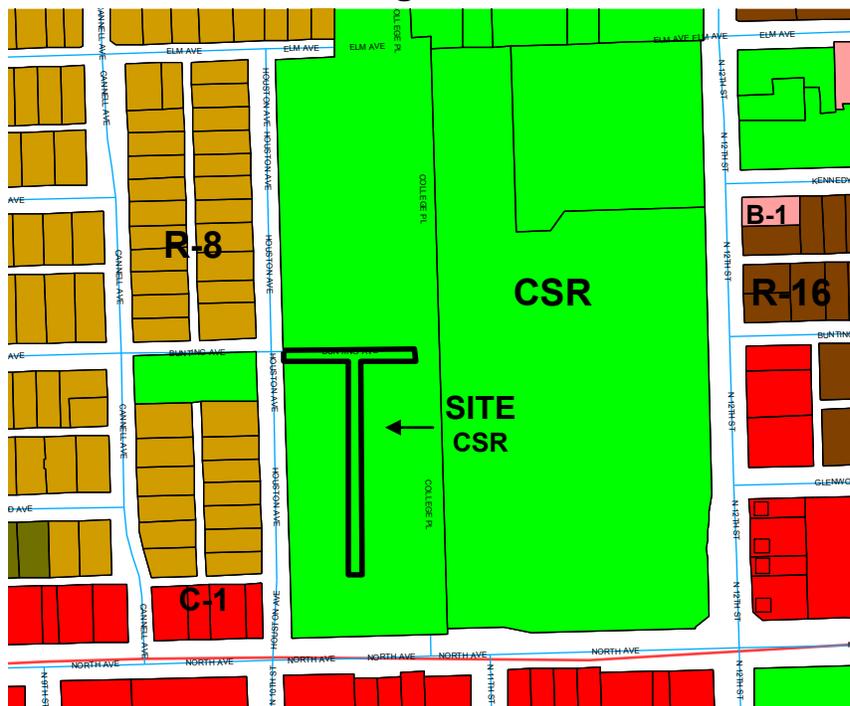
Future Land Use Map

Figure 3



Existing City Zoning

Figure 4



CITY OF GRAND JUNCTION, COLORADO

RESOLUTION NO. _____

**A RESOLUTION VACATING A 20' UTILITY EASEMENT WITHIN LOT 1, BLOCK 1
OF THE ELAM SUBDIVISION, LOCATED ON THE
MESA STATE COLLEGE CAMPUS, 1100 NORTH AVENUE**

RECITALS:

A request for the vacation of a utility easement has been submitted in accordance with the Zoning and Development Code. The applicant has requested that the 20' utility easement located in Lot 1, Block 1, Elam Subdivision, be vacated. The 20-foot utility easement was dedicated in Book 3929, Pages 816-820 of the Mesa County Clerk and Records Office.

In a public hearing, the Planning Commission reviewed the request for the vacation request and determined that it satisfied the criteria as set forth and established in Section 2.11.C of the Zoning and Development Code. The proposed vacation is also consistent with the purpose and intent of the Growth Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION THAT THE AREA DESCRIBED BELOW IS HEREBY VACATED.

All that certain part of an easement reserved for utility purposes in the City of Grand Junction, Ordinance No. 3759 vacating portions of Bunting Avenue and an alley, as recorded in Book 3929 at Pages 816-820 in the Office of the Mesa County Clerk and Recorder, said easement also being shown on the plat of Elam Subdivision, as recorded at Reception Number 2261431 in the Office of the Mesa County Clerk and Recorder, said certain part being more particularly described as follows:

Commencing at the southeast corner of Section 11, Township One South, Range One West of the Ute Meridian, City of Grand Junction, County of Mesa, State of Colorado, whence a hinge nail for the Northeast corner of Mesa College Campus Subdivision bears N00°03'39"E, a distance of 1316.66 feet, (according to the plat of said Elam Subdivision); thence N89°51'30"W, on the southerly line of Mesa College Campus Subdivision, for a distance of 669.85 feet; thence N00°00'59"W for a distance of 40.00 feet; thence S89°51'30"E for a distance of 50.00 feet; thence N00°00'59"W for a distance of 629.65 feet; thence S60°14'39"W for a distance of 80.62 feet to the point of beginning; thence the following eight courses and distances:

1. N89°59'26"W for a distance of 125.12 feet;
2. S00°00'25"E for a distance of 449.84 feet;

3. N89°51'14"W for a distance of 20.00 feet;
4. N00°00'25"W for a distance of 449.79 feet;
5. N89°59'26"W for a distance of 121.75 feet to a point on the easterly right-of-way line of Houston Avenue:
6. N00°00'25"W, on said easterly right-of-way line, for a distance of 20.02 feet;
7. S89°59'15"E for a distance of 266.86 feet;
8. S00°00'59"E for a distance of 20.00 feet to the beginning.

(containing 14,336 square feet, more or less)

SEE ATTACHED EXHIBIT "A"

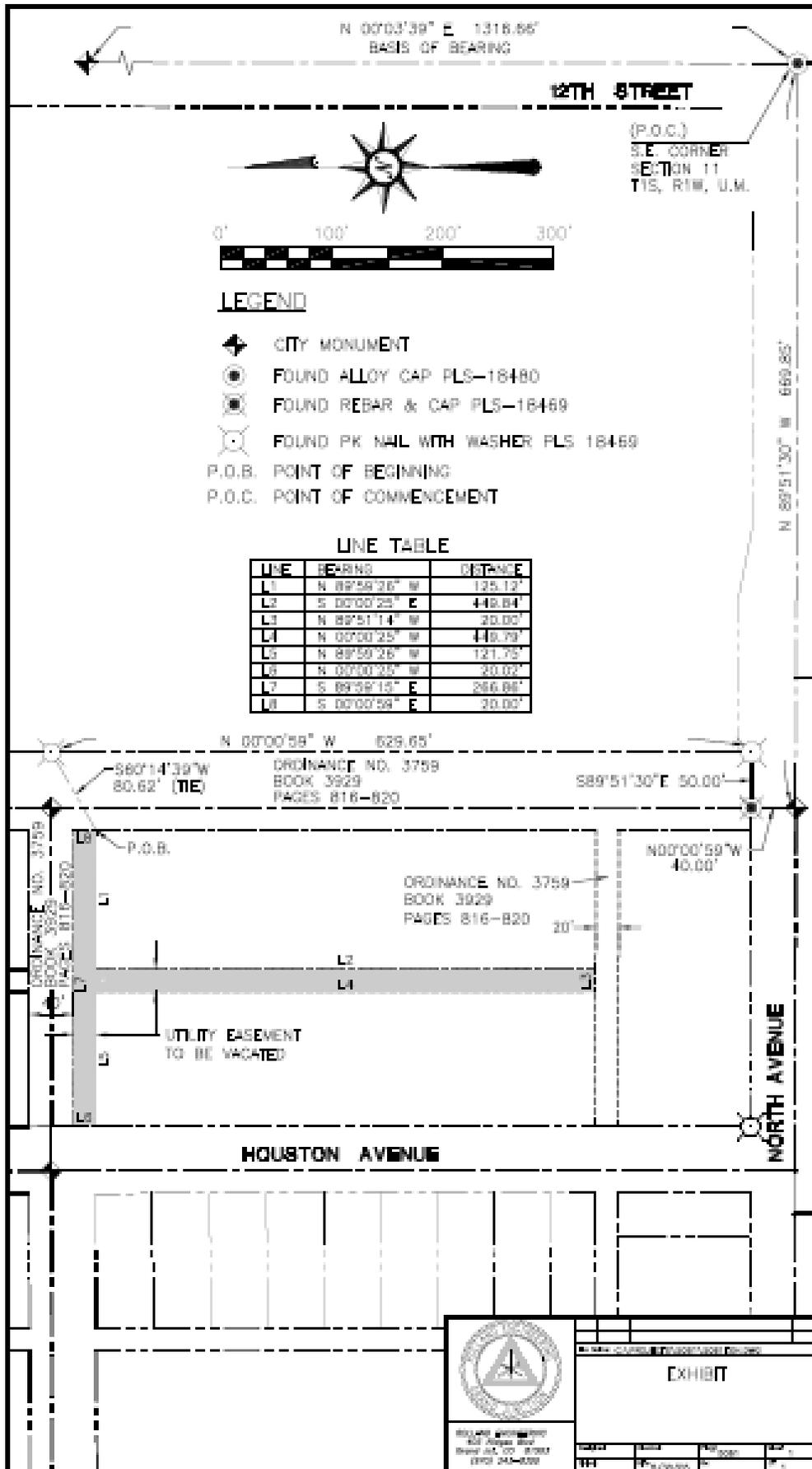
PASSED on this _____ day of _____, 2007.

ATTEST:

City Clerk

President of Council

EXHIBIT "A"



Attach 5

Contract Amendment #1 Signal System Communications

CITY OF GRAND JUNCTION

CITY COUNCIL AGENDA			
Subject	Contract Amendment #1 Signal System Communications		
File #			
Meeting Day, Date	Monday, July 30, 2007		
Placement on the Agenda	Consent	X	Individual
Date Prepared	July 27, 2007		
Author Name & Title	Jody Kliska, Transportation Engineer		
Presenter Name & Title	Tim Moore, Public Works and Planning Director		

Summary: This amendment will fund the connection of two additional signals on 12th Street at Grand Avenue and at Main Street and one CCTV camera to the traffic signal communications system. The current contract connects five signals on North Avenue from 1st to 12 Street with CCTV cameras at 1st, 7th and 12th. The signal at 12th and Gunnison and the Parks Administration building to the network will also be connected to the fiber optic network.

Budget: Funds are budgeted in the 2011 Fund – Project F33800. Funds for 2007 are budgeted in the amount of \$390,508.

Project Costs:

Construction Contract (low bid)	\$274,345.50
Contract Amendment #1	\$ 61,603.25
Construction Inspection/Administration (est.)	<u>\$ 11,000.00</u>
Total Costs	
\$346,948.75	

Project Funding:

City 2007 CIP Funds	\$390,508.00
2007 Design Costs to Date	\$ 35,461.25
Total Funds Available	\$355,046.75
Total Costs	<u>\$346,948.75</u>
Balance	\$ 8098.00

Action Requested/Recommendation: Authorize the City Manager to execute a construction contract amendment #1 to the **Signal System Communications Phase 1D** project with **Dillie & Kuhn, Inc.** in the amount of **\$61,603.25**.

Background Information: The project original contract is to install underground fiber optic cable to connect 5 traffic signals along North Avenue, from 1st Street to 12th Street, 1 signal on 12th Street at Gunnison and connect the Parks Administration Building to the network for computers and phones. Three CCTV cameras will be installed at 1st, 7th and 12th Street for traffic monitoring. The project will connect to the existing fiber optic network at 7th & Gunnison. Contract amendment #1 continues the fiber optic connection to 12th & Main, adding two signals and an additional CCTV camera.

The project is the fourth of several programmed in the CIP that will eventually connect the signals throughout the city and be able to tie in with the statewide system. The intent is to permit the City of Grand Junction to control the signal timing from the Transportation Engineering office via a fiber optic connection, with the added benefit of enhancing the computer connections between City facilities.

The Signal Communications project is a multi-year endeavor to connect the traffic signals and city and county facilities with fiber optic cable for better system operations and data. To date, three construction contracts have been completed that have resulted in connecting 63 traffic signals to the system and have connected City Hall, City Shops, Riverside Parkway office, Two Rivers Convention Center, the Police Station, Fire Stations 1,2 and 3, PD Substation Mesa Mall, County Mesa Mall office, the Food Bank, the Justice Center, Sheriff's Office, County Facilities Building and the County Courthouse. Mesa County has paid for the connections to their buildings.

The CIP has funding for the design and construction of the remainder of the traffic signals within the core city area. North Avenue, 12th Street to 29 ½ Road, including the signals on 1st, 7th and 12th will be the next area for final design and construction in 2009.

Construction on the North Avenue contract is expected to begin in August and should be completed in early 2008. All of the lines will be bored in place, minimizing impact to traffic.

Attach 6

CDBG Contract with Grand Valley Catholic Outreach

CITY OF GRAND JUNCTION

CITY COUNCIL AGENDA			
Subject	Subrecipient Contract for Project within the City's 2006 Program Year Community Development Block Grant (CDBG) Program		
File #	CDBG2006-03		
Meeting Day, Date	Monday, July 30, 2007		
Placement on the Agenda	Consent	X	Individual
Date Prepared	July 26, 2007		
Author Name & Title	Kristen Ashbeck , Senior Planner		
Presenter Name & Title	Kristen Ashbeck, Senior Planner		

Summary: The Subrecipient Contract formalizes the City's award of \$100,000 to Grand Valley Catholic Outreach as allocated from the City's 2006 CDBG Program for development of low and moderate income housing as previously approved by Council.

Budget: 2006 CDBG Allocation

Action Requested: Authorization for the City Manager to sign the subrecipient contract with Grand Valley Catholic Outreach for the City's 2006 Program Year, Community Development Block Grant Program.

Background Information: The City of Grand Junction allocated the majority of the 2006 Program Year CDBG funds for use for the development of low- and moderate-income housing in the community. One of the projects to meet an existing need is a 23-unit apartment complex at 217 White Avenue to be constructed and operated by Grand Valley Catholic Outreach for permanent housing for homeless persons. The City budgeted \$100,000 from the City's 2006 Community Development Block Grant (CDBG) funding cycle to assist with construction of the project.

Grand Valley Catholic Outreach is considered a "subrecipient" to the City. The City will "pass through" a portion of its 2006 Program Year CDBG funds to Grand Valley Catholic Outreach but the City remains responsible for the use of these funds. The contract with Grand Valley Catholic Outreach outlines the duties and responsibilities of each party and is used to ensure that Grand Valley Catholic Outreach will comply with all Federal rules and regulations governing the use of these funds. The contract must be approved before the subrecipient may spend any of the Federal funds. Exhibit A of

the contract (attached) contains the specifics of the project and how the money will be used by Grand Valley Catholic Outreach.

Attachment: Exhibit A, Subrecipient Contract

**2006 SUBRECIPIENT CONTRACT FOR
CITY OF GRAND JUNCTION
COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS
WITH
GRAND VALLEY CATHOLIC OUTREACH**

**EXHIBIT "A"
SCOPE OF SERVICES**

1. The City agrees to pay Grand Valley Catholic Outreach (GVCO) \$100,000 from its 2006 Program Year CDBG Entitlement Funds for site improvements for a new permanent housing project for the homeless, located at 217 White Avenue in Grand Junction, Colorado ("Property" or "the Property"). The general purpose of the project is to provide 23 apartments and counseling for 23 chronically homeless individuals, an apartment for a resident manager, and a counseling office.
2. Grand Valley Catholic Outreach certifies that it shall meet the CDBG National Objective of low/mod limited clientele benefit (570.208(a)(2)). It shall meet this objective by providing the above-referenced services to homeless persons in Grand Junction, Colorado.
3. The project consists of construction of 23 new apartment units in 3 buildings on the presently-vacant site at 217 White Avenue. The property is owned by Grand Valley Catholic Outreach which will continue to operate the new facilities on the site. It is understood that the City's Grant of \$100,000 in CDBG funds shall be used only for the improvements described in this agreement. Costs associated with any other elements of the project shall be paid for by other funding sources obtained by Grand Valley Catholic Outreach.
4. This project shall commence upon the full and proper execution of the 2006 Subrecipient Agreement and the completion of all appropriate environmental, Code, State and Local permit review and approval and compliance. The project shall be completed on or before December 31, 2008.
5. The project budget for the items to be funded by CDBG are as listed below:

Landscaping and Irrigation:	\$60,500.00
Site Concrete:	
e.g. on-site walkways and patios	\$39,500.00
6. If operation of the facility ceases before December 31, 2014, Grand Valley Catholic Outreach shall repay the City at the rate of \$1500 per month for each month the housing project is not serving clientele to December 31, 2014.

_____ Grand Valley Catholic Outreach
_____ City of Grand Junction

7. Grand Valley Catholic Outreach shall submit a progress report to the City on a monthly basis. This report shall detail, in accordance with generally accepted accounting principles, the monthly and year-to-date expenses and revenues for the housing facility. It shall also describe the services provided and the number of clientele served on a monthly and year-to-date basis. A year-end report detailing all services provided shall also be submitted by March 30th of each year until 2014. All required reports shall be sent to Kristen Ashbeck, CDBG Administrator, 2549 River Road, Grand Junction, Colorado 81501.

8. 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 or paid at property closing. Catholic Outreach shall notify the City two weeks in advance of the closing date.

9. A formal project (Close Out) notice will be sent to Grand Valley Catholic Outreach after the City receives a final year-end report for project year 2014. The final report shall be prepared by Catholic Outreach and submitted to the City on or before March 30, 2015 unless a later date is agreed to in writing by the Grand Valley Catholic Outreach and the City.

_____ Grand Valley Catholic Outreach
_____ City of Grand Junction

Attach 7
Council Assignments for 2007-2008

RESOLUTION NO. __-07

**A RESOLUTION APPOINTING AND ASSIGNING
CITY COUNCILMEMBERS TO REPRESENT THE CITY
ON VARIOUS BOARDS AND ORGANIZATIONS**

Be it resolved by the City Council of the City of Grand Junction that:

1. Until further action by the City Council, the appointments and assignments of the members of the City Council are as attached.

PASSED and ADOPTED this _____ day of _____, 2007.

ATTEST:

City Clerk

President of the Council

Date: July 26, 2007

To: Mayor and City Council

Re: City Council Assignments

CITY COUNCIL FORMAL ASSIGNMENTS

Individual Members are assigned for each of the following:

Board/Organization	Meeting Day/Time/Place	2007-2008 Assignments
Downtown Development Authority	2 nd Thursday @ 7:30 am @ Whitman Educational Center	Bonnie Beckstein
Grand Junction Housing Authority	4 th Monday @ 11:30 am @ 1011 N. 10 th	Teresa Coons
Public Airport Authority	3 rd Tuesday @ 5:15 pm @ Airport (3 rd Floor)	Jim Doody
Associated Governments of Northwest Colorado	2 nd Thursday - different municipalities	Linda Romer Todd
Parks Improvement Advisory Board (PIAB)	3 rd Thursday @ 8:00 am (as needed) @ Parks & Rec. Administration	Doug Thomason
Parks & Recreation Advisory Committee	3 rd Thursday @ noon @ Two Rivers	Bruce Hill
Mesa County Separator Project Board (PDR)	Quarterly @ 750 Main St.	Doug Thomason
MC Community Transit Steering Committee (GVRTC)	4 th Monday @ 3:00 pm @ Old Courthouse (multipurpose room)	Bonnie Beckstein
Grand Junction Economic Partnership	4 th Wednesday of every other month @ 7:00 am @ Airport, 3 rd floor	Gregg Palmer
Colorado Association of Ski Towns (CAST)	Meets six times a year – including at CML Conference	Bruce Hill & City Manager
Colorado Water Congress	Meets 3-4 times a year in Denver	Linda Romer Todd
Chamber Transportation Committee	Meets as needed	Bonnie Beckstein
FEMA Funding Board	Meets quarterly	Gregg Palmer & City Manager
Parking Management Advisory Group (PMAG)	As needed	Gregg Palmer

Chamber Governmental Affairs (Legislative) Committee	Meets biweekly during the legislative session and monthly during the rest of the year	Bruce Hill & City Manager
EMS Study Group	Meets 4 th Monday at 3:00 at County Administration (3 rd Floor)	Gregg Palmer
Methamphetamine Task Force	Meets 1 st Thursday at 7:30 a.m. @City Hall Auditorium	Teresa Coons,
5-2-1 Drainage Authority	Meets the 4 th Wednesday of month at 3:30 p.m. in the Old Courthouse in Multi Purpose Room	Jim Doody
Youth Council	Meets 2 nd & 4 th Thursday during the school year @ 7:00 pm in the Administration Conference Room	Doug Thomason & Linda Romer Todd (alternate)

Attach 8

Watershed Plan-Town of Palisade/City of Grand Junction

CITY OF GRAND JUNCTION

CITY COUNCIL AGENDA			
Subject	Watershed Plan – Town of Palisade/City of Grand Junction		
File #			
Meeting Day, Date	Monday, July 30, 2007		
Placement on the Agenda	Consent		Individual X
Date Prepared	July 25, 2007		
Author Name & Title	Terry Franklin, Water Services Manager		
Presenter Name & Title	Terry Franklin, Water Services Manager		

Summary: On June 18, 2007 the Genesis Watershed Plan public comments and focus group discussions was presented to City Council for review. Since that time the Genesis Watershed Plan stakeholders have met and incorporated the majority of the public comments into the finalized Watershed Plan. Attached is a redline version of the Watershed Plan that shows what comments were incorporated.

Budget: N/A.

Action Requested/Recommendation: Approve Watershed Plan.

Attachments:

1. Watershed Plan for the Town of Palisade and the City of Grand Junction – final version with changes and public comments incorporated.

Background Information: Since August of 2006, staff members have been working to resolve community issues relating to potential energy development in the watersheds of the Town of Palisade and the City of Grand Junction. We have worked in cooperation with federal agencies, Genesis Gas and Oil LLC., local governments and private landowners to develop a series of best management practices that will minimize the risks associated with potential energy development in the watershed.

A draft plan was presented to Elected Officials and the public on April 16, 2007. The following groups were contacted to meet to discuss the Genesis Watershed Plan and receive comments. Western Slope Chapter of Colorado Oil & Gas Association (WSCOGA), Western Colorado Congress (WCC), Colorado Environmental Coalition

(CEC), Xcel Energy, Kinder Morgan (TransColorado Pipeline), Colorado Department of Public Health and Environment (CDPH&E) and the Chamber of Commerce. Comments were also received through the Watershed Plan website, public meetings and e-mails.

The summary of these comments were presented to City Council on June 18, 2007.

The watershed plan stakeholders met on July 10, 2007 to incorporate as many comments as possible into final document. Before the stakeholder meeting John Redifer, facilitator for stakeholder group, had his staff take all of the comments that were received and summarize them for the group. The majority of these comments were incorporated into the final document. Comments that were not incorporated into the final document were outside of oil & gas development or already covered under another section within the document. Comments that were left out of the document were the comments that involved No drilling in the watershed, financial warranties, signed statement by governmental agencies, etc. The comments that were not incorporated into the final document are to be addressed by Genesis Gas & Oil through a summary paper posted on www.watershedplan.com website.

The Town of Palisade is adopting the final WATERSHED PLAN FOR THE TOWN OF PALISADE AND THE CITY OF GRAND JUNCTION, COLORADO at their next regular Board meeting on August 14, 2007.

DRAFT

**WATERSHED PLAN
FOR THE TOWN OF PALISADE AND THE CITY OF GRAND JUNCTION,
COLORADO**

***A COLLABORATIVE DOCUMENT BETWEEN
STAKEHOLDERS WITHIN THE WATERSHEDS STAKEHOLDERS***

Town of Palisade, Colorado
City of Grand Junction, Colorado
Mesa County, Colorado
Ute Water Conservancy District
Mesa Water and Sanitation District
Saddle Mountain Ranch
Bureau of Land Management, Grand Junction Field Office
United States Forest Service
Genesis Gas & Oil LLC

April, August, 2007

www.watershedplan.org

**DRAFT WATERSHED PLAN FOR
THE TOWN OF PALISADE AND THE CITY OF GRAND JUNCTION**

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SPECIAL THANKS

The Watershed Working Group would like to cordially thank the members of the public, local elected officials, and national legislative representatives and legislative staff for participating in the Watershed Plan process. The Working Group would like to acknowledge the innumerable hours spent on producing and reviewing the document from members of the public as well as regulatory and cooperating agencies. The Working Group would like to give special thanks to the following members of the public who submitted written comments during the 45-day comment period: Seth Anderson; John M. Duggan, Colorado Department of Public Health and Environment; Jim Fritz; Bill Grant, Western Colorado Congress; John Ludlam; Jocelyn Mullen, Lorna Reed; Jim and Sharon Sample.

AGENCY CONTACT INFORMATION

Bureau of Land Management Grand Junction Field Office Watershed Plan Project Manager

970.244.3000

City of Grand Junction Public Works and Utilities Director

970.256.4076

Genesis Gas & Oil LLC Watershed Plan Coordinator

816.222.7500

Mesa County Long Range Planning Department, Watershed Coordinator

970.244.1650

Town of Palisade Public Works Director

970.464.1116

EXECUTIVE SUMMARY

In February 2006, Genesis Gas & Oil LLC (“Genesis”) acquired oil and gas leases from the Bureau of Land Management (“BLM”). The Town of Palisade and the City of Grand Junction protested the proposed leases within their watersheds. Genesis voluntarily accepted an additional no-surface occupancy stipulation on 960 acres surrounding 24 sensitive areas within the Palisade Watershed. In August 2006, the BLM issued the leases with the additional no-surface occupancy stipulation. In addition, the BLM issued a one-year suspension on the leases within the watersheds to allow the Stakeholders to create a voluntary, non-binding and collaborative watershed plan. If Genesis sells or transfers its leases to another company, the BLM will expect the new lessee(s) to use the Plan as a template for operations and coordination.

The Stakeholders of this plan recognize a heightened level of commitment and responsibility is required if and when energy development occurs in a watershed. The Watershed Plan explains the commitment of the involved parties to successfully resolve community issues relating to potential energy development in the watersheds of the Town of Palisade and the City of Grand Junction, Colorado.

The goals of the draft Plan are to:

- Prepare a final Plan using public input and review;
- Maintain a working relationship with the Stakeholders and communities;
- Address and resolve issues and concerns within the watersheds; and
- Facilitate an ongoing forum for open, objective, and timely communications.

Public input was solicited and received through public meetings, newspaper articles and editorials, surveys, letters and other correspondence.

The following represents a summary of the issues identified by the public:

- Protection of the local community watersheds;
- Communication with the communities;
- Possible risks;
- Mitigation measures and Best Management Practices for potential development in the watersheds;
- Adequately define baseline conditions and monitor water data;
- Off-lease social, economic, and environmental impacts of potential energy development;
- Required permitting and approval processes and opportunities for public comment prior to the initiation of energy development activities; and
- Reclamation during and after the lease period.

Major components of the Plan to address these issues are:

- Communication and coordination with local communities:
 - Obtain input and feedback through collaborative Plans of Development well in advance of any energy development activities; and

- Disperse information via interactive Watershed Plan web site, quarterly electronic newsletters, public meeting briefings, and other lease activity to bring about a better understanding of watershed leasing and regulatory oversight.
- Risk analysis addressing:
 - Possible surface water contamination due to:
 - Construction;
 - Sedimentation;
 - Well production and transportation; and
 - Contamination associated with spills or releases.
 - Possible groundwater contamination due to:
 - Surface spills or releases;
 - Drilling, construction and production; and
 - Subsurface release of contaminants.
- Third-party water studies and monitoring that will occur throughout the entire development process. Genesis is committed to partially funding and implementing with Stakeholders a thorough program of hydrological studies that will be designed to:
 - Characterize and understand watershed hydrologic systems;
 - Establish baseline (existing) hydrological conditions; and
 - Assess potential impacts by hydrologic monitoring.
- Commitments by Genesis that go beyond mandated requirements;
 - Voluntary no-surface occupancy on 960 acres within the Palisade watershed; and
 - The creation of a voluntary, non-binding and collaborative Watershed Plan.
- Best management practices for risk mitigation to protect watersheds:
 - Clustered Development Well Pad Spacing: Prepare minimum number of drilling pad locations to meet the needs of the resources, landowners, surface managers and Genesis;
 - Collaborative Storm Water Management Plan: Obtain Storm Water Management input and feedback from the Stakeholders in advance of potential drilling to minimize surface, water and visual impacts;
 - Subcontractor Education: Design and conduct an education program to inform subcontractors, used in the watersheds, on the content and programs of the Plan;
 - Emergency Response Plan; Hazardous Materials Management, Spill Prevention Control and Countermeasures, Health, And Safety: Genesis will:
 - Prepare an Emergency Response Plan for potential contaminants and how materials will be safely used;
 - Devise and conduct an emergency response education program;
 - Maintain an active Spill Prevention program including on-site emergency response kits for first responders to immediately mitigate potential spills;
 - Conduct annual emergency response systems exercises; and
 - Maintain files of substances used in the course of operations.
 - Air Quality: Work with Stakeholders and surface owners to control dust that may be generated due to construction activities and vehicle travel;
 - Closed Loop Drilling Systems: Reduce potential spills in the watersheds;

- Cementing / Casing Programs: Isolate the aquifer and water zones through effective cementing and casing operations;
- Green Fracturing: Use Green Frac materials in the watersheds;
- Fracture Tracing: Utilize tracers during exploration phase to ensure fracturing fluids are contained to hydrocarbon zones; and
- Produced Water: Dispose of produced water in ways other than on-site recovery pits.
- Additional best management practices for risk mitigation:
 - Visual Studies: Mitigate sensitive viewing points and areas in the watershed;
 - Subcontractor Conduct: Use subcontractors that demonstrate active drug, alcohol, and safety programs regarding hiring, training and spot-checking;
 - Fire abatement: Prevent and suppress fires within watershed lease areas;
 - Pipelines: Collaborate with watershed Stakeholders on planning of pipelines; and
 - Reclamation: Work with Stakeholders to approach interim and final reclamation.
- Regulatory agency roles, responsibilities, permitting & regulations:
 - Along with Best Management Practices, there is a considerable body of regulatory and monitoring requirements and oversight.
 - Regulatory agencies include:
 - BLM and additional federal agencies;
 - State of Colorado agencies:
 - Colorado Air Quality Control Commission; Colorado Water Quality Control Commission; Colorado Division of Wildlife; Colorado Oil and Gas Conservation Commission; Colorado Division of Water Resources;
 - Town of Palisade, City of Grand Junction, Mesa County;
 - For additional information, see the regulatory matrix in Appendix 6.

Successful achievement of the goals in the Plan will depend on honest, timely, and open communications with and among the Stakeholders, including the public. The Stakeholders believe an ongoing exchange of information and ideas, coupled with the ability to openly express concerns and solve problems collaboratively, will have a greater impact in a shorter time with more positive results than relying on litigation as an enforcement tool. The Stakeholders are committed to resolve the issues and concerns associated with potential energy development in the watersheds.

THE VISION FOR THE WATERSHED PLAN

Of primary importance will be continued efforts to protect air, land and water resources within the Palisade and Grand Junction watersheds. In addition, the economic, social and environmental well-being of the municipalities will be given high-priority consideration in the management of the leases and the potential development of the energy resource.

All interested parties will work to properly manage potential future energy development and to maintain water-related assets. The Plan is subject to change due to new technology, equipment, and the experience gained on the ground by all concerned Stakeholders as energy resources are potentially developed. The Plan will be updated as needed to address new concerns and issues. The communication processes outlined in the Plan will, of necessity, be updated and honed in order to achieve the Purposes and Needs of the Plan.

ACRONYMS AND ABBREVIATIONS

BMP	Best Management Practice
BLM	Bureau of Land Management
City	City of Grand Junction, Colorado
COGCC	Colorado Oil and Gas Conservation Commission
County	Mesa County, Colorado
EA	Environmental Assessment
Genesis	Genesis Gas & Oil LLC
NEPA	National Environmental Policy Act
Plan	Watershed Plan
POD	Plan of Development
Town	Town of Palisade, Colorado
USFS	United State Forest Service

INTRODUCTION

The Piceance Basin, of northwest Colorado, is an area of immense beauty containing a wealth of natural resources. The ecosystems range from high alpine to high desert. The Grand Mesa, whose massive flat surface rises 10,000 to 11,000 feet above sea level stands guard over the Grand Valley, home to over 100,000 people including the residents of the communities of Palisade, Grand Junction, Mesa and Fruita. The Grand Mesa provides food, water, shelter, and recreation not only to the residents of Mesa County, but also to visitors from around the state and across the country. Ranchers and farmers in the valleys have always relied on water from the Grand Mesa to water their crops and orchards.

The 6,000-square-mile Piceance Basin straddles the Colorado River and U.S. Interstate 70 in Garfield and Mesa counties, with portions extending northward into Rio Blanco County and south into Gunnison and Delta counties. The surface resources and related activities contribute to the economic base of the region and foster a unique lifestyle for the residents of the area. Under the surface, there exist a wide range of energy resources, some having been produced for decades, other experiencing dramatic growth, and others yet to be developed. Balancing society's demand for these natural resources is a complex and contentious issue.

For decades, Mesa County and its communities have been impacted by the environmental issues and economic cycles inherent with the energy industry. Due to increased demand for energy, the area is once again the site for mineral resource development, specifically, exploration and development of natural gas. Thousands of wells are projected to be drilled in Colorado in 2007, many in the Piceance Basin. In 2005, industry representatives nominated parcels on the Grand Mesa in and around the watersheds of the Town of Palisade and the City of Grand Junction for gas exploration and development. The BLM offered these parcels for lease and Genesis purchased the parcels in February 2006.

The fact that the watersheds of both municipalities are located on the Grand Mesa, combined with the potential development of energy resources within the watersheds, created a great deal of public concern. In order to address these concerns, the BLM applied certain stipulations to the leases. In addition, Genesis offered a voluntary stipulation of no surface occupancy on 960 acres surrounding 24 sensitive areas in the Palisade watershed. At the BLM's request, Genesis agreed to a 12-month suspension of the leases within the watersheds to allow for the development of a community-based plan addressing stakeholder communication and Best Management Practices aimed at protecting water. This plan is the result of that process and represents the combined effort of Stakeholders to find mutually beneficial means for the potential development of energy resources and the protection of the critical water resources.

BACKGROUND AND DEVELOPMENT OF THE PLAN

In 1987, the BLM Grand Junction Field Office completed their overall Resource Management Plan, which provides land use direction and allocation decisions on Federal lands and minerals. The Resource Management Plan direction limited surface-disturbing activities within both watersheds to protect watersheds resources. This direction resulted in the identification of a number of lease stipulations that will be applied at the time of lease issuance to leases within the watersheds. Primary among the stipulations was a watershed Protection Stipulation:

- All lease operations will avoid interference with municipal watersheds located on the Genesis watershed leases. This may include the relocation of proposed roads, drilling sites and other facilities, or application of appropriate mitigation measures. The stipulation may be waived if circumstances change, or if the lessee can demonstrate operations can be conducted without causing unacceptable impacts on the concern(s) identified. Both watersheds have stipulations to protect scenic and Natural Values, Steep Slopes, Deer and Elk Winter Range, and Perennial Streams. The Palisade watershed leases also had stipulations to protect Known Cultural Resources and Visual Resources. All oil and gas lease stipulation maps are in Appendix 1.

Both the Palisade and Grand Junction watersheds have been subjected to oil and gas leasing over the last 30 years. The Town of Palisade's watershed currently has two plugged wells located on the City of Grand Junction's property on top of the Grand Mesa (private surface/private minerals). The Grand Junction's watershed currently has nine (9) gas wells located within it, five (5) of those wells are fee wells (private surface/private minerals), two are BLM permitted wells and two wells are USFS permitted wells.

Despite the history of leasing and a small amount of development of gas resources within each watershed, there was concern raised by the public and municipalities. The gas development boom in Western Colorado has made the issue of oil and gas leasing and development a significantly different issue than it was even a decade ago. Advances in technology have allowed development to occur in many places that simply were not available or accessible in past years.

The Town of Palisade and the City of Grand Junction protested the BLM's February 2006 oil and gas lease sale, which offered leases on 10,266 acres of Palisade's watershed and 604 acres of Grand Junction's watershed.

The BLM's regulations for oil and gas leasing dictate that when a protest has been filed on a lease parcel, the BLM must work through any outstanding issues raised in the protest prior to the lease issuance being finalized. In August 2006, the BLM issued the leases with a voluntary no-surface occupancy stipulation surrounding sensitive areas within the Palisade watershed. The additional No Surface Occupancy Stipulation addresses 960 acres within Palisade's watershed on 40-acre parcels where critical springs/intakes are located within the watersheds. Genesis' agreement was a clear demonstration of Genesis' commitment to protect the watershed resources.

Concurrent with BLM's issuance of the leases, BLM suspended the leases for a year to allow for the preparation of a "community-based watershed development plan to identify the elements to be factored into how the lessee will design its potential future development activities, with the goal to minimize or eliminate community concerns."

The lands encompassing these municipal watersheds lie within the southern Piceance Basin geologic province and have a subsurface geologic framework suspected to hold significant natural gas resources. All the lands within these municipal watersheds, including the federal mineral estate, are recognized as being important to the economic, social, and environmental well-being of the country and these communities. In historic resource management, land use, and site-specific plans, BLM and USFS have incorporated numerous protective measures to prevent activities within watersheds from negatively impacting water and other resources.

Figure 1 shows the general location of the watersheds. Figure 2 shows the general land ownership within the watersheds. Figure 3 shows land ownership, administrative boundaries, watershed boundaries and Genesis' leases.

Figure 1

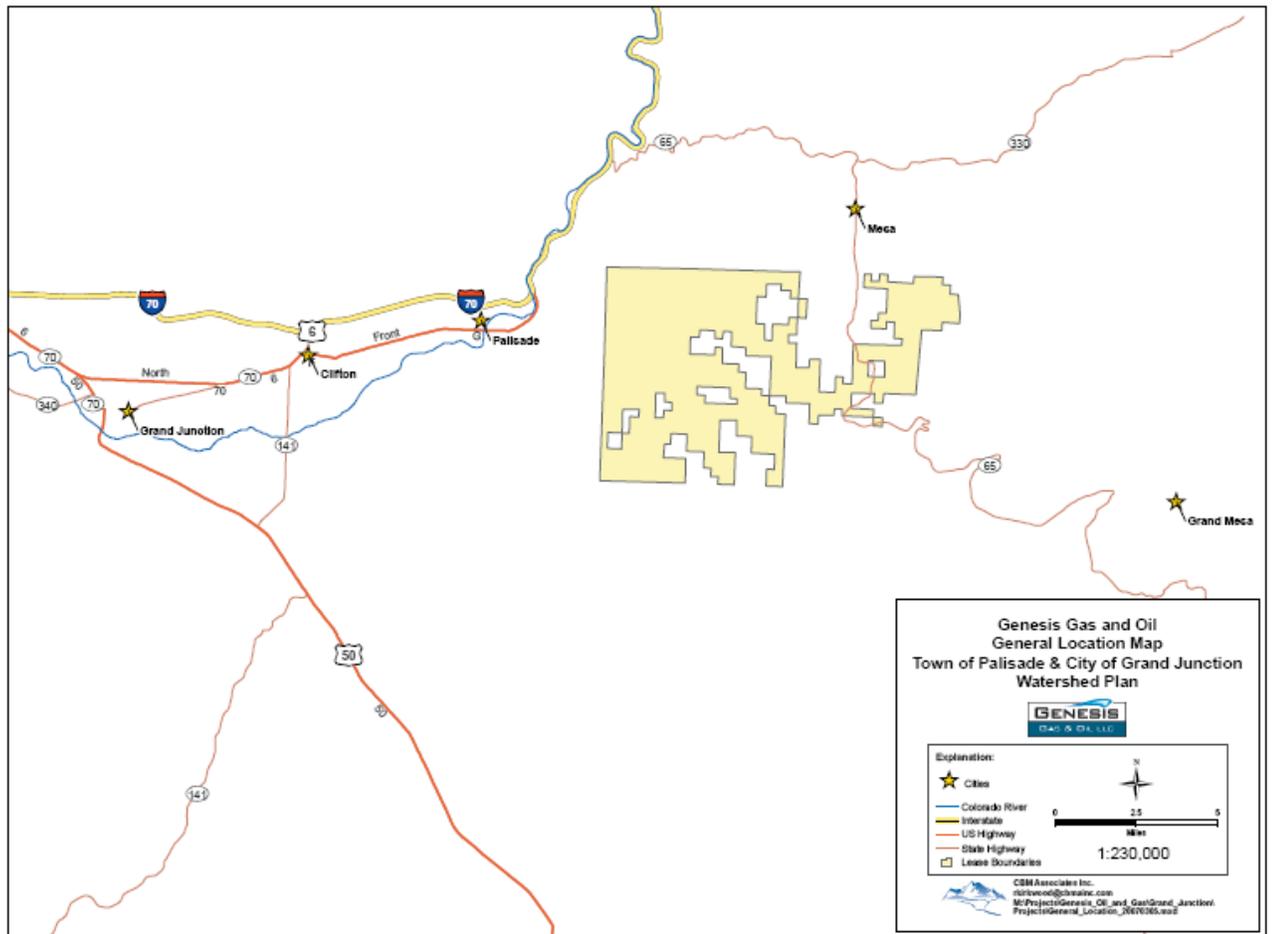


Figure 2

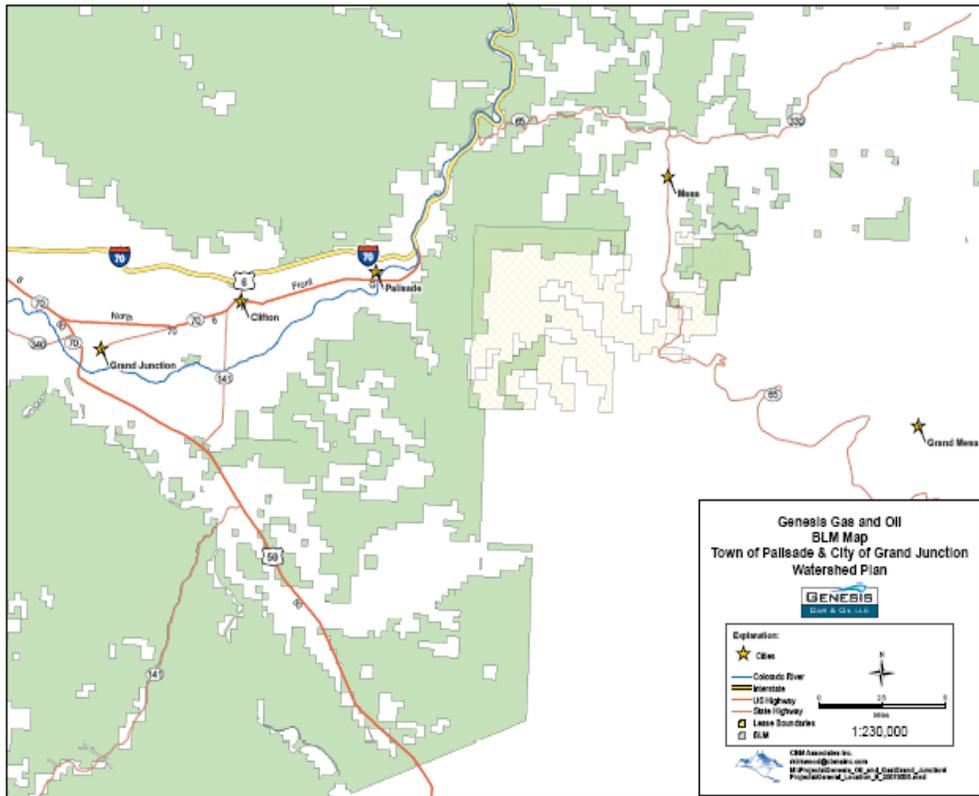


Figure 3

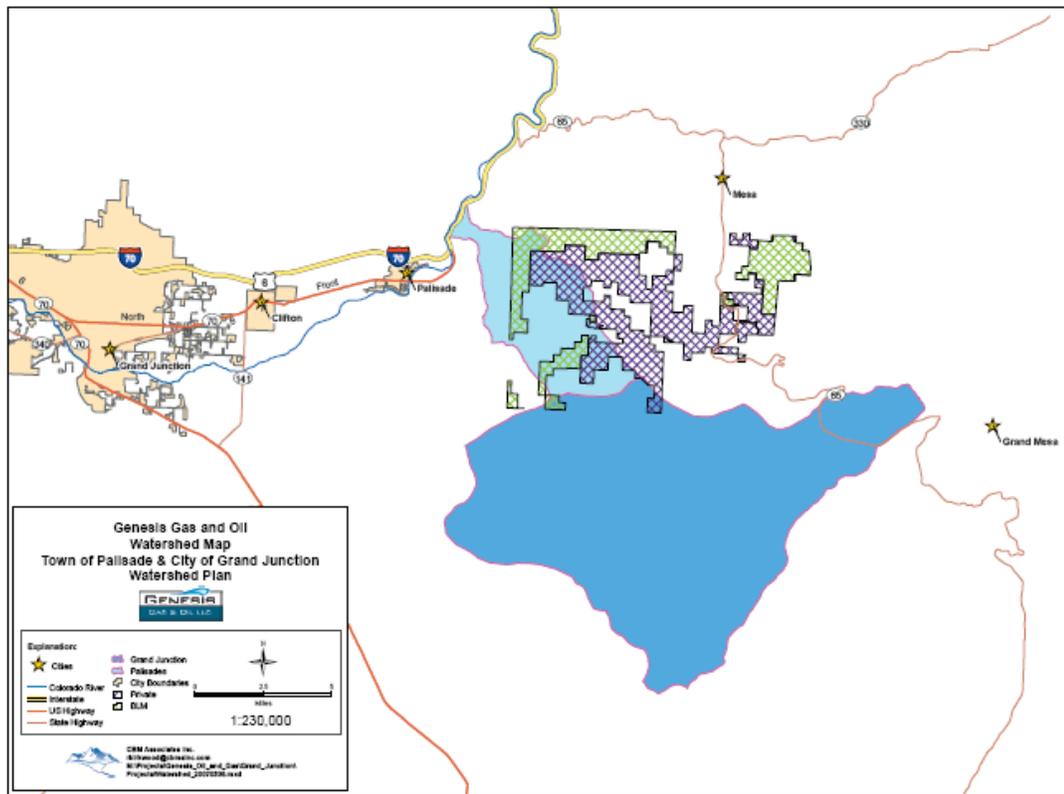


Table 1 below shows, within each watershed, the acres of surface estate owned or managed by federal agencies, private landowners, municipalities, and others if applicable. Table 1 also shows, within each watershed, the acres of federal oil and gas leased subsurface estate underlying each category of surface owner. The Palisade and Grand Junction watershed boundaries used in these calculations are the actual topographical boundary of the watersheds from information containing delineated state watersheds. These calculations also include acres within the boundaries of the BLM watershed Protection Stipulation. See Appendix 1 for oil and gas stipulation maps.

Table 1*

**GRAND JUNCTION FIELD OFFICE, TOWN OF PALISADE, &
CITY OF GRAND JUNCTION WATERSHEDS
Acres within watersheds by ownership & BLM Oil and Gas lessees**

Surface Landowner or Land Mgt. Agency	Acres Within City of Grand Junction Watershed			Acres Within Town of Palisade Watershed		
	Acres of Surface owned or managed	Acres of Genesis lease tracts overlain on surface owned/mgd. by:	Acres in lease tracts held by lessees other than Genesis on surface owned/mgd. by:	Acres of Surface owned or managed	Acres of Genesis lease tracts overlain on surface owned/mgd. by:	Acres in Lease tracts held by lessees other than Genesis on surface owned/mgd. by:
BLM	2,535	155	2,180	5,151	3,241	0
Private	1,043	184	0	3,701	2,808	0
Town of Palisade	0	0	0	3,032	2,847	0
City of Grand Junction	2,755	265	156	2,213	1,370	0
USFS	49,401	0	9,641	0	0	0
TOTALS	55,734	604	11,977	14,097	10,266	0

*THE ACRES SHOWN WERE SUPPLIED BY BLM GRAND JUNCTION FIELD OFFICE, MARCH 9, 2007

PURPOSE AND NEED FOR THIS PLAN

The major purposes of the Plan are to document the:

- Commitments, recommendations, and guidance reached by the Stakeholders within the watersheds and the communities related to social, economic, environmental, and regulatory issues and concerns within the existing federal oil and gas leases held by Genesis, within the watersheds of Palisade and Grand Junction;
- Best Management Practices (BMPs) to be emphasized and followed to ensure that protection of the watersheds and prevention or mitigation of potential impacts continues to be of paramount importance, if Genesis leases are developed;
- Processes that will take place prior to, during, and after any oil and gas drilling occurs within the watersheds to help ensure that the guidance and recommendations in this voluntary plan are followed;
- Responsibilities of the Stakeholders and communities to help ensure the principles, guidance and recommendations in the Plan are followed; and
- Communication processes for the Stakeholders to use regarding potential Genesis energy resource development within the watersheds, and to share information regarding proposed development, and address public concerns.

The Plan is not legally binding on any stakeholder or party and will not be signed by any party. However, it is intended to supplement existing environmental regulations. It is the intent of the Stakeholders to support and follow the final Plan.

The Plan is needed to:

- Ensure concerns of Stakeholders and communities are raised and considered;
- Help ensure the outcomes of the potential development of the leases within the subject watersheds will meet, and exceed if possible, the expectations of the Stakeholders and the communities over time. This includes all required pre-drilling application and permitting processes, approval processes, and actual on-ground development activities associated with exploration, drilling, ancillary infrastructure facilities, operational activities, remediation/reclamation, and termination of lease activities, when and if these leases are developed;
- Ensure protection of land, air, and water resources from potential energy development impacts; and
- Capture and explain the commitment of the involved parties to successfully deal with and resolve, to the greatest degree possible, individual and common issues and concerns within these watersheds, when and if the subject Genesis federal oil and gas leases are developed. A key component of success will be the intergovernmental cooperation in the review and processing of proposed oil and gas development plans or related activities.

IMPLEMENTATION OF THE PLAN

As Genesis initiates activities within the watersheds, the Stakeholders agree to meet as needed to implement the Plan. The Stakeholders also agree to meet when new technology or methods warrant updating the Plan, to review Plans of Developments (POD), or develop strategies in the watersheds to address current or emerging issues. Much of what is contained in this Plan, particularly regarding the BMPs, will be incorporated into future PODs, the permitting process and surface use agreements. It is understood that the key to Plan implementation is ongoing communication and coordination with Stakeholders.

ISSUES AND CONCERNS WITHIN THE WATERSHEDS

The following issues and concerns were expressed by local, state, and federal agencies and the public in public meetings, surveys and the media. Most issues and concerns fall into the major categories listed below and are addressed in the Plan:

- Risk of natural resource or water resource degradation and the mitigation measures and BMPs that will be employed to minimize the potential for negative impacts resulting from energy development in the watersheds;
- Adequately define and monitor water quality, quantity, and facilities that can be potentially impacted by activities on or off the leases in the watersheds;
- Off-lease social, economic, and environmental impacts;
- Authorization processes for surface disturbing activities on both federal surface/minerals and split estate (federal minerals/other surface ownership);
- Plans of Development for approval process for oil and gas related activities;
- Obligations of the Stakeholders regarding the Plan;
- Enforcement and implementation of local, federal, and state regulations, policies, land use plan decisions, and laws relating to the development of the leases;
- Purchase of Genesis or the leases by another company or entity;
- Remediation during and after the activity period, including the development, operation, and termination of the leases, should they be developed; and
- Drug abuse in the workplace.

COMMUNICATION AND COORDINATION WITH LOCAL COMMUNITIES

Information sharing with the public

Providing information to the public within the local communities is important, beginning with the publication of this Plan for public review and comment. Genesis will participate with other Stakeholders in identifying a proper location and venue for communication purposes, and the format for a standing committee to develop strategies for ongoing communication with the public.

The following tools will be used to help inform the public about watershed lease activities, when and if they occur:

- An interactive Watershed Plan web site, for public review and comment on important activities, and for the public to identify concerns;
- Electronic quarterly newsletters;
- Briefings at public Trustee, Council, and Commissioner meetings, and at agency meetings;
- Notifications of special events, permit to drill submission, EAs and other occurrences of proposed activities in the watersheds;
- If appropriate, training sessions dealing with emergency response or other lease activity information;
- Bulletin boards posted at strategic locations to share information with the public about the watersheds and activities in the watersheds.

How to Handling Complaints

The handling of complaints and concerns from the public is an important part of this Plan. The PlanContact information will be posted via the interactive web site (www.watershedplan.org) and by the regulating agency (BLM (970) 244-3000). It is the intention of Genesis to field and resolve complaints regarding day-to-day operations. Should concerns not be resolved through direct contact with Genesis, other Stakeholders will become involved.

Communicating with the Public

In order To ensure continuity of communication and create a mechanism for continued public involvement regarding watersheds activities, the Stakeholders group will continue to meet for the following purposes:

- Serve as a direct conduit for communications with the public and Genesis;
- Advise governmental entities;
- Accept citizen input;
- Facilitate continued information sharing with the public;
- Conduct periodic public meetings or forums as needed;
- Communicate with the public about concerns or significant events occurring, (e.g., POD or permit to drill submittal, leaseholder or operator changes); and
- Meet as a group with Genesis at least twice annually.

It is the intention of the Stakeholders to resolve issues. In addition, the Stakeholders shall function to:

- Arrange for meetings to resolve disputes with the proper individuals;
- Listen to and help the public succeed in getting their problem solved, to the degree possible; and
- Keep up-to-date with Genesis /operator, and local, federal, and state agency contacts and the areas they administer.

While the Stakeholders of this plan are committed to dealing with communication concerns with the leases held by Genesis in the watersheds, the communities may favor the creation of an energy advisory board consisting of representatives of the public, stakeholder agencies and entities that collaborated in the creation of this plan. The details of the structure and management of this group cannot be prescribed in the Plan. While The framework of communication in this plan can become a model for various development plans throughout Mesa County, however, the Stakeholders also recognize the working group is not the appropriate forum to address broad and ongoing county-wide energy issues.

RISK SCENARIOS

The risk of negative impact to environmental resources exists with any land development activity. Energy exploration and development in the Palisade and Grand Junction watersheds poses risk of degradation of water, air, land, vegetation, wildlife, and visual aesthetic resources in these areas. This section focuses on risk scenarios associated with the resource of primary concern, the risk of degradation of water resources. The following section, “**Best Management Practices For Risk Mitigation To Protect Watersheds**”, discusses mitigation measures that will be implemented for water resources and other primary resources of concern.

The risk of negative impacts to water resources from energy development can be generally categorized into risks to surface water and risks to groundwater. To evaluate risk, it is important to recognize the interaction of groundwater and surface water in the watersheds. Conceptually, the general flow paths of water in the watersheds can be described through the classic hydrologic cycle or model. Precipitation falling on the watersheds runs off, is retained in lakes or reservoirs, evaporates, is consumed by vegetation, or percolates through the ground and recharges the underlying aquifers. Groundwater discharges from aquifers to the ground surface in places in the form of springs and seeps, and within streambeds. Hence, groundwater can become surface water, and in some cases surface water, may re-infiltrate and recharge aquifers.

Risk scenarios in this Plan are recognized as the most common risk activities and mechanisms that pose a potential direct threat to water resources. Other risk scenarios will be identified as energy development in the watershed progresses. It is worth noting that although BMPs are intended to mitigate risk, risk is rarely totally eliminated. For example, Genesis has committed to various BMPs such as the use of closed fluid systems, which will greatly reduce but not absolutely prevent spills or surface releases in the watersheds..

Risks to Surface Water

Risks to surface water contamination are understandably related to surface land use activities and processes. The primary activities and potential contaminant sources that present risk to surface water degradation are:

1. Construction of roads, well pads, pipelines, compressor stations, and other related energy development facilities; and
2. Well production and transport of potential contaminant sources into, within, or from the watersheds.

Risk mechanisms of surface water contamination include:

1. Sedimentation associated with:
 - a. Storm runoff and soil erosion;
 - b. Mass wasting of soils into drainages;
 - c. Construction of roads, pipelines, or other structures across streams; and
 - d. Disturbance of streambeds in open-water road crossings.
2. Contamination associated with:
 - a. Spills or releases of drilling fluids, fracturing fluids, produced water, formation produced petroleum hydrocarbons, or equipment fuels, oils, and other chemical compounds transported into, within, or from the watersheds.

The contamination and incomplete remediation of surface soils from spills and releases can result in a long-term source of contamination to the watersheds as repeated runoff and shallow infiltration can continue to mobilize contaminants to surface and groundwater resources over time.

Risks to Groundwater

Risks to groundwater contamination are related to both surface and subsurface activities. The primary activities and potential contaminant sources that present risk to groundwater degradation are:

1. Surface spills and releases of associated exploration and production chemical compounds and wastes; and
2. Well drilling, construction, and production.

Risk mechanisms of groundwater contamination include:

1. Percolation of surface spills and releases through the ground and into underlying aquifers;
2. Leakage or release of drilling fluids, fracturing fluids, produced water, formation produced petroleum hydrocarbons, or other formation water from well (borehole) structures to aquifers that supply the watersheds. This may occur during drilling, fracturing, or as a result of a poor well completion (incomplete cemented casing) in which the production zone or other aquifer water is not completely hydraulically isolated from water supply aquifers.

Contamination of groundwater that supplies the watersheds through discharge to springs and streams is of vital concern as this process is not always detected in a timely manner and can lead to large contaminant plumes that may be costly to delineate and remediate.

BEST MANAGEMENT PRACTICES FOR RISK MITIGATION TO PROTECT WATERSHEDS

Genesis is committed to adopting Best Management Practices with the intent of protecting watersheds assets.

For this Plan Best Management Practices are defined as:

An on-the-ground action to mitigate a known potential impact or a process to be followed to achieve a specific outcome. The implementation of BMPs within the watersheds, will mitigate, minimize, and/or prevent adverse impacts. The list of BMPs is not all-inclusive, as differing situations on the ground will dictate the actual protection measures.

The BMPs described in the Plan are ordered based on the timeline of development through reclamation. ***The BMP titles with asterisks are BMPs specific to the watersheds. Many of the elements of the BMPs in the following section exceed what is required by regulating agencies and exceed normal construction industry BMPs.**

A. Hydrological Studies *

Baseline Studies

Baseline characterization: Genesis is committed to supporting the use of a designated third party contractor, with partial funding by Genesis, and in coordination with the Stakeholders, to prepare and conduct a baseline hydrologic study to define, prioritize, and map sensitive source water-related areas and facilities in the watersheds. The information will be used to identify areas that can be potentially impacted if leases are developed, and where BMPs will be implemented to mitigate and prevent impacts.

More specifically, Genesis is committed to supporting the creation of a thorough program of hydrological studies designed to characterize watershed hydrologic systems. Program elements include the following:

:

- Identify key surface discharge and storage features, such as streams, springs, lakes, and ponds as monitoring stations for the measurement of discharge and water quality parameters;
- Delineate and construct groundwater monitoring wells to characterize groundwater hydrology;
- Establish surface water and groundwater baseline (existing) hydrological conditions through sampling and analysis of the above inventoried features;
- Conduct hydrological field reconnaissance and mapping that will contribute to conceptual flow model development (recharge and discharge areas and processes), and
- Conduct special hydrochemistry studies (e.g. isotope sampling) to support watershed characterization.

On the basis of the data compiled from the above elements, a baseline report will be prepared that interprets watershed hydrology. The report will discuss the following topics:

- Conceptual description of hydrologic systems (watershed conceptual flow model) in the watershed,
- Description of geology, geologic hazards, surface hydrology, and hydrogeology in the watershed(s) including surface water distribution and groundwater occurrence, discharge and recharge areas, general flow volumes and water balance, and water quality (chemistry);
- Delineation of areas of varying hydrologic sensitivity;
- Data-gaps and recommendations for operations and post-operations monitoring programs.

Exploration, Development, and Post-Development Watershed Monitoring *

A designated third party contractor, partially funded by Genesis, and in coordination with the Stakeholders, will prepare and conduct a water quality and quantity monitoring program in the watersheds during energy exploration, development, and post-development periods.

A sampling and analysis plan,,

Based on the results of the baseline hydrology study and future negotiations, Genesis will implement the following watershed-protection actions for the exploration, development, and post-development water quality and quantity monitoring plan.

- Establish surface-water monitoring stations for key water features and any feature that is suspected to have a unique source area;
- Establish groundwater monitoring wells at strategic locations in the watersheds;
- Add surface water monitoring stations or groundwater monitoring wells to accommodate specific areas or issues of concern;
- Measure flow discharge rates and develop and conduct water quality sampling of key organic and inorganic potential contaminants of concern on a schedule as determined by the baseline study;
- Conduct immediate follow-up sampling for anomalous results;
- Collect produced water samples from each well within six months of final well completion, and on an annual basis where applicable;
- Assimilate, compare, and provide professional interpretations of all data collected; and
- Review and respond to other requested hydrologic monitoring or data collection as requested by the Town.

A sampling and analysis plan (SAP) will be prepared and modeled after the hydrologic baseline study. The SAP will contain discussion on the following general topics:

- Identification of surface and groundwater sampling sites
- Sampling procedures and protocols, and quality assurance and control measures;
- Sampling frequency and analytical schedule (parameters to be analyzed),
- Data management and assesment.

Stakeholders and others, as appropriate, will assist in preparing the SAP. The plan and data collected will be available to the public and will be referenced or included in all Plans of Development.

CB.Collaborative Plans Of Development (POD) *

Genesis will obtain POD input and feedback from Stakeholders and the community well in advance of potential drilling in order to minimize surface, water and visual impacts. Genesis will initiate this process and work collectively with surface owners and land managers to minimize the potential site-specific impacts of energy development for all lands within the POD. In all PODs, Genesis will plan, locate, and show all well sites and associated pipelines and compressor stations, aimed at minimizing short-term disturbance and long-term disruption of the surface resources and promoting successful reclamation.

As practicable, Genesis' well site design and construction procedures will include, but not be limited to:

- Choosing the location of well sites/development pads in areas with the lowest potential for impact to water quality and visual aesthetics, using the information in the hydrological and visual studies;
- Utilizing the most level areas, avoiding narrow ridges, steep slopes, culturally significant, or environmentally or ecologically sensitive areas;
- As practicable, avoiding construction and operations within or near sensitive riparian, floodplains, wetlands, springs, seeps and other water features, and areas subject to severe erosion and or mass movement in compliance with all legislation, BLM and other stipulations, and agreements; a hydrological study already mentioned above will identify those sensitive areas to avoid;
- Implementing the actions in the approved Storm Water Management Plan;
- Segregating, stockpiling, and conserving all topsoil from well pad or road cut and fill areas for reuse during interim and final reclamation;
- Locating and protecting stockpiles so that wind and water erosion are minimized;
- Compacting all fill slopes so as to minimize the risk of slope failure and subsequent sedimentation;
- Preparing and implementing monitoring plans using third party contractors; and
- • Minimize surface disturbance by using techniques such as directional drilling to limit the number of potential drilling sites, access roads, and associated facilities.

The Stakeholders understand that directional drilling may have benefits for the watersheds but may increase risk and cost to Genesis in some situations. While Genesis may be willing to bear those additional costs, risk factors associated with drilling must also be taken into consideration. These risk factors include:

- Potential loss of wells due to drilling problems caused by attempting long-reach directional drilling; and
- Potential significant increases in drilling and completion costs due to the complexity of drilling, logging and completing long-reach directional wells.

Genesis is committed to the preparation of collaborative PODs, minimizing pad size, and maximizing surface density of drilling sites on pads.

DC. Clustered Development Well Pad Spacing and Well Pads *

Initially Genesis will be in an exploration phase where a limited number of wells will be drilled to assess the commercial viability of the resource. Should an exploration phase move into a development phase, Genesis agrees to use Clustered Development as the primary plan for energy development and operations in the watersheds. Using Clustered Development techniques and design, the following results can be achieved:

- Fewer roads, pipelines and drilling pads to potentially impact or disturb watershed resources, private land, and landowners;
- Ability to significantly reduce visual impacts;
- Greater flexibility to locate development activities in less sensitive parts of the watersheds
- Reduced surface owner/manager/landowner conflicts;
- Fewer surface owner agreements to negotiate;
- Reduced expense to industry to construct pads, gathering lines, roads and other infrastructure;
- Reduced numbers of compressor stations can be required to move gas into gas transportation pipelines;
- Reduced traffic and road maintenance costs;
- Increased ability for inspection and oversight of activities; and
- Reduced need for electrical transmission lines and their construction costs.

The goals of the Plan are to define and negotiate the minimum number of drilling pad locations and prepare a POD that meets the needs of the resources, landowners, surface managers and Genesis. The surface site planning/POD development will begin with the assumption of one pad per quarter section, or per 160 acres, recognizing that in some areas, other surface spacing may be required due to surface and subsurface features, property boundaries, topography, buildings, and landowner preferences. However, the goal of clustered surface development is to minimize surface and visual impacts.

ED. Collaborative Storm Water Management Plan *

Genesis will obtain Storm Water Management input and feedback from Stakeholders well in advance of potential drilling in order to minimize surface, water and visual impacts.

Soil erosion and mass movement, siltation, ground or surface water damage, hazardous or toxic material or chemical movement, well pad, drainage structure, road, and pipeline damage or disturbances are all potential consequences of storm water runoff. Construction techniques can mitigate or eliminate most concerns from this likelihood in the watersheds.

Ways to address, mitigate or eliminate most concerns with a Storm Water Management Plan:

- Recommend and require proven hydrologic and pollution control practices;

- Identify BMPs that will meet the terms and conditions of required permits and intent of this Plan;
- Identify potential sources of pollution that will be expected to affect the quality of storm water discharges associated with potential energy related construction activity;
- Describe the BMPs that will be used to reduce the pollutants in storm water discharges associated with construction activity;
- Describe how construction operations will implement the provisions of the storm water management plan;
- Explain how the required permits for storm water discharge will be adhered to;
- Show the design, locations, and appropriate storm water devices that take water from well pads or other energy facilities to minimize storm water runoff impacts;
- Correlate to the PODs, permits to drill, and other plans, and all terms of the storm water management permit obtained from the state Water Quality Control Division; and
- Genesis will conduct all energy development and operational activities in the watersheds in strict compliance with existing storm water management regulations.

Genesis will utilize some or all of the following techniques, measures, and procedures for adequate storm water management:

- Erosion and Sediment Structural Controls (i.e. Fiber rolls, Earth Dikes, Drainage Swales, Gravel Bag Berm, Straw Bale Barrier, Silt Fences, Sediment Traps, Water velocity dissipation devices);
- Erosion and Sediment Non- Structural Controls / Soil Stabilizers (i.e. Preservation of Existing Vegetation, Streambank Stabilization, Straw Mulch, Hydraulic Mulch, Hydroseeding, Geotextiles & Mats, Riprap, Gradient Terraces, Soil Roughening);
- Road Construction designs to mitigate storm water runoff impacts (i.e. Drainage Dips, Ditches, Road Crowning, Ditch Relief Culverts, Low-Water Crossings, and Culverts); and
- Materials Handling & Spill Prevention, Waste Management and General Pollution Prevention (i.e. Spill Prevention and Control, Vehicle and Equipment re-fueling, Stockpile Management, Solid Waste Management, Hazardous Waste Management, Contaminated Soil Management, Sanitary / Septic Waste Management).

FE. Subcontractor Education *

Genesis will design and conduct an extended education program for all subcontractors used in the watersheds. At a minimum, the program will include a review of this Plan, PODs or other requirements, all local and state permit and review requirements, temporary use permits conditions, right-of-way conditions and terms, Surface Owner Agreements if appropriate, Surface Use Agreements, Surface Use Plans, or Conditions of Approval associated with permits to drill. Also included will be emergency response procedures, health and safety requirement, rules of conduct. The outcome of this program will be an understanding by subcontractors of the contents of these requirements, plans, and programs, and the content of the Plan.

Genesis will also design and conduct an education program for employees, subcontractors, and others as needed regarding the proper treatment and considerations for equipment and vehicles entering and leaving the watersheds.

GF. Emergency Response Plan: Hazardous Materials Management, Spill Prevention Control And Countermeasures, Health, And Safety *

complying with these regulations and conditions is to create a working environment and appropriate attitude in the watersheds that helps result in safety conscious attitudes, safe habits, and an understanding of the necessity for these regulations.

To achieve this outcome, Genesis will:

- Prepare an Emergency Response Plan that includes appropriate information about potential contaminants, hazardous or toxic materials, or other potential pollutants and how these materials will be safely used in the watersheds. The response plan will define, in detail, the potential sources and threats from these or other materials, how the environment within the watersheds will be protected as these materials are used, and how Genesis will respond to and mitigate potential impacts from hazardous or toxic materials and contaminants, how these materials will be verified, and the required agency, media, and public reporting and communication process to be used to notify appropriate Stakeholders, the public, and other agencies as needed, in the event of an incident; and
- Devise and conduct, as frequently as is necessary, an information and education program for all subcontractor employees conducting activities in the watersheds, with the aim of explaining the importance of complying with all applicable rules and regulations, including local, state, or federal government emergency response plans for energy development, those requirements specific to working in or with potentially dangerous locations, equipment, materials, or weather or climatic situations.

Implement BMPs for addressing hazardous or toxic materials and their safety concerns that will include, but not be limited to:

- A robust and adequate communication system effectively working in the watersheds to facilitate emergency response (communication systems will be capable of sending and receiving information from local law enforcement and other emergency entities, such as for 9-1-1 calls); Spill Prevention Control and Countermeasures:
 - Genesis will have an active Spill Prevention program to prevent discharges. This program includes on-site emergency response kits for first responders to have the tools to immediately contain and mitigate potential spills;
 - Contain all hazardous and toxic materials according to requirements; Establish procedures for fuel transfer material storage, equipment maintenance, etc. To minimize the potential for an uncontrolled release;
 - Ensure subcontractors maintain control of hazardous material spills, cleanup, and reporting.

- Provide sanitary facilities accessible on sites at all times during drilling and construction activities. Disposal will be in accordance with State of Colorado and Mesa County rules and regulations regarding sewage treatment and disposal;
- Conduct a yearly exercise of emergency response systems;
- All refuse generated within the watersheds during construction and testing activities will be contained in an enclosed receptacle and hauled to an authorized disposal site;
- Conduct all oil and gas related work to minimize potential impacts to employee's safety and health, and the environment;
- Maintain a file in field offices containing current Material Safety Data Sheets for all chemicals, compounds, and/or substances used or proposed to be used in the course of construction and operations;
- Use no hazardous substance, as defined by the Comprehensive Environmental Response Compensation and Liability Act, in pipeline construction operations;
- Generate no hazardous wastes, as defined by the Resource Conservation and Recovery Act, during construction operations;
- Train all employees in effective environmental health and safety practices and ensure that proper personal protective equipment is available and being used;
- Install barriers around wellheads and equipment to discourage unauthorized activity;
- Install impermeable liners or collection systems under equipment and machinery that has the potential to spill or leak fluids;
- Work with municipal representatives to review and install appropriate speed limit signs;
- Fit all condensate production tanks with back pressure valves and a low pressure gathering line to gather gas and condensate vapors and direct them to on-site incineration;
- Train employees and subcontractors to abide by all traffic rules and speed limits;
- Work with municipal Road & Bridge Departments to obtain permits, post bonds, and address designated routes, inadequate infrastructure, dangerous areas and traffic management;
- Install at appropriate locations signs informing truck traffic of "no jake brake zones"; and
- Work with regulating agencies on a vehicular and equipment access plan for road and highway needs.

HG.Air Quality *

To help aid air quality and dust suppression within watersheds lease areas, Genesis will take the following precautions at all applicable locations:

- Work with local watersheds agencies and surface owners to control dust that may be generated do to construction activities and vehicle travel;
- Utilize approved dust suppression techniques, the methods of which will depend on local features and conditions, weather, and the activity to be conducted;
- Define specific dust suppression measures in PODs;
- Will work to minimize venting and flaring during well testing.

IH. Closed Loop Drilling Systems*

The desired outcome is the use of closed loop drilling systems are used in lieu of mud or reserve pits and involve the use of piping and tanks to contain and manage downhole drilling fluids. The desired outcome of the use of closed loop drilling systems is to reduce the potential for spills in the watersheds. Genesis is committed to using closed loop drilling systems in the watersheds for drilling wells.

I. Well Construction - Cementing / Casing Programs *

The desired outcome in the use of cementing and casing programs is to completely isolate fresh water zones that are hydraulically connected to watershed source waters from potentially productive hydrocarbon zones.

Surface Casing

The goals of the surface casing program are:

- Isolate fresh water zones;
- Set casing to a depth determined by local geology in coordination with the depth (s) recommended by the baseline hydrological study;
Require “cement to surface” prior to drilling deeper potentially productive oil and gas zones. ○ The cement to surface program requires the final cured top of cement is at the ground surface.
- Conduct a visual inspection and temperature survey to ascertain complete cementing of surface pipe;
- If the aforementioned steps have not been achieved, remedial cement work will be conducted until complete cementing and isolation of fresh water zones present is achieved prior to deepening of the well;

Intermediate Casing String

Intermediate casing strings will be utilized if fresh water zones exist between the bottom of the surface casing and the anticipated gas production zone and/or if localized pockets of pressurized gas are encountered in strata above the anticipated main gas production zone:

- A Formation Integrity Test will be performed at least 50 feet below the surface casing shoe. This test shall be performed to an equivalent mud weight of 15 percent over the highest expected mud weight required to bring the well to total depth;
- If the well bore fails the Formation Integrity Test criteria then, the operator shall set an intermediate string of casing at the appropriate depth;

- If cement is not circulated to surface, a temperature survey will be run prior to drilling forward to verify cement has been lifted to a minimum of 50 feet above the bottom of the surface casing; and
- If the cement has not been lifted to above the bottom of the surface casing as specified, then remedial cement work will be conducted to accomplish this objective prior to proceeding with drilling.

Production Casing

Production casing runs the entire depth of the well and isolates the potential hydrocarbon zones.

The goals of the production casing program are to:

- Lift cement 500 feet above the top-most potentially productive hydrocarbon zone;
- Verify top of cement with the use of cement bond log and temperature survey; and
- Conduct remedial cement work if the cement bond log and temperature survey determines cement coverage and zonal isolation has not been achieved.

In addition to log evaluations and interpretations conducted by Genesis, evaluations of cement bond logs, temperature surveys, and any other well integrity logs will be conducted by BLM staff.

KJ. Well Control

Choke pressures during well control operations shall be restricted to levels that will not cause the maximum wellbore integrity demonstrated by the Formation Integrity Test to be exceeded. As a precautionary measure, if the choke pressure exceeds the surface pressure used to determine wellbore integrity during the Formation Integrity Test, it shall be immediately reported and Genesis will submit a report of the well control event on a Sundry Notice Form 4 (COGCC form) within 24 hours. The report will include the following information:

- Date and time of the event;
- Total depth of the well at the time of the event;
- Surface casing depth, size and cementing data;
- Type of kick (gas, water, oil);
- Shut-in drill pipe pressure, shut-in casing pressure, or any other pressure measurement or information used to determine the mud weight required to control the kick;
- Initial mud weight at the time of the event;
- Pit gain volume (in this case tank gain volume);
- Mud weight required to control the kick;
- Maximum choke pressure that occurred while circulating out the kick;
- Any indication of fluids migrating outside of the surface casing (surface expression, etc.); and
- A narrative description of the well control event and current condition of the well.

L.K. Pressure Monitoring

“Bradenhead” pressure monitoring is conducted to monitor the pressure between the production casing and the surface casing (and intermediate casing, when used). The goal of pressure monitoring is to ensure hydrocarbon zone isolation is achieved.

After Cementing Production String

The bradenhead pressure shall be measured 72 hours after the production casing is cemented. If bradenhead pressures greater than one hundred fifty (150) psig are observed, such pressures shall be immediately reported and a remediation procedure shall be prepared.

During Completion

The bradenhead pressure shall be monitored and recorded when performing fracturing operations. If intermediate casing is set, the intermediate casing pressures shall also be monitored and recorded.

Post completion

In addition to bradenhead pressure measurement requirements in the watersheds, the bradenhead pressure of each well on a pad shall be monitored daily until 30 days following the cementing of the production casing of the last well on the pad. Following that, the bradenhead pressures shall be monitored monthly for the following 12 month period. After the initial 12 month period following well completion, bradenhead pressure measurements will be measured at least once annually. If bradenhead pressures greater than 150 psig are observed, such procedures shall be immediately reported and a remediation procedure shall be prepared for approval. These requirements shall also apply to monitoring intermediate casing pressure if intermediate casing is required.

All relevant well-integrity construction information shall be submitted electronically via email to the Town of Palisade, and City of Grand Junction. Genesis is encouraged to copy the Town and City on submittals to COGCC, rather than reproduce information separately. Required email information to be submitted includes:

- Driller’s log or equivalent summary including reference to intervals making water and estimates of yield.
- CBL with temperature survey in *.pdf format.
- Cementing job information for the all cementing work performed. This includes initial cementing volumes, secondary or subsequent volumes (cementing job and any subsequent cementing work).
- Final mud weight.

- Copies of all Sundry Notices, Form 4 or other forms submitted to the COGCC during well construction.
- Results of any downhole testing including but not limited to drill stem, mechanical integrity, formation integrity, and bradenhead pressure measurements.
- Results and logs of hydraulic fracturing work.
- A wellbore diagram with the as-built cement tops, formation tops, top of gas, casing shoes etc.

For additional information, see Appendix 10.

ML. Green Fracturing*

“Green” hydraulic fracturing procedures, processes, and materials will also be used in the watersheds. See Appendix 8 for a definition of “Green Fracturing”.

The BLM’s environmental analysis addressing the PODs or permits to drill will disclose the components of both drilling and fracing fluids used within the watersheds, while the specific mixture percentages will not be available as this is proprietary information.

NM. Fracture Tracing *

In order to ensure fracturing fluids are contained to hydrocarbon zones, tracers will be utilized during the exploration phase. Future use will be determined based on results from the exploratory program.

N. Produced Water (Disposal)*

Genesis will not use on-site recovery pits to dispose of produced water.

ADDITIONAL BEST MANAGEMENT PRACTICES FOR RISK MITIGATION

A. Collaborative Visual Studies *

Genesis will support the use of a third-party contractor who will work with Stakeholders to conduct a study to identify sensitive viewsheds in the watersheds. The BLM Visual Resource Management regulations, processes, and policies will be used to guide the mapping and categorization of the areas.

B. Subcontractor Hiring Policy

Genesis is committed to using local service and material providers when available and practical.

C. Subcontractor Conduct *

Genesis has a zero-tolerance policy regarding drug usage. All subcontractors prior to working in the watersheds will have to demonstrate active drug, alcohol, and safety programs regarding hiring, training and conducting spot-checking programs. Genesis will also have an education and compliance program to help reinforce the zero -tolerance policy.

D. Fire abatement *

To help in the prevention and suppression of fires within watersheds lease areas, Genesis will take the following precautions at all applicable locations:

- Minimize venting to the extent possible and only use when properly permitted and supervised;
- Refrain from flaring except when necessary to avoid safety risks or greater damage to the surrounding environment and only use when properly permitted and supervised;
- Ensure that all “hotwork”, such as welding is performed in approved areas posing low to no risk to starting wildfires or the generation of sparks or flames leaving work area; and
- Hire and use a third party entity to provide additional fire suppression equipment on locations should Genesis or other Stakeholders believe that weather conditions pose a higher risk of fire danger.

E. Staging Areas*

Genesis will obtain all applicable local, state and federal permits for the construction and operation of staging areas, support service yards, chemical and fuel storage yards and “laydown” yards.

F. Pipelines

Genesis will collaborate with the watersheds Stakeholders on the planning and construction of pipelines during the Plans of Development. Genesis will:

- Keep pipeline right-of-way widths to a minimum while maintaining public health and safety;
- Test pipelines and flowlines for leaks before backfilling trenches;
- Compact pipeline trenches during backfill;
- Re-grade and reclaim fill slopes to conform to the adjacent terrain;
- Prevent the blockage of dams or streams, or the relocation or changing the natural course of any stream, and bury pipelines below the stream scouring depth;
- Obtain all required and applicable local, state and federal permits;
- Identify, map, and attempt to avoid areas where ground movement potential exists and/or monitor long term ground movement;
- Locate pipelines and flowlines in existing road corridors where practicable to minimize surface disturbance and provide better access for leak detection and repair operations; and

- Refrain from using above-ground piping within the watersheds without appropriate consultation with municipalities and regulatory agencies.

G. Interim and Final Reclamation Plans

Genesis will include in all PODs, permits to drill, Surface Use Plans, or other plans, an interim and final reclamation plan for all energy-related activities, including but not limited to roads, pipelines, well sites, other utility lines, temporary use permit sites, and other disturbed areas. The standards and guidelines in Chapter 6 of BLM's "Gold Book", fourth edition or as amended or updated, will be used to develop these reclamation plans. Rules and regulations in the Colorado Oil and Gas Conservation Act will also be followed in planning and carrying out reclamation efforts.

Genesis is committed to working with the Stakeholders to aggressively approach interim reclamation. Successful future reclamation is contingent on appropriate reclamation planning *prior* to construction. Reclamation becomes significantly more difficult, more expensive, and less effective if sufficient topsoil is not salvaged, interim reclamation is not completed, and if proper care is not taken to construct pads and roads in locations that minimize reclamation needs.

REGULATORY AGENCY ROLES, RESPONSIBILITIES, PERMITTING, & REGULATIONS

Along with BMPs, there is a considerable body of regulatory requirements and oversight. For additional information, see the regulatory matrix in Appendix 6.

The BLM and USFS have responsibilities to implement and enforce regulations, laws, policies, and land use decisions in managing the public lands in their jurisdictions. While there may be limited regulatory overlap, the Stakeholders agree that clear and timely communications will make monitoring and regulating activities in the watersheds better for the agencies and easier for the industry.

Bureau of Land Management

The BLM has the overall responsibility to administer the federal mineral leases within the watersheds. This includes the prioritization of inspection and enforcement activities involving the oil and gas activities directly, as well as that of monitoring certain lands for compliance with stipulations, lease terms, conditions of approval, or other terms.

The BLM's Onshore Oil and Gas Order #1 outlines the procedures for filing either an Application for Permit to Drill or a Notice of Staking followed by a permit to drill. For either option, oil and gas operators are required to contact and discuss with the BLM any concerns and issues regarding the proposed development.

Once a formal application has been submitted, BLM invites Stakeholders to an on-site inspection of the proposed location to discuss siting and design of facilities and BMPs to address mitigation of potential impacts. The on-site visit may result in modification of the design or siting location of proposed developments as well as identifying additional resource mitigation issues that must be addressed in the application.

The formal permit to drill application consists of two parts: A Surface Use Plan of Operations and a Drilling Plan (downhole operations). Once a complete permit to drill is accepted by the BLM, a 30-day notice is provided to the public. The BLM will provide local governments a copy of all of the non-proprietary information contained in the permit to drill.

Upon completion of the environmental analysis, it will be available for a 30-day public comment period. After the comment period, BLM will address public comments and prepare a Decision Record. Once the Decision Record is signed, it is subject to an administrative relief process outlined in BLM's oil and gas regulations and Onshore Oil and Gas Orders.

The BLM is responsible for issuing needed off-lease rights-of-way, special use permits, or other land use authorizations. In addition, BLM staff will be conducting evaluations of well completion information for all wells drilled in the watershed as mentioned in the BMP section (paragraph I) of this plan.

The BLM committed to local governments that a POD must be submitted for proposed surface disturbing activities proposed within the watersheds. The components of a POD are detailed in the POD section.

Additional lease stipulations included in the BLM regulatory process:

- Watersheds Stipulation - Development of Watershed Plan;
- Big Game Stipulations (No drilling Dec 1st - April 30th);
- Steep Slopes Stipulations (limit surface impact on steep slopes);
- View Shed Stipulations – mitigate Scenic view impacts;

- Genesis' Voluntary No Surface Occupancy: 960 acres surrounding existing spring boxes
– Highly sensitive water resource areas.

The BLM is also responsible for interim and final reclamation plans. The reclamation plan will be designed and implemented to achieve the following goals:

- Isolation and/or removal of all undesirable materials to protect the reclaimed landscape;
- Re-contouring and implementation of other soil conservation, surface manipulation and water management techniques to establish stable slopes, water courses, and drainage features to minimize erosion and sedimentation;
- Revegetation of reclaimed areas to stabilize soils and establish a vigorous, diverse, self-perpetuating plant community, which includes little undesirable vegetation and is able to support post-disturbance land uses;
- Establishment of long-term visual resource management objectives by ensuring the reclamation is compatible with agency or municipal long-term visual resource management goals;
- Short-term reclamation goals will be the immediate stabilization of disturbed areas to control erosion and provide protection for adjacent undisturbed areas from unnecessary degradation;
- Erosion controlled when water naturally infiltrates into the soil; gullying, head-cutting, or slumping is not observed; and rills are less than 6 inches deep;
- Long-term reclamation objective is to restore all disturbed lands to allow for the re-establishment of self-sustaining desirable vegetation. Desirable vegetation is defined as the pre-existing agricultural crop or vegetation, which stabilizes soil, prevents weed infestation and erosion, and provides forage for livestock, big game, and other wildlife;
- Protection of surface water and groundwater resources through the reconstruction of a geologically and hydrologically stable landform that will support future land uses (i.e., wildlife habitat, recreation, livestock grazing, and mineral exploration);
- Completion of reclamation by the second growing season following abandonment. If problems are encountered (e.g., surfacing of alkali), follow-up actions will be taken by Genesis to solve the problem;
- Reseeding of all areas of well pads not needed for the actual drilling as soon as a drilling pad is constructed, before the disturbed ground has a chance to crust or seal.

The long-term objective of final reclamation is to set the course for eventual ecosystem restoration, including the restoration of the natural vegetation community, hydrology, and wildlife habitats. In most cases, this means returning the land to a condition approximating or equal to that which existed prior to the disturbance.

During the life of the development, all disturbed areas not needed for active support of production operations should undergo "interim" reclamation in order to minimize the environmental impacts of development on other resources and uses. At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land and water are restored.

Regulations in the Colorado Oil and Gas Conservation Act state that interim reclamation shall occur no later than three (3) months on crop land or twelve (12) months on non-crop land after such operations, unless the Director of the Colorado Oil and Gas Conservation Commission extends the time period because of conditions outside the control of the operator. This reclamation applies to disturbed areas affected by drilling except that reasonably needed for production operations. Final reclamation takes place when a well is no longer producing and has been plugged for abandonment. At that time, all equipment must be removed and the land re-contoured and reseeded as near to the original condition as possible.

The reclamation process involves restoring the original landform or creating a landform that approximates and blends in with the surrounding landform. It also involves salvaging and reusing all available topsoil (whatever soil is on top) in a timely manner, revegetating disturbed areas to native species, controlling erosion, controlling invasive non-native plants and noxious weeds, and monitoring results. Reclamation measures should begin as soon as possible after the disturbance and continue until successful reclamation is achieved. With proper reclamation measures and monitoring, over time local native species will become re-established on the site and the area will regain its original productive and scenic potential.

Reclamation generally can be judged successful when a self-sustaining, vigorous, diverse, native (or otherwise approved) plant community is established on the site, with a density sufficient to control erosion and non-native plant invasion and to re-establish wildlife habitat or forage production. Erosion control is generally sufficient when adequate groundcover is reestablished, water naturally infiltrates into the soil, and gulying, headcutting, slumping, and deep or excessive rilling is not observed. The site must be free of State- or county-listed noxious weeds, oil field debris, contaminated soil, and equipment. The operator should inform the surface management agency that reclamation has been completed and that the site is ready for final inspection when these requirements have been met.

The BLM will also require a Weed Management Plan. A Weed Management Plan will be included in the POD, permits to drill, and all appropriate plans prior to surface disturbance. The Weed Management Plan will, at a minimum, include:

- Methods to control, abate, and manage noxious and invasive weeds;
- Initial inventory of weed species;
- Identification of weed cleaning stations for vehicles and equipment;
- Appropriate weed control and removal methods when found;
- Implementing all necessary preventative methods to reduce the potential of invasion from a variety of causes or sources, if and when the Genesis leases are developed;
- A monitoring program for noxious weeds. Monitoring should last as long as the seed longevity for the weeds found at the site, and for a minimum of 3-5 years after successful vegetation is established;

- Incorporate all existing and future weed management plans and regulations of the local, county, and federal Stakeholders into on-the-ground operations, PODs, and other plans prior to surface disturbance.

As stated previously, the wildlife stipulations attached to the leases the BLM will incorporate, where practicable, the guidance in the August 2006 Colorado Wildlife Federation Guidance for Oil and Gas Development.

The BLM's permitting process also mandates lessee coordination with the Colorado Division of Wildlife. As most of these leases have wildlife stipulations attached to them, the division will be a key participant in the development and review of PODs, permits to drill, and associated environmental documents.

Additional Federal Oversight

- U.S. Army Corps of Engineers
- Bureau of Reclamation
- U.S. Forest Service
- U.S. Fish and Wildlife Service

State of Colorado

- The State of Colorado agencies below are responsible for permit approval or permit monitoring responsibilities in the watersheds:
 - Colorado Air Quality Control Commission – air quality
 - Colorado Water Quality Control Commission - Storm Water Management Plan
 - Colorado Division of Wildlife – wildlife stipulations, conditions of approval, or other agreements
 - Colorado Oil and Gas Conservation Commission – regulates drilling activity
 - Colorado Division of Water Resources – monitoring wells

The State of Colorado is also responsible for the plugging and abandonment of oil and gas wells.

With the typical producing life of a gas well between 30 and 50 years, the current lessee, Genesis may not be the operator responsible for plugging and abandonment of wells potentially developed. The approved POD will include oil and gas well abandonment plans to be implemented. Whenever a gas or oil well site and operation is to be abandoned, the oil and gas lease stipulations, terms and conditions, and local, state and federal regulations that are current at the time of abandonment will be followed, however. This includes:

- Placement of cement plugs up and down a well bore covering all potentially productive zones; and
- Pressure testing of surface plugs prior to full abandonment of well.

Town of Palisade and City of Grand Junction

Palisade and Grand Junction are responsible for their respective municipal watershed protection ordinances on the leases.

Mesa County

Mesa County has certain responsibilities and authority within the watersheds in dealing with public safety, health, and welfare including but not limited to inspection of public roads, bridges and other county owned or managed facilities. Mesa County also requires a weed management plan and will coordinate with the BLM and Genesis regarding this issue.

For additional regulatory responsibilities, see Appendix 6.

PLANS OF DEVELOPMENT - PODs

All potential or proposed on-lease and off-lease activities, including exploration necessary for development of a lease or group of leases are covered by a Plan of Development (POD).

The POD describes the following on/off-lease potential features:

- Well sites;
- Well pad size and configuration if known;

- Drilling activities and materials to be used in the drilling;
- Extraction processes;
- Existing vehicle access and transportation routes;
- Road improvements needed; and
- Utility corridors.

Genesis will seek input and feedback from the Town of Palisade and the City of Grand Junction on the development of PODs prior to submission to the BLM.

Collaboratively prepared PODs ensure operations take place in an orderly fashion, maximize efficiency, minimize equipment activity, mitigate impacts, optimize site location, and decrease surface disturbance.

Following collaboration with the Stakeholders, Genesis will submit PODs to the BLM. The submission of the POD initiates the development of an environmental analysis, typically an Environmental Assessment, by the BLM. The environmental analysis allows for a comprehensive and cumulative analysis of the environmental consequences of implementing the POD and includes opportunity for public review and comment.

The POD's intent is to include mitigation measures to the extent possible. The environmental analysis may identify additional mitigation measures that will be included as conditions of approval for the POD.

The POD is the first step in the permitting process for the leases in the watersheds. If the environmental assessment for a POD results in a finding of no-significant impact, drilling permits can be applied for and issued without additional environmental review.

SURFACE OWNER AGREEMENTS AND SPLIT ESTATE POLICY. BLM

On much of the land in Colorado, the BLM manages the subsurface mineral estate and entities other than the federal government own the surface. This is known as split estate.

If the mineral leases owned by the federal government are leased for energy development, the BLM encourages the lessee of federal oil and gas estate to certify an agreement with the surface owner known as a Surface Owner Agreement or Surface Use Agreements. The lessee must enter into good-faith negotiations with the private surface owner to reach an agreement for the protection of surface resources and reclamation of any disturbed areas, or payment in lieu thereof, to compensate the surface owner for loss of crops and damages to tangible improvements, if any.

The BLM will invite the surface owner to participate in the onsite inspection and will take into consideration the needs of the surface owner when reviewing the permit to drill.

MONITORING AND INSPECTION

Genesis will:

- Fund environmental monitoring on critical aspects of drilling procedures and ongoing operations as negotiated with Town, City, and County;
- Comply with all federal, state, local, and county regulations and laws that require resources to be monitored or evaluated for potential or actual impacts for oil and gas related activities; and
- Include necessary monitoring plans for resources, some of which are in this Watershed Plan, in all PODs, permits to drill, or other surface disturbance plans submitted for review to Stakeholders; these plans will include monitoring water quality/quantity, weeds, and other surface resources for potential or actual impacts from lease-related activities.

Regulating agencies and governments will:

- Cooperate and collaborate on the inspection processes.

REFERENCES

Surface Operating Standards and Guidelines for Oil and Gas Exploration and Development - Gold Book, Fourth Edition, 2006 Final - Version 14 Pre-Layout, Pre-Hardcopy 02-06-06, United States Department of the Interior, United States Department of Agriculture, Bureau of Land Management, Forest Service

Guidance Document: Reasonable and Prudent Practices for Stabilization (RAPPS) of oil and gas Construction Sites; HJN 040027; Prepared by Horizon Environmental Services, Inc. April, 2004

STORMWATER FACT SHEET, Construction Permitting for Oil and Gas Facilities Colorado Water Quality Control Division, 2/3/2006

GENERAL PERMIT APPLICATION AND STORMWATER MANAGEMENT PLAN GUIDANCE FOR STORMWATER DISCHARGES ASSOCIATED WITH CONSTRUCTION ACTIVITY, Colorado Water Quality Control Division Updated 3/2006

<http://www.epa.gov/region8/water/stormwater/downloads.html#general>

Instruction Memorandum No. 2003-131, April 2, 2003 Permitting Oil and Gas on Split Estate Lands and Guidance for Onshore Oil and Gas Order No. 1, UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT, WASHINGTON, D.C. 20240

Appendix 1 EMERGENCY RESPONSE PLAN OUTLINE

COMPONENTS OF AN EMERGENCY RESPONSE PLAN

1.0 INTRODUCTION

- 1.1 Purpose of Plan
- 1.2 Response Plan Objectives
- 1.3 Plan Content

2.0 HYDROLOGIC SETTING

- 2.1 Surface Water
- 2.2 Groundwater

3.0 THE GENESIS GAS DEVELOPMENT PROCESS

- 3.1 Access Preparation
- 3.2 Phases Of Drilling And Development
- 3.3 Operations And Maintenance
- 3.4 Post-Production

4.0 DEFINE POTENTIAL THREATS AND CONTAMINANT SOURCES

- 4.1 Potential Threats
 - Release To Water
 - Release To Soil
 - Release To Air
- 4.2 Potential Contaminate Sources
 - Transportation
 - Fixed Facilities

5.0 POTENTIAL RELEASE MECHANISMS

- 5.1 Surface Release Of Operationally-Derived Constituents
- 5.2 Subsurface Releases – Aquifer Contamination

6.0 CONTAMINANTS OF CONCERN

- 6.1 Petroleum Hydrocarbons
- 6.2 Drilling Additives
- 6.3 Fracturing Additives
- 6.4 Product Water
- 6.5 Natural Gas Liquids

7.0 DEVELOPMENT OF BASELINE WATER QUALITY AND CONTAMINANT RESPONSE LEVELS

- 7.1 Baseline Water Quality
- 7.2 Development Of Response Levels Per Watershed Permit Requirements

8.0 RESPONSE ACTIONS

- 8.1 Operations
- 8.2 Post-Operations Monitoring

9.0 VERIFICATION PROCESS

- 9.1 Verification components

10.0 REPORTING

- 10.1 Notification Procedures
- 10.2 Documentation
- 10.3 Hydrologic Impact Analysis and Streamlined Risk Evaluation

Appendix 2 STORM WATER MANAGEMENT PLAN OUTLINE

COMPONENTS OF A STORM WATER MANAGEMENT PLAN

- 1.0 INTRODUCTION**
- 2.0 PROJECT DESCRIPTION**
- 3.0 STORM WATER POTENTIAL**
 - 3.1 Runoff Characteristics
 - 3.2 Name of Receiving Water
- 4.0 STORM WATER CONTROLS**
 - 4.1 Standard BMPs for Well Pads
 - 4.2 Standard BMPs for Access Roads
 - 4.3 Materials Handling and Non-Sediment Controls
 - 4.4 Structural and Non-Structural Sediment and Erosion Control
 - 4.5 Permanent Best Management Practices
- 5.0 RECLAMATION**
- 6.0 INSPECTIONS AND MAINTENANCE**
- 7.0 RETENTION OF REPORTS**
- 8.0 STABILIZATION / TERMINATION**
- 9.0 OBLIGATION / RESPONSIBLE PERSONS**
- 10.0 CERTIFICATION**

Appendix 3 GRAND JUNCTION AND PALISADE WATERSHED ORDINANCES & REGULATIONS

PALISADE WATERSHED ORDINANCE

ARTICLE I

Sec. 14-1. Short title.

This Chapter may be cited as the “watersheds Protection District Regulations” or generally as “watersheds Regulations.” (Ord. 765 §1, 1997)

Sec. 14-2. Intent.

The Board of Trustees finds that the maintenance and protection of an adequate water supply of the highest quality and quantity is essential to the public health, safety and welfare of the citizens of the Town, and that the Town’s water supply and waterworks shall be protected from pollution, impairment, injury or damage. (Ord. 765 §1, 1997)

Sec. 14-3. Authority.

The Town has the power to enact ordinances and regulations for the purpose of maintaining and protecting the Town’s waterworks from injury and to protect the water from pollution in territory occupied by such waterworks, and over the streams or sources from which the water is taken for five (5) miles above the point from which it is taken, pursuant to Section 31-15-707(l)(b), C.R.S. (Ord. 765 §1, 1997)

Sec. 14-9. Violations; penalties.

(a) It is unlawful to engage in any activity not in compliance with this Chapter or any amendment thereof and the permit requirements herein. Any person, corporation or other legal entity, either as owner, lessee, permittee, occupant or otherwise, who violates any provision of this Chapter or who engages in any activity not in compliance with this Chapter, shall be guilty of a misdemeanor.

(b) Any person, corporation or other legal entity, upon conviction of a violation of this Chapter, shall be punished by the imposition of a fine in the amount not to exceed three hundred dollars (\$300.00) per day for each offense, or by imprisonment not exceeding ninety (90) days for each offense, or both.

(c) Any person, corporation or other legal entity shall be guilty of a separate offense for each and every day during any portion of which any violation of this Chapter is committed, continued or permitted.

(d) Nothing herein shall limit the Town from seeking any other remedies available by law or in equity, including but not limited to injunctive relief, the recovery of damages and the payment of costs and reasonable attorneys’ fees. All remedies shall be cumulative. (Ord. 765 §1, 1997)

ARTICLE III

Sec. 14-31. Establishment of District.

The Town of Palisade watershed Protection District is hereby established. The District is that area of land in which the Town shall exercise its powers to maintain and protect the Town’s water supply and waterworks from pollution, impairment, injury or damage. (Ord. 765 §1, 1997)

Sec. 14-32. Jurisdiction.

The jurisdiction of the District shall extend over all of the territory occupied by the Town’s waterworks, and all springs, seeps, streams, surface intakes, ditches, drains, pipelines and reservoirs used in and necessary for the construction, maintenance and operation of the same, in and including the Rapid Creek, Cottonwood Creek and Sink Creek basins and all water tributary thereto, and all associated surface waters, springs, seeps, groundwater flows and reservoirs, and all water sources and drainage areas tributary thereto for five (5) miles above the points from which water is diverted for use by the Town. The District includes all the land owned in fee simple by the Town within the District.

Sec. 14-34. Unlawful to cause injury or damage.

It shall be unlawful for any person to cause injury or damage to the Town’s waterworks, including all springs, seeps, streams, surface intakes, ditches, drains, pipelines and reservoirs used in and necessary for the construction, maintenance and operation of the same. (Ord. 765 §1, 1997)

ARTICLE IV

Sec. 14-41. Regulated activity.

It shall be unlawful for any person to engage in any of the following activities without first applying for and obtaining a watersheds Protection District permit under the provisions of these watersheds Regulations and according to the standards set forth in Section 14-57 of this Chapter.

- (1) Altering water drainage courses.
- (2) Timber harvesting, except for the approved removal of dead trees and deadfall.

- (3) Surface and subsurface mining operations, including drilling operations.
- (4) Excavating, grading, filling or surfacing of surface and subsurface soils.
- (5) Using, handling, storing or transmitting toxic, hazardous, or explosive materials and substances.
- (6) Spraying or the use of pesticides, herbicides and fertilizers.
- (7) Removing or altering vegetation.
- (8) Construction or installation of a sewage disposal system.
- (9) Prescribed fires, except with the approval of the Town and federal or state land management agency.
- (10) Motorized vehicular use of land owned by the Town within the District and on Cottonwood Creek Road.
- (11) Hunting, shooting, camping, fishing, trapping, livestock grazing and removal of rocks, soil or native plants on or from the land owned by the Town in fee simple in the District, including the waterworks. (Ord. 765 §1, 1997; Ord. 766 §3, 1997)

Sec. 14-42. Permitted uses.

Hiking and horseback riding by the public are permitted on land owned by the Town in fee simple within the District. Such activities are allowed on and off established roads, trails and routes, provided that such use does not substantially impact the District or waterworks. Mountain biking by the public is permitted on land owned by the Town in fee simple within the District on designated routes and the Cottonwood Creek Road only, provided that such use does not substantially impact the District or waterworks. (Ord. 765 §1, 1997)

ARTICLE V

Sec. 14-51. Applicability.

These watersheds Regulations shall apply to any and all land use activity and proposed land use activity within the District, and shall also apply to all requests for entry, rights-of-way and any other access to the District which has been received but not yet been granted upon the effective date of these watersheds Regulations. (Ord. 765 §1, 1997)

Sec. 14-52. Permit required; application.

- (a) Permit required. No person shall engage, commence or continue any land use activity within the District except in conformance with a watersheds Protection District permit issued by the Town.
- (b) Permit application. Applications for a permit are to be made to the Town Administrator or his or her designee. The applicant shall submit to the Town a complete written description of the proposed land use activity. The application shall contain, at a minimum, all of the information required by Section 14-53 below, and quality of the information provided shall be such as to enable the Town to review the application and make informed recommendations as set forth herein. The Town reserves the right to reject all or part of an application that is not complete or does not address all of the requirements of Section 14-53 in a concise and coherent manner. (Ord. 765 §1, 1997)

Sec. 14-53. Submittal requirements.

The permit application shall contain the following information:

- (1) Land use activity description.
- (2) Alternatives. A detailed description of any reasonable alternative to the proposed land use activity which may result in less of an impact to the District.
- (3) Environmental assessment and mitigation measures addressing the following: Revegetation, soil erosion control and water quality monitoring plan. A revegetation plan, soil erosion control plan and water quality monitoring plan meeting or exceeding the standards set forth in the applicable provisions of Section 14-57; Grading plan. A plan showing elevations, dimensions, location and extent of all proposed excavating, filling, grading or surfacing within the District by the proposed land use activity; Additional information. Any additional information or certification deemed necessary by the Town to determine whether or not the proposed land use activity will comply with the standards set forth in Section 14-57.
- (7) Waiver of requirements. If sufficient information is available to the Town concerning the information required to be within the permit application, the Town in its sole discretion may waive such requirement. (Ord. 765 §1, 1997)

Sec. 14-55. Review and permitting procedures.

- (a) Town review. The Town shall review the application and determine whether it is complete and of sufficient quality and whether a site inspection is necessary within thirty (30) days of the submittal. If the application is found to be sufficiently complete, the Town shall review the application for compliance with these regulations. The Town shall prepare a staff report within thirty (30) days of the acceptance of a complete application.
- (b) Minor impact. The Town may classify in writing an application as having minor impact if the proposed land use activity has been or will be properly permitted by applicable federal, state or local authorities and if the proposed land use activity clearly does not present or create a violation of any of the standards set forth in Section 14-57. Within fifteen (15) days after such a written classification of a minor impact, the Town shall approve, approve with conditions or deny the watersheds District permit.
- (c) Major impact. If the Town does not classify an application for a proposed land use activity as a minor impact, it shall submit the staff report to the Board of Trustees, together with a recommendation that the watersheds Protection District permit be approved, approved with conditions or denied. If the complexity of the application or the proposed land use activity so requires, the

Town may extend the deadline for the completeness review and the staff report prepared by the Town for a period of time not to exceed an additional sixty (60) days for each deadline, unless a longer time is agreed to between the Town and the applicant.

Sec. 14-56. Activities declared to cause significant degradation of water quality.

The following activities by their very nature are declared to cause significant degradation of water quality in the District and are presumed to cause such significant degradation and to be in violation of these watersheds Regulations, unless the Board of Trustees determines to its satisfaction, after consideration of the standards set forth in Section 14-57 and after notice and hearing, that the proposed land use activity can be conducted in a manner so as to conform to these Regulations.

(1) Drainage alterations. Any alteration to water drainage courses shall be prohibited which increases or decreases rates of stream flow, increases sediment load and deposition, causes erosion to stream banks, results in an increase or decrease in stream temperature, or otherwise causes injury to the aquatic environment.

(2) Timbering. Any timber harvesting, other than the removal of deadfall or diseased trees, or the removal of trees for incidental purposes which may be associated with permitted activity within the District.

(3) Mining. All surface and subsurface mining operations, including drilling operations, with the exception of reclamation activities pursuant to a state-approved reclamation plan. (Ord. 765 §1, 1997)

Sec. 14-57. Standards.

No land use activity shall be permitted in the District except in compliance with the following standards:

(1) Damage to waterworks prohibited. Any activity causing impairment, damage or injury to the waterworks shall be prohibited.

(2) Increase in pollution prohibited. All point and nonpoint sources of pollutants caused by or associated with the proposed land use activity shall not result in any measurable increase in pollution over the existing water quality of any waters affected by the proposed land use activity.

(3) Construction in waters prohibited. Construction within any waters of the District is prohibited, excluding authorized stream bank reinforcement or repair, water diversion placement or repair or stream crossings performed by or on behalf of the Town.

(4) Setbacks. Any activity, including grazing, or the placement of any structure, other than stream crossings, shall be set back a minimum of one hundred (100) feet from any stream, spring, seep, intake structure, ditch, wetlands or reservoir.

(5) Erosion control requirements. If required, temporary (during construction) and permanent erosion and sediment control measures shall be installed and maintained pursuant to a soil erosion control plan. Such soil erosion control plan shall include a description and location of all soil erosion control measures to be installed, and shall be subject to the following additional standards:

(6) Spill prevention. Measures shall be designed and implemented to prevent spilled fuels, lubricants or other hazardous or toxic materials from entering any waters or being deposited upon any soil in the District during construction, implementation or operation of the proposed land use activity.

(7) Pesticides, herbicides and fertilizers prohibited. The use of pesticides, herbicides and fertilizers within the District is prohibited.

(8) Revegetation. All vegetated areas within the District disturbed by the activity shall be revegetated or restored in accordance with a submitted and approved revegetation plan. At a minimum, disturbed areas shall be successfully revegetated within one (1) year of the date of disturbance.

(9) Water quality monitoring plan. A water quality monitoring plan for all waters affected by the proposed land use activity within the District shall be developed and implemented. Such water quality monitoring plan shall include provisions for:

(10) Wastewater treatment. All wastewater treatment and facilities necessary to serve the proposed land use activity within the District shall meet requirements established or adopted by the Town for construction, operation and maintenance of the same. No new individual sewer disposal system shall be constructed or installed within the District, and any existing individual sewer disposal system shall be operated and maintained in accordance with all applicable laws, ordinances and regulations.

Sec. 14-58. Issuance of permit; permit conditions.

The Board of Trustees may prescribe any condition or conditions in a permit that it may deem necessary to effectuate the powers granted to the Town to protect the waterworks and the Town water supply from pollution, impairment, injury or damage. (Ord. 765 §1, 1997)

Sec. 14-59. Enforcement.

(a) "Stop work" or "desist" order. Should the Town discover any activity which violates the provisions of any permit or condition thereof, or an activity is conducted without a required permit, or where the information submitted in the application is found to be inaccurate, the Town may suspend the activity until compliance with the permit is demonstrated. In such cases, a designee of the Town shall attach a "stop work" order to the construction site in a conspicuous place.

(b) Revocation of permit. The Town may revoke a permit issued under this Chapter for any violation of these watersheds Regulations, for violation of the permit or any permit condition, or for the provision of false or incorrect information in the permit

application. Such revocation shall be preceded by fifteen (15) days' written notice to the permittee that the revocation will occur unless the condition which created the violation or noncompliance with the terms of the permit or permit condition is corrected. The Town may, in its sole discretion and not to be construed as a waiver of any further action, enter into a corrective action plan with the permittee to correct the violation or noncompliance so noted. Upon permit revocation, the Town may require the permittee to restore the site to a condition acceptable to the Town in order to prevent further injury to the District. The Town may, in its discretion, perform or cause to be performed the necessary restoration, and the permittee shall be assessed such costs of restoration.

(c) Duration of construction. Unless otherwise specified in the permit, all construction associated with the permitted land use activity shall be completed within one (1) year of the issuance of a permit. Extensions of up to six (6) months each may be granted by the Town upon a showing of good cause.

ARTICLE VI

Sec. 14-61. Appeal of administrative decision.

Any person, including the permittee and other persons, seeking to appeal any administrative action, determination or decision by the Town shall file a written appeal with the Board of Trustees within thirty (30) days of such administrative action, determination or decision by the Town. Such appeal shall be heard by the Board of Trustees at the next regularly scheduled Board of Trustees meeting if practicable, but in no event greater than thirty (30) days after the written appeal is filed. (Ord. 765 §1, 1997)

Sec. 14-62. Appeal of Board of Trustees' decision.

A person desiring to challenge the Board of Trustees' decision to grant a permit, to grant a permit with stated conditions or to deny a permit, or desiring to challenge the result of an appeal heard by the Board of Trustees pursuant to Section 14-61, may seek review of the Board of Trustees' decision in the Mesa County District Court in the manner provided by the Colorado Rules of Civil Procedure. (Ord. 765 §1, 1997)

Grand Junction watershed ORDINANCE Ordinance No. 3961

An Ordinance Establishing watersheds and Water Supply Standards; Establishing Requirements for watersheds Permits in Connection with Various Activities within said watersheds; Prohibiting any Person from Polluting said watersheds; and Encouraging the City Council to Adopt Implementing Ordinances or Resolutions

BE IT ORDAINED BY THE VOTERS OF THE CITY OF GRAND JUNCTION that the following watersheds and water supply protection ordinance is hereby passed and adopted.

1. CITATION. This ordinance shall be known as the "watersheds Protection Ordinance" of the City.
2. IMPLEMENTING ORDINANCE. The City Council is encouraged to adopt an additional ordinance or resolutions to further implement the provisions of this ordinance in light of the provisions and purpose hereof.
3. PURPOSE. The primary purpose for which the watersheds Protection Ordinance is established is the fullest exercise of the powers, authorities, privileges and immunities of the City of Grand Junction in maintaining and protecting the City's water supply and waterworks from injury and water supply from pollution or from activities that may create a hazard to health or water quality or a danger of pollution to the water supply of the City. The City's authority herein shall be for the purpose of restricting any activity, or requiring changes in the way the activity or use is performed, within a watersheds which creates a substantial risk of pollution or injury to the City's water supply or waterworks and/or the lands from under, or across or through which the water flows or is gathered. This purpose and authority statement shall not, however, be construed as an attempt to interfere with federal jurisdiction over federal lands within the City's watersheds: This Ordinance should be construed to supplement and integrate with federal law and jurisdiction.
4. DESIGNATED WATERSHEDS.
 - (A) The City's primary watersheds (*i.e.*, Kannah Creek, North Fork of Kannah Creek, and Whitewater Creek) are hereby declared to extend over all the territory occupied by the City of Grand Junction's waterworks in the drainages of the City's primary watersheds and shall include but not be limited to all reservoirs, streams, trenches, pipes and drains used in and necessary for the construction, maintenance and operation of the same and over all creeks, streams, lakes, reservoirs and the City's waterworks and all water sources tributary thereto for five (5) miles up gradient (*i.e.*, obtained or used upstream) of each point from which any water is diverted for use by the City of Grand Junction or placed into any

City domestic waterworks. Any ordinance or resolution implementing this Ordinance shall address the City's water rights and waterworks that are supplied by water from either the Gunnison and/or the Colorado Rivers.

5. STANDARDS. No land use activity shall be permitted in any primary watersheds which creates a substantial risk of pollution or injury to the City's water supply or waterworks except in compliance with the provisions of this ordinance.

In addition:

(A) It shall be unlawful for any person to cause injury or damage to the City's waterworks, including all springs, seeps, streams, surface intakes, ditches, drains, pipelines and reservoirs used in and necessary for the construction, maintenance and operation of the same.

(B) All point and non-point sources of pollutants caused by or associated with a proposed land use activity shall not result in any measurable increase in pollution over the existing water quality of any waters of any primary watersheds of the City potentially affected by the proposed land use or activity.

(C) The burden of proving the lack of substantial risk of pollution or injury, in terms of quantity and quality, to the City's water supply and/or waterworks shall be on the person proposing the land use or activity.

(D) Terms not defined herein shall be defined by the implementing ordinance and/or regulations. For the purposes of this ordinance, the following words shall have the following meanings.

6. HIGH RISK ACTIVITIES. Because certain activities in the City's primary watersheds pose a substantial risk of pollution or injury to the City's waterworks and/or the quality of the City's domestic water quality, it shall be unlawful for any person to engage in any of the following activities within the City's primary watersheds unless the proposed use falls under the category of a domestic use, or unless and until such person has first obtained a watersheds Permit issued by the City:

(A) Excavating, grading, filling or surfacing 100 cubic yards or more;

(B) Removing 1000 square feet or more of vegetation;

(C) Using, handling, storing or transmitting flammable, explosive, hazardous or radioactive materials or substances; except for domestic uses and except that above-ground fuel tanks containing 350 or fewer gallons, and storage tanks that are an integral part of a vehicle, are allowed for each farm or ranch within a primary watersheds.

(D) Because timbering, mining, and confined animal feeding operations, have a potential to cause significant degradation of water quality in a primary watersheds, each such activity is prohibited unless and until the proponent of such land use or activity has obtained a City permit, based on the applicant/proponent having established that:

(I) Any alteration to water drainage courses shall not increase or decrease rates of stream flow, increase sediment load and/or deposition, cause erosion to stream banks, result in an increase or decrease in stream temperature, or otherwise cause injury to the aquatic environment. The City shall issue its permit if the applicant establishes that there is not a significant risk of pollution or injury to the City's water or waterworks;

(II) Any timber harvesting, other than the removal of deadfall or diseased trees, or the removal of trees for incidental purposes which may be associated with an activity that is not regulated by this ordinance, shall not cause degradation of water quality in a primary watersheds;

(III) Surface or subsurface mining operations, including the extraction of gas and/or oil, and the preparation of sites in anticipating of drilling, mining or quarrying shall not cause degradation of water quality in a primary watersheds. Reclamation activities pursuant to a state-approved reclamation plan are not regulated by this provision;

(IV) Confined animal feeding operations involving more than two hundred animals confined to less than 100 acres shall not cause degradation of water quality in a primary watersheds.

(E) At a minimum, the applicant for a land use or activity involving timbering, mining or confined animal feeding operations shall provide: (I) Detailed plans and specifications of the proposed land use activity; (II) Itemization of all hazardous, toxic or explosive substances or materials to be used, transported, stored or handled as a part of the proposed land use activity; (III) A detailed description of any reasonable alternative to the proposed land use activity which may result in less of an impact to the City's water works and primary watersheds; (IV) Proposed detailed mitigation measures necessary assuming that best management practices are employed to reduce all adverse impacts to the primary watersheds, and the City's water and waterworks; (V) The existing water quality in all waters reasonably affected by the proposed activity for each parameter established by the Colorado Water Quality Control Commission; and (VI) A detailed description of the potential impacts the proposed land use activity will have on the quality and quantity of the City's water, waterworks and/or primary watersheds.

(F) Upon request of a rancher, farmer, resident of a single family dwelling or other person subject to the requirements of this ordinance, the City Manager may waive one or more of the above requirements if the City Manager determines that such information is not required in the particular circumstances to adequately evaluate risks of pollution or potential of injury to the primary watersheds, City waters or waterworks.

(G) Ongoing industrial operations (such as timbering, oil and gas drilling or confirmed animal feeding) in any primary watersheds may require the hiring of a third-party monitor selected by the City the costs of which are paid by the permittee for the duration of time the operations can cause damage to a primary watersheds, City waters and/or waterworks.

7. **STANDARDS FOR ISSUANCE OF PERMIT.** A watersheds Permit shall only be issued when the City finds that the applicant has sustained its burden of proof that the proposed activity, including alternatives, mitigation and best management practices, if any, as proposed or required, does not present or create a foreseeable and substantial risk of pollution or injury to the primary watersheds, City waters or waterworks.

8. **PERFORMANCE GUARANTEE INSPECTION COSTS.**

(A) Before a permit authorizing a land use or activity in a primary watersheds is issued, each permittee shall provide the City, at the permittee's expense, a performance guarantee in the form of cash or a letter of credit in the amount of one hundred percent (100%) of the City Manager's estimate, based on the best available information, of the cost to ensure compliance with this ordinance and/or any implementing ordinances or regulations, including, but not limited to, the cost of maintenance, operation, re-vegetation, reclamation and other requirements of or arising out of or under the proposed activities. Such performance guarantee shall be in effect for at least one year beyond the anticipated completion and reclamation of the activity identified in the permit.

(B) Any public utility regulated by the Colorado Public Utilities Commission, any governmental agency, any mutual water company, any conservancy district or any equivalent public or quasi-public water delivery entity may provide the City with an annual letter signed by an appropriate officer of the same guaranteeing: complete performance of the

conditions prescribed in the permit; and, the correction of any defect in the work which the City discovers and for which the City gives written notice to the permittee within one year after the date when the City initially approves the completed work.

(C) Each permittee shall pay for the costs of City selected inspectors and/or testers deemed necessary by the City to evaluate each permit application and ensure that compliance is had with the requirements of this ordinance and any implementing ordinances and/or regulations.

9. SEVERABILITY. If any section, subsection, paragraph, clause, phrase or provision of this Ordinance shall be adjudged invalid, unenforceable or held to be unconstitutional by a court of competent jurisdiction, the validity of the rest of this Ordinance shall not be affected in whole or in part, other than the provision adjudged to be invalid or unconstitutional.

Introduced on first reading this 16th day of August, 2006.

Adopted on second reading this 6th day of September, 2006.

/s/ James J. Doody
President of the Council

THE NEPA PROCESS

Figure 1 – The NEPA Process

The NEPA process begins when an agency develops a proposal to address a need to take an action. The need may be something the agency identifies itself, or it may be a need to make a decision on a proposal brought to it by someone outside of the agency, for example, an applicant for a permit. Based on the need, the agency develops a proposal for action (Number 1 in Figure 1).

In most cases, the agency will enter the initial analytical approach (Number 2 in Figure 1) to determine if the agency will pursue the path of a Categorical Exclusion (CE), an Environmental Assessment (EA) or an Environmental Impact Statement (EIS).

Categorical Exclusions (CEs) (Number 3 in Figure 1)

A CE is a category of actions that the agency has determined does not individually or cumulatively have a significant effect on the quality of the human environment. Examples include issuing administrative procedures, making minor facility renovations, and reconstruction of trails. Agencies develop a list of CEs specific to their operations when they develop or revise their NEPA implementing procedures in accordance with CEQ's NEPA regulations.

A CE is based on an agency's experience with that kind of action and its environmental effects. If a proposed action is included in a list of CEs, the agency must check to make sure that no extraordinary circumstances exist. Extraordinary circumstances are also set out in the agency NEPA procedures and typically include such matters as effects to endangered species, protected cultural sites, and wetlands (Number 4 in Figure 1). If there are no extraordinary circumstances indicating that the effects of the action may be significant, then the agency can proceed with the action.

If the proposed action is not included in the description provided in the CE, or there are extraordinary circumstances, then the agency must choose whether to withdraw the proposed action, develop a new proposal that may qualify for application of a CE, or prepare an EA or an EIS. When the agency does not know whether significant impacts are expected, the agency will prepare an EA to determine if there are significant environmental effects. An EIS is prepared when significant environmental effects are expected to result from the proposed action.

Environmental Assessments (EA) (Number 5 in Figure 1)

The purpose of an EA is to determine the significance of the environmental effects and to look at alternative means to achieve the agency's objectives. The EA is intended to be a concise document that (1) briefly provides sufficient evidence and analysis for determining whether to prepare an environmental impact statement or finding of no significant impact (FONSI); (2) aids an agency's compliance with NEPA when no environmental impact statement is necessary; and, (3) facilitates preparation of a statement when one is necessary.

The EA will include brief discussions of the need for the proposal, of alternative courses of action for any proposal which involves unresolved conflicts concerning alternative uses of available resources, of the environmental impacts of the proposed action and alternatives, and a listing of agencies and persons consulted. Because the EA serves to evaluate the significance of a proposal for agency actions, it should focus on the context and intensity of effects that may "significantly" affect the quality of the human environment. At the conclusion of the EA, the agency will either issue a FONSI or a notice of intent (NOI) to prepare an EIS. Often the EA will identify ways in which the agency can revise the action to minimize environmental effects.

When preparing an EA, the agency has discretion as to the level of public involvement (Number 6 in Figure 1). The CEQ regulations state that the agency shall involve environmental agencies, applicants and the public, to the extent practicable, in preparing EAs. Sometimes agencies will choose to mirror the scoping and public comment periods that are found in the EIS process. In other situations, agencies make the EA and a draft FONSI available to interested members of the public.

An EA is a public document, but its availability is not always advertised. Some agencies require that interested parties be notified of the decision to prepare an EA, and also makes the EA publicly available. Some agencies keep a notification list of parties interested in a particular kind of action or in all agency actions. Other agencies simply prepare the EA. To further understand the EA process, it is important that you read the specific implementing procedures of the proposing agency or ask the local NEPA point of contact working on the project.

A FONSI (Number 7 in Figure 1) is a document that presents the reasons why the agency concludes that there are no significant environmental impacts projected to occur upon implementation of the action. The EA is attached to the FONSI, otherwise the FONSI includes a summary of the EA.

The EA and FONSI are the documents that show how the agency complied with their NEPA obligations. CEQ regulations require agencies to make the proposed FONSI available for public review for 30 days if the type of proposed action hasn't been done before by the agency or if it's something that typically will require an EIS under the agency NEPA procedures. If this is the case, the FONSI is usually published in the Federal Register, and the notice of availability of the FONSI will include information on how and where to provide your comments. If the requirement for a 30 day review is not triggered the FONSI often will not be published in the Federal Register. It may be posted on the agency's website, published in local newspapers or made available in some other manner. If you are interested in a particular action that is the subject of an EA, you should find out from the agency how it will make the FONSI available.

Environmental Impact Statements (EIS) (Number 8 in Figure 1)

While preparing the environmental assessment (EA), an agency may learn that the proposed action is expected to or will have significant environmental effects. An agency may also, based on its judgment and past experience, expect a type of proposed action to have significant environmental effects and thus will have already identified the proposed action as the type normally requiring preparation of an EIS in their agency NEPA procedures. Through NEPA, agencies are obligated to provide opportunities for meaningful public involvement.

Appendix 5

AGENCY PERMITTING MATRIX FOR OIL AND GAS LEASE DEVELOPMENT

See attached.

Appendix 6 REVIEW OF PUBLIC COMMENT

The Watershed Working Group held two public meetings prior to the release of the Draft April 2, 2007. The Working Group accepted comment at meetings and throughout the process. The Working Group received 31 written comments prior to the release of the Draft.

The public meetings held prior to the release of the document were held:

- December 05, 2006 at the Palisade Community Center, Palisade CO
- January 25, 2007 at the Palisade Community Center, Palisade CO

December 05, 2006 Public Meeting Attendance Breakdown

January 25, 2007 Public Meeting Attendance Breakdown

Written comments were provided by a variety of sources and responders. The majority of comments came from residents in Mesa County.

Distribution of Responses to Draft Watershed Plan

The five categories submitted on the Draft Watershed Plan included in the written comments:

1. Water Quality
2. Risk Mitigation
3. Lease Stipulations
4. Against watersheds Development
5. Reclamation

Topic	Category	Sub-Category	Issue
Communication	Background information	Drilling in watersheds Area	Natural gas is important but so are the watersheds. With the thousands of acreage available, why lease the watersheds?
			What is the natural gas potential located in the Grand Mesa region?

	Watershed Plan Process	Communication on Watershed Plan Process	How can the public receive information regarding Genesis?
			How does the Watershed Working Group plan to keep the public informed?
		Watershed Plan	What types of Best Management Practices will Genesis institute for protecting the watersheds?
			If Genesis sells the leases, will the next lease holder adhere to this plan?
External Review	Federal Oversight	Federal Regulatory Protection	How will you maintain the integrity of our water?
	Local Oversight	watersheds Ordinance	How do the Watershed Ordinances play into the Watershed Plan?
			What is the enforcement on the Watershed Ordinances?
Development Concerns	Surface	Subcontractors	How will Genesis keep the development area free of drug use?
			Will Genesis use local service providers?
			How will Genesis ensure its subcontractors are well qualified?
		Traffic Concerns	How will Genesis ensure the integrity of the roads used?
			How will the Stakeholders solve traffic problems associated with exploration?
		Air Quality	What will the enforcement be on Air Quality?
	Subsurface	Casing	When a well is drilled, how deep do you case the well from the water?
		Fracing Process	Does Genesis plan to use "green" fracing in the Palisade and GJ watersheds? Will Genesis use basically the same "green" substances as Antero is using? If not, what kinds of "green" chemicals will Genesis use? Will Genesis use "green" fracing even if it is not a BLM stipulation?
			Will Genesis make a list of fracing fluids used available?
			Is there any possibility of fracing pond on watersheds?

Appendix 7 GREEN FRACTURING AS DEFINED BY THE COMMUNITY
DEVELOPMENT PLAN BETWEEN BY THE RIFLE, SILT, AND NEW CASTLE AREA
RESIDENTS, ANTERO RESOURCES CORP. AND GALAXY ENERGY (*January 1, 2006*)

Green Fracturing Language:

Genesis Gas & Oil LLC is taking steps to assure that chemicals used in the fracturing process will be biodegradable, non-toxic neutral pH, residual free, non-corrosive, non-polluting and non-hazardous in the forms and concentrations being used. The company also reviews the material safety data sheets to assure the chemicals are not known carcinogens in the methods or concentrations being used.

As stated in the Rifle, Silt, New Castle Plan, it is important to keep in mind when reviewing the material safety data sheets that virtually any substance in the wrong concentration or wrong application can be harmful. For instance, too much water ingested or breathed can be fatal. Chlorine and Fluorine are used in our water supplies daily but are toxic if consumed in the wrong concentration. This is true of the chemicals used in the fracturing process.

Appendix 8 HYDROLOGICAL STUDIES

The primary concern associated with the potential development of oil and gas leases in the watersheds is source-water protection. Source waters are the waters that originate in the watershed and provide water supply to the municipalities of the Town of Palisade and the City of Grand Junction, Colorado. Genesis and the Stakeholders will implement a thorough program of hydrological studies that are designed to characterize and expand knowledge of watershed hydrologic systems through the design and implementation of baseline, operations, and post operations monitoring of hydrological conditions.

The process of hydrologic characterization will extend through the life of the project. Initial baseline efforts will focus on data compilation of previous or ongoing studies involving sampling and analysis or other hydrological evaluations conducted in the watersheds. The foundation of the baseline study will involve establishing a number of surface-water and groundwater baseline monitoring sites in the watersheds. Surface-water baseline monitoring will consist of at least 6 separate sampling and analysis events within a 2-year period prior to any energy development activities. After sufficient surface-water data has been collected (3 to 4 events), a number of groundwater monitoring wells will be proposed and constructed in the watersheds to characterize groundwater systems. Hydrogeological field reconnaissance and mapping, are a critical part of the baseline watershed characterization work. In addition, other studies are anticipated to support characterization of the watersheds, including but not limited to special geochemical sampling and analysis programs such as isotope age-dating of surface and groundwaters. The primary goals of the baseline study are to: Field reconnaissance work will be conducted early to delineate source areas and their relationships to geology and geomorphology. Reconnaissance will continue as needed to fill data gaps in surface hydrogeology features.

- Delineate vital surface-water sources within each watershed,
- Characterize each surface-water feature by quantifying flow and collecting and analyzing water chemistry samples,
- Delineate locations for, construct, and conduct sampling and analysis of groundwater monitoring wells,
- Prepare sound hydrologic interpretations and conceptual models of hydrologic systems in the watershed,
- Delineate watershed areas of various levels of hydrologic sensitivity, and
- Define data-gaps and design follow-up monitoring programs.

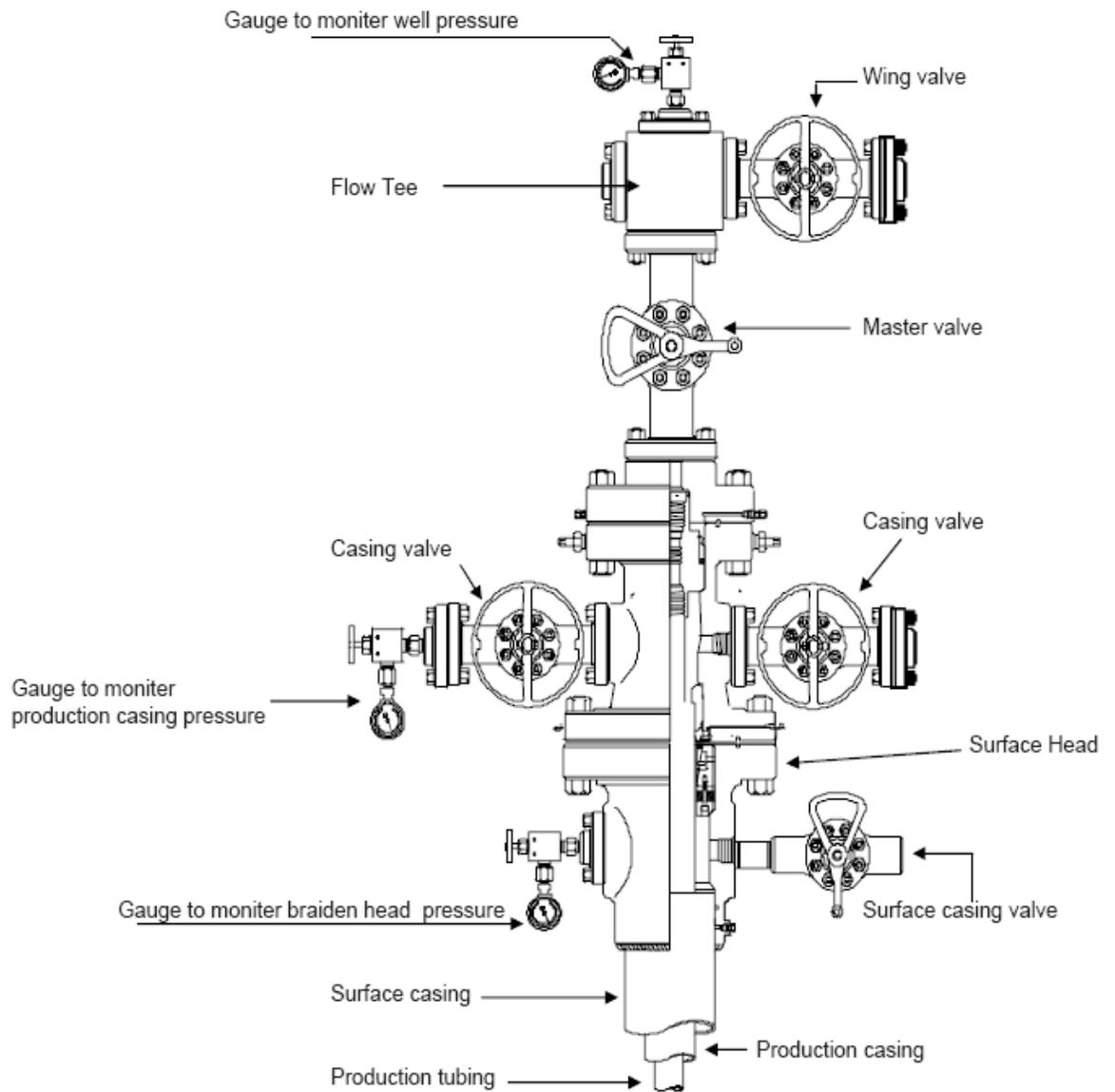
Baseline sites will be monitored periodically through out the energy exploration, development, production, and reclamation phases to assess overall water quantity and quality trends in the watersheds. The baseline inventory will include locations and measurements of water flows, courses and streams, reservoirs, springs, wells, ponds, riparian areas, water-related pipeline, transportation, and collection facilities, water recharge area locations and other critical/sensitive water, geological, or soil related data, both within and adjacent to the municipal watersheds. As the need arises, additional monitoring sites will be added to the program to monitor areas associated with specific potential impacts. Hydrogeological field reconnaissance will be conducted early in the project to assist in the development of a hydrologic conceptual flow model of the watersheds. The conceptual flow model is essential in attempting to understand the primary flow processes in the watersheds and implications for potential impact. Development of the conceptual flow model will include delineation of source areas and source aquifers and an evaluation of their relationships to geology and geomorphology. Reconnaissance will continue as needed to fill data gaps in surface hydrogeological features.

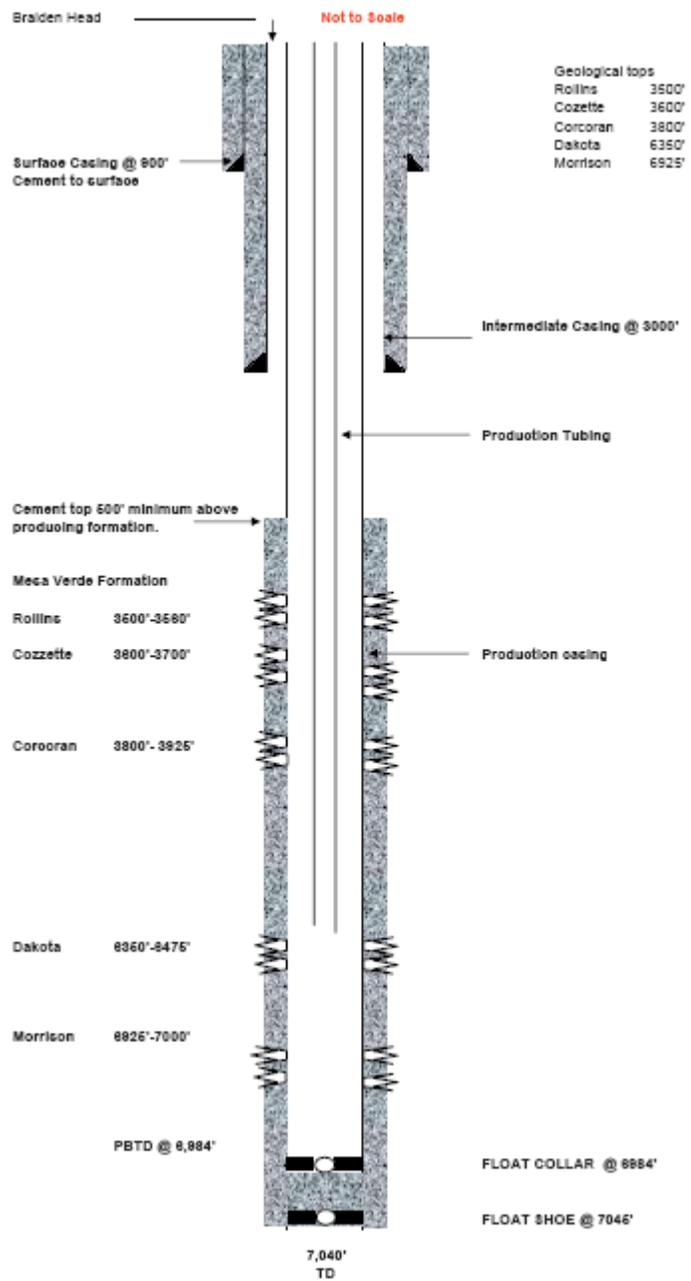
all important and relevant hydrological and geological data within and adjacent to the watersheds will contribute to the knowledge needed to adequately evaluate, define, and mitigate potential or actual surface water and groundwater quality impacts from oil and gas development. The delineation of sensitive areas will include consideration of the potential for areas to be hydraulically connected to areas of high-quality or high quantity water sources, which may be related to areas of potential high fracture density, geologically young water, or zones of suspected shallow, unusually high groundwater velocities.

Pwill be initiated through the preparation and implementation of Watershed Monitoring Plans (WMPs). In brief, these plans summarize the physical drainage characteristics, land ownership, and land use in the watersheds, list primary (baseline) sampling sites, and describe the sampling and analysis procedures and quality assurance and control protocols needed to evaluate water quantity and quality in the watersheds. The City of Grand Junction WMP was implemented in 2003 and includes sampling of shallow aquifer wells in the lowest elevations of the watershed. Revisions have been made to the City's WMP to reflect the Genesis leases. The WMP for Palisade will be prepared; field work in the Palisade watershed will be launched in the Spring of 2007.

The results of the baseline study will provide greater assurance of assessing the potential or actual impacts to water from oil and gas related activities in the watersheds. The study results will be used to design and conduct a proper hydrologic monitoring program to be implemented during and after gas development operations within the watersheds or near other water-related features important to the municipal water supplies or quality.

GENESIS GAS & OIL LLC.





END
WATERSHED PLAN FOR
THE TOWN OF PALISADE AND THE CITY OF GRAND JUNCTION

Attach 9
Watershed Regulations

CITY OF GRAND JUNCTION

CITY COUNCIL AGENDA						
Subject	Watershed Regulations					
Meeting Date	July 30, 2007					
Date Prepared	July 26, 2007				File #	
Author	Greg Trainor		Utility and Street Systems Director			
Presenter Name	Terry Franklin		Water Services Manager			
Report results back to Council	X	No		Yes	When	
Citizen Presentation		Yes	X	No	Name	
	Workshop		Formal Agenda		Consent	X Individual Consideration

Summary: Ordinance No. 3961, adopted September 6, 2006, establishing requirements for permits for certain activities in the Grand Junction watersheds. Regulations implementing the ordinance have been prepared by Utility Department staff, in conjunction with various affected interest groups.

Budget: Activities in the watersheds will be monitored and the City will expend staff time and Water Enterprise Fund resources in this efforts.

Action Requested/Recommendation: Adopt proposed Resolution.

Attachments:

1. Watershed Protection Regulations – redline version updated with additional definitions and minor clarifications.
2. Proposed Resolution

Background Information: The Watershed Protection Regulations were drafted by Western Water and Land, the City Utility Department's consulting hydrologists on watershed protection issues.

The draft (s) were then reviewed and discussed with various affected interests including the U.S. Bureau of Land Management, U.S. Forest Service, Western Colorado Congress, the Grand Junction Chamber of Commerce, Xcel Energy, Transcolorado Natural Gas Pipeline, Aspen Operating LLC, Mesa County, and several affected private landowners in the watershed boundaries.

The regulations outline activities that will require a watershed permit. These are:

Timber harvesting, surface and subsurface mining, drilling, excavating, storing and use of toxic and hazardous materials, removing vegetation, confined animal feeding operations, and others.

Activities not requiring a watershed permit are local landowners conducting normal, domestic, single-family development. In addition, activities conducted by the BLM and Forest Service for their own purposes are exempt from a permit. Examples are: fire fuel reductions, trail construction and maintenance, facility maintenance, etc. to the extent they meet all NEPA requirements and follow all best management practices for protection of water resources, such as the stormwater regulations.

Applications for watershed permits include provisions for protection of water quality, soils, drainage, vegetation, etc.

The Watershed Protection Regulations adopt the "Watershed Plan for the Town of Palisade and the City of Grand Junction" and make the provisions of the Watershed Plan binding on the applicant.

The Watershed Protection Regulations also include all City owned property contiguous to the Watershed Boundary

Finally, cash guarantees or certificates of deposit to insure complete reclamation of disturbed areas are required. Pollution Liability Insurance is also required.

Approval of a permit establishes a vested right in the applicant for the permitted use, provided he complies with applicable provisions of the ordinance.

CITY OF GRAND JUNCTION

RESOLUTION NO. _____

**A RESOLUTION ADOPTING THE
WATERSHED PROTECTION REGULATIONS**

RECITALS:

On September 6, 2006 the City Council approved Ordinance 3961, a watershed protection ordinance ("Ordinance").

The Ordinance called for the creation and adoption of regulations to enforce the Ordinance. By this resolution the City Council does adopt the watershed regulations and does acknowledge the significance of the watershed, the importance of public awareness of the watershed and the need for adoption of the watershed plan shaping public policy for the proper present and future use of the land, water and mineral resources.

Pursuant to Article XX of the Constitution of the State of Colorado and the Charter of the City of Grand Junction adopted thereunder and the statutes of the State and the ordinances of the City, the City owns and operates municipal water treatment and delivery systems and provides water service to consumers both inside and outside of the corporate limits of the City. Given the City's legal and practical responsibilities to the system and its users, the City has determined that the attached regulations are necessary to help it protect the water, water resources and its ability to fully protect and develop the water and water rights. The City's diversions, storage and other municipal water rights are very valuable and important to the community. As such the various water and land uses in the drainages substantially concerns the City because all of them affect the quality and quantity of the water supply available for City use.

The City Council hereby finds, declares and determines that the attached regulations will serve to maintain and protect an adequate water supply of the highest quality. The regulations are essential to the public health, safety and welfare of the citizens of the City and in furtherance thereof the City does adopt the same.

By virtue of Ordinance 3961 and 31-15-707 (1) (b), C.R.S. as amended the City has power to enact ordinances and regulations for the purpose of maintaining and protecting the City's waterworks from injury and the water from pollution. Because of the importance of the resource and the fact that growth, use and other pressures are ever increasing the possibility that the resource may be irretrievably damaged, the City Council finds that various activities of the past, present and future within the area of the City's water supply pose or may pose a

danger to that supply which could affect the health, safety and welfare of the citizens of the City of Grand Junction. The City Council has further determined that the City should exercise all right, power and authority under the law to provide its citizens with an adequate water supply of the highest quality with the same being a matter of purely local concern.

NOW, THEREFORE, the City Council of the City of Grand Junction does hereby adopt the attached watershed regulations with the same to be applied with full force and effect as provided by law.

Read and approved this 30th day of July, 2007.

Jim Doody
Mayor and President of the Council

ATTEST:

Stephanie Tuin
City Clerk

WATERSHED PROTECTION REGULATIONS

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ARTICLE I

General Provisions

Sec. XX-1. Short title.

These regulations may be cited as the "Watershed Protection Regulations" or generally as "Watershed Regulations." (Ord. 3961 §1, 2006)

Sec. XX-2. Intent.

The City Council finds that the maintenance and protection of an adequate water supply of the highest quality and quantity is essential to the public health, safety and welfare of the citizens of the City, and that the City's water supply and waterworks shall be protected from pollution, impairment, injury or damage. (Ord. 3961 §1, 2006)

These regulations shall be periodically reviewed and updated to reflect new technologies and/or applicable state and federal regulations.

Sec. XX-3. Authority.

Pursuant to the Constitution, the Charter and applicable law, the City may enact ordinances and regulations for the purpose of maintaining and protecting the City's waterworks from injury and to protect the water from pollution in lands and territory occupied by such waterworks and over the streams or sources, including groundwater, from which the water is taken for five (5) miles above the point from which it is taken, pursuant to Section 31-15-707(l) (b), C.R.S. (Ord. 3961 §1, 2006)

All powers and protections stated herein are applicable to all property owned by the City contiguous to the Watershed Boundary.

Sec. XX-4. Severability.

If any section, subsection, paragraph, clause, phrase or provision of these Regulations shall be held or adjudged to be invalid by a court of competent jurisdiction, then the validity of the balance of the Watershed Regulations shall not be affected in whole or in part. (Ord. 3961 §1, 2006)

Sec. XX-5. Prevailing provisions.

The City's authority over proposed activities within the Watershed, not on land owned in fee simple by the City, shall be exercised concurrently with Mesa County, the United States Department of Agriculture, the United States Forest Service (USFS), the United States Department of the Interior and the United States Bureau of Land Management (BLM), consistent with and pursuant to the City's jurisdiction as authorized by law and implemented by these regulations. The City's authority shall be construed as broadly as is consistent with established principles of law. For all proposed activities on land owned in fee simple by the City, or if any federal, state or local entity defers or declines to exercise its applicable authority, if any, for any proposed activity within the Watershed, the City's review authority shall occur prior to the commencement of any proposed activity subject to these regulations. (Ord. 3961 §1, 2006)

Sec. XX-6. Interpretation.

In their application and interpretation the provisions of these Regulations shall be held to be minimum requirements. These Regulations do not repeal, abrogate, annul or in any way impair or interfere with existing provisions of private or intergovernmental agreements. Where these Regulations impose a greater restriction than that imposed by prior or existing provisions of law, contract or deed, the provisions of these Regulations shall control. (Ord. 3961 §1, 2006)

Sec. XX-7. Legal Action.

(a) The City Attorney is authorized to file suit against and/or to prosecute in the Municipal Court any person alleged to violate in whole or in part any provision of these Regulations.

(b) Any employee(s) of the Utilities and Streets Systems Department that is so authorized by the City Manager may detain and hold for further disposition any person in violation of these regulations. (Ord. 3961 §1, 2006)

Sec. XX-8. Entry and inspection.

The City may enter and inspect any property within the Watershed and under the jurisdiction of these Regulations at reasonable hours for the purpose of determining if any activity is in violation of the provisions hereof and/or is in violation or noncompliance with any permit issued hereunder. In the absence of a bona fide emergency, the City will follow all regulations pertaining to motorized travel and safety procedures when doing inspection. (Ord. 3961 §1, 2006)

Sec. XX-9. Violations; penalties.

(a) It is unlawful to engage in any activity not in compliance with these Regulations or any amendment thereto and/or the permit requirements hereof. Any person, corporation or other legal entity, either as owner, lessee, permittee, occupant or otherwise, who violates any provision of these Regulations and/or who engages in any activity not in compliance with these Regulations shall be charged with a misdemeanor.

(b) Any person, corporation or other legal entity, upon conviction of a violation of these regulations, shall be punished by the imposition of a fine in the amount not to exceed one thousand dollars (\$1,000.00) per day for each offense, or by imprisonment not exceeding ninety (90) days for each offense, or both.

(c) Any person, corporation or other legal entity shall be guilty of a separate offense for each and every day during any portion of which any violation of these regulations is committed, continued or permitted.

(d) Nothing herein shall limit the City from seeking any other remedies available by law or in equity, including but not limited to injunctive relief, the recovery of damages and the payment of costs and reasonable attorneys' fees. All remedies shall be cumulative. (Ord. 3961 §1, 2006)

Sec. XX-10. Enforcement.

(a) "Stop work" or "cease and desist" order. Should the City discover any activity which violates or is reasonably believed by the City to violate any provision(s) of any permit or condition thereof, or an activity is conducted without a required permit or where the information submitted in the application is found to be inaccurate, the City may suspend the activity until compliance with the permit is demonstrated. In such cases, the City Manager or his designee shall post in a conspicuous location on the site a "stop work" or "cease and desist" order. Should the City discover any construction or use of property within the Watershed which is in violation of these Regulations, it shall cause to be attached a "cease and desist" order to the property and attempt to deliver a copy of the same to the owner or occupant of the property. Any "stop work" order or "cease and desist" order shall be signed by the City Manager or his or her designee and shall indicate the violations which exist or are reasonably believed to exist. The removal of a "stop work" or "cease and desist" order before the violation is corrected is prohibited and, upon conviction, a penalty shall be imposed as provided by these Regulations. The continuation of any activity or use in violation of a "stop work" or "cease and desist" order is prohibited and, upon conviction, a penalty shall be imposed as provided by these Regulations.

(b) Revocation of permit. The City may revoke a permit for any violation of these Watershed Regulations, and/or for violation of the permit or any permit condition and/or for the provision of false or incorrect information in the permit application. Revocation shall be preceded by fifteen (15) days written notice to the permittee that the revocation will occur unless the condition(s) which created the violation or noncompliance with the terms of the permit or permit condition is corrected. The City may, in its sole discretion and not to be construed as a waiver of any further action, enter into a corrective action plan with the permittee to correct the violation or noncompliance. Upon permit revocation, the City may require the permittee to restore the site to a condition acceptable to the City in order to prevent further injury to the Watershed. The City may, in its discretion, perform or cause to be performed the necessary restoration and the permittee shall be assessed such costs of restoration.

(c) Duration of construction. Unless otherwise specified in the permit, all construction associated with the permitted activity shall be completed within one (1) year of the issuance of a permit. Extensions of up to six (6) months each may be granted by the City upon a showing of good cause.

(d) Certificate of compliance. At the completion of construction associated with an activity approved under a permit, the applicant shall apply in writing for a certificate of compliance. As soon as reasonably practicable, and not more than twenty (20) days after such request, weather and soil conditions permitting, the City shall inspect the construction associated with the activity and shall determine if these Watershed Regulations, the permit and any permit conditions have been complied with, including but not limited to compliance with all plans and specifications submitted by the applicant or required as a permit condition. If the City determines that the construction associated with the activity conforms to the permit, permit conditions, plan or plans and specifications, and all other required permits or permits incorporated by reference, the City shall issue a certificate of compliance. If the City determines that the construction or other activity associated with the permitted activity does not conform to the permit, permit conditions, plan or plans and specifications, and all other required permits or permits incorporated by reference, the City shall not issue a certificate of compliance. In such case, the permittee shall be informed in writing of the reason why the construction or other activity associated with the permitted activity does not so conform, and the City shall also set forth the requirements to be met, as can be practically specified. Thereafter, the process for review for compliance and issuance or denial of a certificate of compliance shall be as set forth herein. It is a violation of these Regulations for any person who is issued a permit for any activity within the Watershed to conduct such activity after

construction is completed without having complied with the requirement to obtain a certificate of compliance as set forth in this Section. (Ord. 3961; Ord.)

Secs. XX-11—XX-20. Reserved.

ARTICLE II

Definitions

Sec. XX-21. Rules of construction.

For the purposes of these Regulations, the words and phrases set forth herein shall have the meanings respectively ascribed to them and, in addition, whenever appropriate with the context, words used in the present tense include the future tense, words used in the singular include the plural and vice versa, the word "shall" is always mandatory and the word "may" is permissive. (Ord. 3961 §1, 2006)

Sec. XX-22. General terms defined.

Whenever the following words or phrases are used, they are defined as follows:

Acceptable Use means any activity within the Watershed that is not required to provide a Watershed Permit, pursuant to Section XX-42 of these regulations.

Activity means any excavating, filling, grading, surfacing, construction or activity, other than noncommercial gardening or landscaping, which changes or enlarges the basic character or the use of the land upon which the activity occurs.

City means the City of Grand Junction and, where appropriate, an officer, employee or authorized agent of the City of Grand Junction.

City Council or *Council* means the City Council of the City of Grand Junction.

City owned lands in fee simple means fee simple ownership of real property .

Confined Animal Feeding Operations means an animal feeding operation (AFO) at a lot or facility where animals are stabled or confined for a total of 45 days or more in any 12-month period and crops or vegetative growth are not maintained in the normal growing season over the lot or facility.

Ditch means a small to moderate depression created to channel water.

Domestic Use means the construction of a single family residence of less than 10,000 square feet in total interior square feet construction and maintenance of driveways, landscaping and accessory barns and sheds in connection with single family residence; the maintenance, cutting and clearing of necessary trees and vegetation to accomplish the same; and treatment of noxious weeds and fire fuels management on the single family residential property.

Drain means the natural or artificial removal of surface and sub-surface water from a given area.

Drilling or Drilling Operations means drilling for water, oil, gas, or other natural resources, and includes grading, construction, and traffic activities associated with the drilling.

Excavating means the intentional movement of earth leaving any cut bank over three feet (3') in height or a movement of material in excess of ten (10) cubic yards.

Filling means the intentional movement of earth that results in any earth bank over two feet (2') in height or filled earth over two feet (2') deep, or artificial addition of earth above a line sloping up at a grade of one (1) vertical unit to five (5) horizontal units from the ground before the filling.

Grading means the intentional movement of over five (5) cubic yards of material; movement of any earth or material that changes the natural flow of surface water, or affects or creates a drainage channel; pioneering of a road, cutting or clearing of trees and shrubbery that results in creating a roadway or driveway in excess of twenty-five feet (25') in length; or the use of vehicles or keeping of any animals upon any land that could reasonably lead to a movement of five (5) cubic yards of material within any five (5) year period.

Groundwater means any water existing in a saturated or unsaturated state in the subsurface soils and rock.

Hazardous means a condition, situation, or substance that has the potential to cause harm to humans and the ecosystem.

Hazardous substance means any material as described in 40 CFR 300.5

Impact means any alteration or change resulting directly or indirectly from an action.

Mining means any activity that involves the exploration for or the development (excavation or extraction) of soils, rock, coal, minerals or other geologic materials.

Mitigation means processes or methods which:

- a. Avoid an impact upon the land by evaluating alternatives and redesigning an activity;
- b. Minimize an impact upon the land by substantially limiting the scope of an activity;
- c. Rectify an impact upon the land through the use of remediation, rehabilitation or restoration techniques; or
- d. Compensate for the impact upon the land by replacing or providing substitute facilities or resources.

Motorized Vehicle means any vehicle which is self propelled.

Person means any individual, corporation, association, organization, partnership, trust, estate or any other recognized legal entity.

Pipeline means a conduit made from pipes connected end-to-end for long-distance fluid transport.

Pollution means the man-made, man-induced or natural alteration of the physical, chemical, biological or radiological composition or integrity of water.

Removing Vegetation means the intentional cutting, burning, grubbing, dragging, chemical killing or any other manner of removing any flora or tree; any shrubs and/or trees, or combination, covering an area of more than one hundred (100) square feet; or any grasses covering an area of more than one thousand (1,000) square feet. Notwithstanding the preceding sentence, “removing vegetation” does not include: removal of clearly diseased or dead trees for domestic uses; clearing of trees in order to construct a single family residence; cutting of Christmas trees for non-commercial purposes; yard or garden work incidental to domestic uses; treatment of noxious weeds; fire fuel reduction on a single family residential property; or, removing vegetation incidental to a lawful use existing as of the date of approval hereof.

Seep means a wet place where a liquid, usually groundwater, has oozed from the ground to the surface.

Skid trails means a temporary travel-way for logging equipment to transport felled trees or logs to a landing.

Spring means a point where groundwater flows out of the ground, and is thus where the aquifer surface meets the ground surface.

Stream means a body of water with a current, confined within a bed and banks.

Significant degradation means to lower in grade or desirability to a significant, rather than to a minor or trifling, degree.

Substantial means material or considerable in importance, value, degree, amount or extent.

Surfacing means covering soil or prepared areas with asphalt, gravel or similar materials.

Surface intake means a place where surface water is diverted from a source for a purpose.

Surface water means water collecting on the ground or in a stream, river, lake, or wetland.

Timber harvesting means felling trees and transporting logs on skid trails to a landing where products are sorted and loaded onto trucks for transportation to a mill.

Toxic means having a poisonous effect on living organisms.

Waterbody means any surface-water feature including but not limited to streams, creeks, ponds, lakes, impoundments, catchbasins, ditches, drains, canals, springs, seeps, and channels associated with spring and seep discharge.

Watershed is the area designated in Section XX-32 of these regulations, including the hydrologic basins and land area encompassed by the Watershed.

Watershed Permit or *permit* means the written approval issued by the City for an activity within the Watershed.

Waterworks means any and all naturally occurring, man-made or designed components of the City's water collection and delivery system, including but not limited to all springs, seeps, streams, surface intakes, ditches, drains, pipelines or reservoirs and all decreed points of diversion for the same, and any transmission, storage and filtration facilities which are used in the construction, maintenance and operation of the City's water collection and delivery system.

Wetlands means those areas that are inundated or saturated by surface or groundwater at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. *Wetlands* generally include wet meadows, fens, riparian areas and similar areas. (Ord. 3961 §1, 2006)

Sec. XX-23. Other definitions.

Other words and phrases may be defined elsewhere in these regulations, which definitions shall define said words and phrases necessary for the administration and enforcement of these regulations. (Ord. 3961 §1, 2006)

Secs. XX-24—XX-30. Reserved.

ARTICLE III

Watershed

Sec. XX-31. Establishment of the Watershed.

The City of Grand Junction Watershed is hereby defined and established by the description in Sec. XX- 32 and the Map of the Watershed defined in Sec. XX-33. The Watershed is that area of land in which the City shall exercise its powers to maintain and protect the City's water supply and waterworks from pollution, impairment, injury or damage. (Ord. 3961 §1, 2006)

Sec. XX-32. Jurisdiction.

The jurisdiction of the Watershed shall extend over all of the territory occupied by the City's waterworks, and all springs, seeps, streams, surface intakes, ditches, drains, pipelines and reservoirs used in and necessary for the construction, maintenance and operation of the same, in and including the Sink Creek, Whitewater Creek, North Fork of Kannah Creek (North Fork), and Kannah Creek basins and all water tributary thereto, and all associated surface waters, springs, seeps, groundwater flows and

reservoirs, and all water sources and drainage areas tributary thereto for five (5) miles above the points from which water is diverted for use by the City. The Watershed includes all decreed points of diversion for direct flow and storage rights to numerous springs, ditches and reservoirs, all of which are located in all or part of Sections 26, 27, 28, and 31-35 Range 95 West, Township 11 South, Sections 31-36, Range 96 West, Township 11 South, Sections 25, 26 and 32-36, Range 97 West, Township 11 South, Sections 3-9, 17 and 18, Range 95 West, Township 12 South, Sections 1-24 and 26-35, Range 96 West, Township 12 S, Sections 1-36, Range 97 West, Township 12 South, Sections 1, 12-14, 23-26, and 36, Range 98 West, Township 12 South, Sections 2-10 and 15-20, Range 96 West, Township 13 South, Sections 1-4, and 10-14, Range 97 West, Township 13 South, 6th Principal Meridian, and Sections 13 and 24 Range 2 East, Township 2 South, Ute Principal Meridian, Mesa County, Colorado. (Ord. 3961 §1, 2006; Ord. 766 §1, 2006)

Sec. XX-33. Watershed Map.

A Map of the Watershed showing the boundaries of the Watershed, including the boundaries of the land owned in fee simple by the City, with all notations, references and other information shown thereon ("Watershed Map") may be adopted. The Watershed Map may be located at and available for viewing by the public in the office of the City Clerk, and copies are available upon request at a fee established by the City. (Ord. 3961 §1, 2006)

Sec. XX-34. Unlawful to cause injury or damage.

It shall be unlawful for any person to cause injury or damage to the City's waterworks, including all springs, seeps, streams, surface intakes, ditches, drains, pipelines and reservoirs used in and necessary for the construction, maintenance and operation of the same. (Ord. 3961 §1, 2006)

Secs. XX-35—XX-40. Reserved.

ARTICLE IV

Activity within the Watershed

Sec. XX-41. Applicability.

These Watershed Regulations shall apply as established herein. (Ord. 3961 §1, 2006)

Sec. XX-42. Permit required; application.

(a) Permit required. No person shall engage, commence or continue any activity, as per Section XX-43, within the Watershed except in conformance with a Watershed Permit issued by the City.

(b) Permit application. Applications for a permit are to be made to the City Manager or his or her designee. The applicant shall submit to the City a complete written description of the proposed activity. The application shall contain, at a minimum, all of the information required by Section XX-51 and XX-

61 below, and quality of the information provided shall be such as to enable the City to review the application and make informed recommendations as set forth herein. The City reserves the right to reject all or part of an application that is not complete or does not address all of the requirements of Section XX-51 and XX-61 in a concise and coherent manner. (Ord. 3961 §1, 2006)

Sec. XX-43. Activities Requiring a City Watershed Permit.

It shall be unlawful for any person, company, or publicly or privately-owned organization to engage in any of the following activities without first applying for and obtaining a Watershed Permit under the provisions of these Watershed Regulations and according to the standards set forth in Section XX-61 of these regulations.

- (1) Altering water drainage courses, surface or underground.
- (2) Timber harvesting, except for the approved removal of dead trees and deadfall.
- (3) Surface and subsurface mining operations, including drilling operations.
- (4) Excavating, grading, filling or surfacing of surface and subsurface soils.
- (5) Using, handling, storing or transmitting toxic, hazardous, radioactive or flammable or explosive materials and substances.
- (6) Spraying or the use of pesticides, herbicides and fertilizers.
- (7) Spraying, aerial application, or use of toxic fire retardants.
- (8) Removing or altering vegetation.
- (9) Construction or installation of a wastewater treatment system or sewage disposal system.
- (10) Prescribed fires and fuels reduction activities, except with the approval of the City in cooperation with any federal or state land management agency which seeks to conduct a supervised prescribed burn.
- (11) Confined animal feeding operations involving more than two hundred animals confined to less than 100 acres.
- (12) Discharge of treated or untreated process waters or wastewater.
- (13) Deposit solid waste of any kind.

Sec. XX-44. Activities Not Requiring a City Watershed Permit.

Private land owners conducting normal, domestic single-family development do not require a Watershed Permit, however, conducting these activities does require an advance notice of intent to be submitted to the City.

The City has formalized partnerships with the United States Forest Service, United States Bureau of Land Management and Mesa County to ensure protection of the quality and quantity of the City's municipal water supply through Memorandum's of Understanding (MOU's). The MOU's develop and implement a system for communication and consultation in the processes and practices of developing and implementing local, state and federal land use actions; and to ensure active involvement by each party in new and existing project planning and development within the Grand Junction Watershed Area.

A notice of intent to conduct an activity not requiring a City watershed permit is required from all federal, state, county and other local governments, and private land owners for the activities described in Section XX-44. The purpose of the notice is to promote a "good neighbor" policy by providing the City with proper notification of any activity such that the City can take appropriate action to manage and protect their water resources. The notice of intent may be submitted verbally or by letter addressed to the City Manager's designee describing the details of the proposed activity. Details shall include what activity is proposed, where and when the activity will take place, and the number of acres to be affected. In the case of chemical use, the chemical names and application rates should be reported. A notice of intent to conduct an activity not requiring a City watershed permit does not require completion of a Watershed Permit Application.

The following activities when conducted by the USFS, BLM and Mesa County, which are pre-approved in accordance with applicable agency processes. do not require a City Watershed permit.

- (1) Application of pesticides, herbicides, and fertilizers, or other weed control activities.
- (2) Thinning, disease control/eradication, deadfall and fire fuels reduction projects.
- (3) Trail and road maintenance.
- (4) Facility construction and maintenance including:
 - a. Individual sewage disposal systems,
 - b. Domestic water wells,
 - c. Buildings, corrals, fences, ditches,
 - d. Roads, and
 - e. Farm lands,

to the extent that such activities follow county, state, and federal regulations and guidelines, and any and all existing published best management practices and guidelines protective of water resources in the Watershed.

- (5) Recreation including:
 - a. Hiking,

- b. Horseback riding,
- c. Mountain biking,
- d. Off Highway Vehicle use,
- e. Annual Lands End Hill Climb road race, and
- f. Group recreation permits.

Such activities are allowed only on established roads, trail and routes, provided that such use does not substantially impact the Watershed or waterworks. Mountain biking, hiking and horseback riding by the public is permitted on land owned by the City in fee simple within the Watershed on designated routes, provided that such use does not substantially impact the Watershed or waterworks. (Ord. 3961 §1, 2006)

Sec. XX-45. Modes of travel.

The unauthorized use of motorized vehicles by the public on land owned by the City in fee simple within the Watershed is prohibited unless vehicles are confined to an approved, designated USFS or BLM travel route. Motorized vehicle use on land owned by the City in fee simple within the Watershed is permitted for City employees, officials and their agents, employees and officials of the federal government on official business in the Watershed, and for authorized lessees of lands owned by the City of Grand Junction within the Watershed. (Ord. 3961 §1, 2006)

Secs. XX-47—XX-50. Reserved.

ARTICLE V

Administration and Enforcement

Sec. XX-51. Submittal requirements.

The following information is required to be submitted in order to obtain a Watershed Permit for all activities in Section XX-43. To reduce preparation time of submittals, the applicant is encouraged to submit relevant information for each appropriate item that may have been prepared for other land management purposes. In any case, the submitted information must meet the minimal requirements shown below. The City may require additional information or certification deemed necessary to determine whether or not the proposed activity will comply with the standards set forth in Section XX-61.

The permit application shall contain the following information:

- (1) Activity description.

- a. Name and address of the applicant and the property owner. If the applicant and the property owner are not the same, a written authorization by the property owner is required before the applicant may appear on behalf of the property owner in regard to the proposed activity.
 - b. Legal description of the property, and address if applicable to be affected by the activity.
 - c. Detailed plans, specifications and sequences of the proposed activity, including the project history if any.
 - d. Vicinity topographic map and other pertinent information indicating the site location, access points and proposed routes, and land survey, prepared by a licensed engineer, of the property to be affected by the activity.
 - e. A list of all federal, state or local permits or approvals that are required for the proposed activity and copies of any such authorized permits or approvals when and where available.
 - f. Copies of all applications and documents submitted to any federal, state or local authority concerning the proposed activity and proof of approval of such documents from the regulating authority(ies) having jurisdiction. Proof of approvals must be submitted to the City as they become available from other agency(ies).
 - g. Itemization and volumes of all hazardous, toxic or explosive substances, chemical reagents, gasses and materials to be used, transported, stored or handled as a part of the proposed activity.
 - h. Proposed hours of operation of all aspects of the proposed activity.
- (2) Alternatives. A detailed description of any reasonable alternatives to the proposed activity which may result in less of an impact to the Watershed, and why these alternatives were not selected for the preferred action.
- (3) Environmental evaluation and mitigation measures. An environmental evaluation and mitigation measures addressing the following:
- a. Water resources.
 - 1. A map of all surface waters, springs, seeps, wetlands and groundwater potentially affected by the proposed activity.
 - 2. The existing water quantity (surface discharge or flow, occurrence of groundwater) of all waters reasonably affected by the proposed activity. Sources of information for this submittal may include the City, the U.S. Geological Survey, Colorado Division of Water Resources, local organizations or residents, and other agencies. In remote areas the occurrence of groundwater may not be known. The applicant should demonstrate that a reasonable effort has been made to investigate existing literature, databases, and other sources of information.

3. A detailed description of the potential impacts the proposed activity will have on the quality and quantity of the City's water, waterworks, and/or primary Watersheds.
 4. A detailed description of proposed mitigation of impacts to the City's water resources.
 5. A description of the water supply for the proposed activity, including any proposed wells, water rights, diversion structures and facilities, and augmentation plan.
 6. A detailed description of potential impacts to the Watershed associated with the proposed water supply.
 7. A detailed description of proposed mitigation of impacts to the Watershed caused by the proposed water supply.
- b. Drainage.
1. A map showing all natural drainage patterns in the area of the Watershed potentially affected by the proposed activity.
 2. A detailed description of potential impacts to natural drainage patterns in the Watershed by the proposed activity.
 3. A detailed description of proposed mitigation of impacts to natural drainage patterns.
- c. Vegetation.
1. A map showing the type and extent of all vegetation within three hundred (300) feet of any proposed activity.
 2. A detailed description of the potential impacts the proposed activity will have on that vegetation.
 3. A detailed description of proposed mitigation of impacts to vegetation.
- d. Soils.
1. A description of all soil conditions in the area potentially affected by the proposed activity, including contour maps at intervals determined by the City, which identify soil types, drainage areas, slopes, avalanche areas, debris fans, mudflows and rockslide areas.
 2. A detailed description of potential impacts to soils by the proposed activity and potential adverse effects to the proposed activity as a result of existing or created soil conditions.

3. A detailed description of proposed mitigation which addresses soil conditions.
 - e. Geographic location. A description of all mitigation activities and their locations, a map and legal description of all property upon which mitigation activities may occur and written authorization, easements and any other agreements from such property owners.
- (4) Plans. All plans shall present an introduction stating plan objectives and purpose, detailed descriptions of plan elements, specifications, schematics, if applicable, quality control measures, and schedules. The following plans are to be submitted:
 - a. Water quantity monitoring plan. The plan shall address the following elements: identification of surface water and ground water, baseline, operational, and post-operational monitoring frequencies.
 - b. Spill prevention countermeasures and control plan. The plan shall describe the physical layout and a facility diagram, a contact list and phone numbers for the facility response coordinator, National Response Center, cleanup contractors, and all appropriate federal, state, and local agencies who must be contacted in case of a discharge, a prediction of the direction, rate of flow, and total quantity of spilled material that could be discharged where experience indicates a potential for equipment failure, a description of containment and/or diversionary structures or equipment to prevent discharged fluid from reaching waterbody(s); where appropriate, a demonstration that containment and/or diversionary structures or equipment are not practical; periodic integrity and leak testing of bulk containers and associated valves and piping; spill contingency plan; and a written commitment of manpower, equipment, and materials to quickly control and remove spilled substances; operating procedures to prevent spills; control measures installed to prevent a spill from reaching surface waterbody(s); and countermeasures to contain, clean up, and mitigate the effects of a spill that reaches a waterbody; and a complete discussion of the **spill prevention and control measures** applicable to the facility and/or its operations.
 - c. Emergency response plan. The plan shall describe the potential threats or risks to the environment as a result of the development on an activity basis, contaminants of concern, development of baseline conditions, potential sources of release and release mechanisms, preventative monitoring, emergency response actions, event monitoring and verification, and reporting.
 - d. Soil erosion, sediment, and stormwater pollution and prevention plan (SWPPP). The plan shall describe planned surface disturbance activities and detailed descriptions of best management practices and mitigation measures for soil erosion, sediment, and stormwater control. Elements of the plan shall be modeled after the USEPA's SWPPP template (http://www.epa.gov/npdes/pubs/sw_swppp_template.doc) and include a description of the following: nature and sequence of construction activities, soils, slopes, vegetation, current drainage patterns, estimate of construction disturbance, calculation of runoff coefficients before and after construction, receiving waterbody(s), site features and sensitive areas to be protected, potential sources of pollution, maps or drawings indicating key features, erosion and sediment control, good-housekeeping, and post-construction Best Management Practices

(BMPs), inspection and maintenance schedules, record keeping and training, amendments to the plan, final stabilization, and plan certification and notification.

e. Grading plan. A plan describing and showing elevations, dimensions, location and extent of all proposed excavating, filling, grading or surfacing within the Watershed by the proposed activity. The plan shall include plan view and cross-section drawings showing the limits of cut and fill and areas to remain as natural or pre-existing grade. Drawings will show topographic contours of not more than 2-foot elevation. The grading plan drawings will be certified by a Colorado-registered professional engineer.

f. Reclamation plan. The plan must describe existing pre-construction conditions on-site and reclamation activities for all surface and subsurface disturbances meeting or exceeding the standards set forth in the applicable provisions of Section XX-61. The plan shall include, at a minimum, reclamation of all surface disturbances including equipment to be used, how equipment will be cleaned of weed seed prior to entering the site, regrading and recontouring, topsoil placement, native, weed free seed mix composition and seeding/revegetation methods including planting of saplings if proposed, application of soil amendments (weed free mulch, fertilizer, etc.), monitoring frequency and criteria for evaluating interim revegetation progress, supplemental or follow-up revegetation work, and final revegetation and reclamation approval criteria. In addition, the plan shall describe in detail the reclamation of all subsurface disturbances including but not limited to well and structure abandonment procedures, other shallow well structures (such as “rat holes” associated with oil and gas development), pipelines, tunnels, adits, shafts, or other underground workings, and piles or subsurface building foundations.

g. Site security plan. The plan shall present measures to be implemented to secure the operating sites from mischievous acts, vandalism, or possible terrorist activities. Any applicable Homeland Security regulations and issues must be addressed.

(6) Waiver of requirements. If sufficient information is available to the City concerning the information required to be within the permit application, the City in its sole discretion may waive such requirement. (Ord. 3961 §1, 2006)

(7) Additional factors. In addition to the foregoing standards, where such review is deemed appropriate, in evaluating any request for a permit, the City may consider the following factors in making an analysis of the proposed activity set forth in the permit application:

- a. The nature and extent of the proposed activity;
- b. The proximity of the proposed activity to existing watercourses and waterworks;
- c. Drainage patterns and control measures;
- d. Soil criteria;
- e. Slope steepness and stability;

- f. Effects of denudation of vegetation;
- g. Geologic hazards, including but not limited to avalanche paths, landslide activity, floodplains, high-water tables, fault zones and similar factors;
- h. The toxicological characteristics of hazardous substances, chemicals or materials to be used or produced
- i. Point-source effluent and emissions into the air or water;
- j. Ambient and nonpoint-source emissions into air and water;
- k. Nature, type and duration of vehicular and motorized activity associated with the proposed activity;
- l. Effects on wildlife and wildlife habitat; and
- m. Fire hazard. (Ord. 3961 §1, 2006)
- n. Emergency response training.

Sec. XX-52. Review and permitting procedures.

(a) **Watershed Permit Application.** A Watershed Permit Application must be completed by the developer or person(s) proposing an activity or development within the Watershed. The purpose of the application is to notify and inform the City of the proposed activity and allow the City to identify the level of potential impact to the Watershed associated with the activity. A Watershed Permit Application is not required by entities identified under Section XX-44 for the activities described under same section. However, a notice of intent to conduct the activity is required as described under Section XX-44. A copy of the Watershed Permit Application may be found in Appendix A.

(b) **City Review.** The designee of the City Manager shall review the Watershed Permit Application and determine whether it is complete and of sufficient quality and whether a site inspection is necessary within thirty (30) days of the submittal. If the application is found to be sufficiently complete, the City Manager's designee shall review the application for compliance with these regulations. The City Manager's designee shall prepare a staff report within thirty (30) days of finding that the application is complete and determines a finding of either a Minor or Major Impact to the City's watershed and notify all those entities which the City has an MOU related to the Watershed.

(c) **Minor Impact.** The City Manager's designee may classify an application as having minor impact if the proposed activity has been or will be properly permitted by applicable federal, state or local authorities and if the proposed activity clearly does not violate or present a substantial likelihood of violating any of the standards set forth in Section XX-61. At his or her discretion, the City Manager may review but is not compelled to review the written finding(s) that an application presents a Minor Impact. Upon reviewing a finding of Minor Impact the City Manager may overturn the finding of Minor Impact or may forward the application to the City Council for its review. Within fifteen (15) days following a finding of Minor Impact or a failure of the City Manger to overturn a finding of Minor

Impact or forwarding an application to the City Council, the City shall approve the application, conditionally approve the application, or deny the application for a Watershed Permit.

At the discretion of the City Manager's designee, the Watershed Permit submittal requirements as described in Section XX-51, may be reduced or revised for a proposed activity that is determined to be of minor impact.

(d) Major Impact. If the City classifies an application for a proposed activity as a Major Impact or the City Manager forwards an application to the City Council, then the staff report and findings concerning the application shall be submitted to City Council for determination.

The City Manager shall make a recommendation to the Council but that recommendation is not binding on the City Council. After due consideration of the application, the City Manager's recommendation and other relevant and probative evidence, the City Council shall approve the application, conditionally approve the application, or deny the application for a Watershed Permit.

If because of the complexity of the application and/or the proposed activity so requires, the City may unilaterally extend the deadline for the completeness review and the staff report for a period of time not to exceed an additional sixty (60) days. Additional extensions of time may be granted to the City or the applicant by the City Manager or City Council upon a showing of good cause not to exceed 180 days total.

(e) City Council hearing and notice. If an application is to be heard by City Council, a public hearing shall be scheduled within sixty (60) days of filing of the staff report with the City Manager. Not less than thirty (30) days prior to the hearing, and again not less than ten (10) days prior to the hearing, the City shall publish notice stating the date and time, place and purpose of the hearing in a newspaper in general circulation in the City.

(f) Effect of other approvals. If a proposed activity requires the approval of or a permit from federal, state or local authorities, and such approval or permit procedure exceeds the time requirements for City action stated in this Article, the City has an additional ninety (90) days in which to conduct a hearing and render a decision.

(g) Additional information. If the City Council requests additional information from an applicant, then the public hearing and decision may be delayed or continued until the receipt of such additional information.

(h) Permit decision. Within thirty (30) days of the public hearing, the City Council shall approve, approve with conditions or deny the Watershed Permit. Any application for a proposed activity which fails to conform to the standards set forth in Section XX-61 shall be denied.

(i) Establishment of vested rights. The approval or approval with conditions of a permit for a proposed activity shall establish a vested right subject to the provisions of Article 68 of Title 24, C.R.S. (Ord. 3961 §1, 2006)

(j) Request for extension. If during the review process the application is found to be incomplete, contain insufficient information, or otherwise not meet City requirements, the City will provide the applicant with a written response outlining permit inadequacies. The applicant must respond to the

inadequacies within 30 days. If necessary, the applicant may submit a request for a time extension to respond to permit inadequacies and provide the required information.

Sec. XX-53. Permit expiration and renewal

A watershed permit is valid for a period of 5 years from the date of City approval. The applicant must apply for permit renewal 6 months prior to the expiration date. The renewal process will be initiated by the City by transmittal of a permit renewal application form to the permit holder. The purpose of the permit renewal process is to allow for the incorporation of new City ordinances, resolutions, or policies that may affect permit content as well as amend or modify the permit in accordance with abandoned or new activities implemented by the permit holder, e.g. the permit may be downgraded from a major impact to a minor impact or vice versa. The permit renewal process may involve minimal to significant documentation depending on the degree of changes in City law and policy and activities of the permittee.

The applicant shall be assessed a permit renewal fee, in accordance with the most current City resolution, to cover the costs incurred by the City for reviewing and processing the renewal application, including the costs of publication, hearing, administration, inspection and enforcement of such requested permit.

Sec. XX-54. Permit closure and release of financial warranty

Watershed permit holders are released from all permit responsibilities upon obtaining permit closure status. Permit closure status is attained once the City has approved of all reclamation activities, including the rehabilitation of disturbed surface acreage and post-operations monitoring of water resources, revegetation, slope or site stabilization, and other potential areas of concern. Once the City has determined that the permittee has satisfactorily met reclamation goals, the City will prepare and submit a letter of permit closure and release of financial warranty to the permittee.

Sec. XX-55. Permit temporary cessation status

Permittees may be granted a temporary cessation of activities for a period of 12 months from the date the permittee provides notice to the City of planned cessation. The City will require the permittee to provide notice of temporary cessation if the City finds cause for such action. The permittee must provide notice of temporary cessation within 30 days of the City's request for the notice. Failure to do so may result in the permit being revoked. After 12 months of temporary cessation status, the watershed permit expires and is no longer valid.

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Sec. XX-61. Standards.

No activity shall be permitted in the Watershed except in compliance with the following standards:

(1) Existing regulations. At a minimum, all applicants and operators must comply with applicable existing regulations as promulgated, administered, and enforced by federal, state, and local governments. Applicable regulations include but are not limited to those of the U.S. Environmental Protection Agency; U.S. BLM; U.S. Forest Service; U.S. Army Corps of Engineers; the Colorado Department of Public Health and Environment; Colorado Oil and Gas Conservation Commission;

Colorado Division of Reclamation, Mining and Safety; Colorado Division of Water Resources; and Mesa County. Stipulations in federal or state leases and right-of-ways must be adhered to. The terms and conditions of such permits and approvals shall be incorporated by reference as permit conditions of the City permit. Including the additional standards presented in this section, applicants are encouraged to utilize and implement applicable procedures in the latest editions of the following guidance documents as amended over time:

- Surface Operating Standards for Oil and Gas Exploration and Development “Gold Book”. Prepared by U.S. Dept. of Interior, U.S. Bureau of Land Management, and the U.S. Dept. of Agriculture, U.S. Forest Service, 4th edition 2006
- Forestry Best Management Practices in Watersheds – Watershed Academy. See www.epa.gov/watertrain/forestry
- Source Water Protection: Best Management Practices and Other Measures for Protecting Drinking Water Supplies. U.S. Environmental Protection Agency. See <http://www.epa.gov/safewater/dwa/electronic/ematerials.html#SWP>
- Low Volume Roads Engineering. Best Management Practices Field Guide. G. Keller and J. Sherar. USDA Forest Service/USAID
- Water-Road Interaction Technology Series Documents, United States Forest Service. See <http://www.stream.fs.fed.us/water-road/>
- Construction Site Storm Water Runoff Control BMP Fact Sheets. U.S. Environmental Protection Agency. See <http://cfpub.epa.gov/npdes/stormwater/menuofbmps/index.cfm>
- Colorado Stormwater Fact Sheets and Regulations: www.cdphe.state.co.us/wq/PermitsUnit/stormwater

(2) Damage to waterworks prohibited. It shall be unlawful for any person to cause impairment, injury, or damage to the City’s waterworks, including all groundwater sources, springs, seeps, streams, surface intakes, ditches, drains, pipelines and reservoirs used in and necessary for the construction, maintenance and operation of the same.

(3) Increase in pollution prohibited. All point and nonpoint sources of pollutants caused by or associated with the proposed activity shall not result in any measurable increase in pollution over the existing water quality of any waters of any primary watershed of the City potentially affected by the proposed activity.

(4) Proof of lack of risk. The burden of proving the lack of substantial risk of pollution or injury, in terms of quantity and quality, to the City’s water supply and/or waterworks shall be on the person proposing the activity.

(5) Construction in waters prohibited. Construction within any waters of the City's Watershed is prohibited, excluding authorized stream bank reinforcement or repair, dam rehabilitation, water diversion placement or repair or stream crossings approved by performed by or on behalf of the City.

(6) Setbacks. Any activity or the placement of any structure, other than stream crossings, shall be set back a minimum of two hundred (200) feet from any stream, spring, seep, intake structure, ditch, wetlands or reservoir. Fueling, and fuel and chemical storage shall be setback a minimum of five hundred (500) feet from any stream, spring, seep, intake structure, ditch, wetlands or reservoir. Drilling activities shall be set back a minimum of one thousand (1,000) feet from perennial springs or as specified by the City. The City may modify setbacks for each proposed activity.

(7) Erosion control requirements. Temporary (during construction) and permanent erosion and sediment control measures shall be installed and maintained pursuant to a soil erosion control plan. Such soil erosion control plan shall include a description and location of all soil erosion control measures to be installed, and shall be subject to the following additional standards:

a. All erosion control features shall be consistent with any stormwater control plan approved by the State and any other applicable agency for the proposed activity;

b. Dust suppression techniques shall be implemented during construction to minimize any increase in water-borne particulates;

c. Cut and fill shall be kept to a minimum by evaluating alternate construction sites or designs that meet project objectives; final reclamation requires that all disturbed surfaces be regraded to their natural contour;

d. Graded and filled slopes shall be kept to a 3:1 slope ratio or less, and all slopes in excess of thirty-percent gradient shall be left undisturbed;

e. Slope stabilization techniques shall be implemented where soil conditions warrant to prevent soil movement;

f. Berms and ditches shall be constructed before any construction activity begins and shall be installed around graded areas to contain any sediment-laden runoff caused by the proposed activity;

g. Grading and earth-moving activities shall be undertaken in a manner to avoid increased spring runoff flows;

h. All natural vegetation shall be left as undisturbed as practicable. When grading temporary construction sites, an effort will be made to preserve root systems of shrubs and forbs;

i. Impervious or low permeability surfaces shall be constructed as small as possible, and runoff from impervious or low permeability surfaces shall be collected in ditches, trenches or detention areas. No ditches, trenches, detention areas, or other storm runoff capture features will be allowed to directly hydraulically connect to surface water features;

j. Any increase in runoff velocity and amount shall not be greater than those levels which occurred prior to the proposed activity; and

k. No structures or roads shall be built in any avalanche, landslide, or other natural hazard area.

(8) Spill prevention. Measures shall be designed and implemented in accordance with the spill prevention countermeasures and control plan to prevent spilled fuels, lubricants or other hazardous, polluting or toxic materials from entering any waters or being deposited upon any soil in the Watershed during construction, implementation or operation of the proposed activity.

(9) Land Application of Chemicals. The use of pesticides, herbicides and fertilizers within the Watershed must be approved by the City before use.

(10) Revegetation. All vegetated areas within the Watershed disturbed by the activity shall be revegetated or restored in accordance with a submitted and approved reclamation/revegetation plan. Topsoil from all disturbed surfaces (roads included) shall be identified, removed, and stockpiled for later use in site reclamation. Topsoil stockpiles will be revegetated with certified weed free native grasses and forbs and stabilized using necessary soil erosion control measures within one (1) year of construction. At a minimum, disturbed areas shall be successfully revegetated using a native seed mix within one (1) year of the date of disturbance, or the date of end of use for the planned activity. The City may require modified or enhanced interim reclamation measures for drill pads, mined areas, or other disturbed surfaces.

(11) Water quality monitoring plan. A water quality monitoring plan for all surface and ground waters affected by the proposed activity within the Watershed and City-owned lands contiguous to the Watershed shall be developed and implemented by the City for the specific activity. Portions of the City's existing watershed monitoring plan may apply. The applicant is responsible for reimbursing the City for the cost of preparing and implementing the water quality monitoring plan or otherwise collecting additional data as a result of the activity. The City has the right to hire a third party to carry out water quality sampling and analysis plans. The operator may choose to duplicate sampling at the operator's cost. Such water quality monitoring plan shall include provisions for:

a. Sample locations and frequency of sample collection at the designated locations will be determined by the City and shall reflect the nature and extent of the proposed activity;

b. A description of sampling and analysis techniques and procedures, an analyte list (see below), quality control measures, and detection limits;

c. Parameters to be sampled as determined by the City, including at a minimum the field parameters of pH, temperature, specific conductance, and dissolved oxygen and the analysis of suspended and total dissolved solids and up to all parameters for which there are water quality standards in the affected waters, any potential pollutants associated with the proposed activity and nutrient and *chlorophyll a* for any lake or reservoir samples; See Appendix B for complete list of analytes.

d. Baseline water quality data for at least 5 quarters (3-month periods) prior to the proposed activity; two of the baseline events shall be for baseflow conditions (late 3rd quarter, early 4th quarter); one baseline water quality sampling event shall be during at least one active runoff event prior to the disturbance of any proposed site;

e. Construction and operational water quality monitoring that coincides with any ongoing (active or inactive) operations that poses a potential risk of adverse water quality impacts in the Watershed. The frequency of water quality sampling during construction and operation activities will be on a quarterly basis or in accordance with a schedule mandated by the City;

f. Water quality monitoring for at least one year after final reclamation has met approval (relinquishment) with federal or state agencies, or other local governments. The frequency of post-reclamation monitoring will be established by the City;

g. The provision for periodic reports of the monitoring, frequency and content as determined by the City, including all physical, chemical and biological data and a narrative describing significant findings and trends.

Water quality data must be compiled before, during, and after commercial or industrial activities.

(12) Extended water quality monitoring program. In addition to the water quality monitoring program outlined above, the applicant will also be required to complete a long-term monitoring program for any waters affected by the proposed activity. For activities that involve disturbance of the subsurface (e.g. drilling and mining), and in the case of a known release of a contaminant, water quality monitoring will be required for a period of time after the release or after the activity has ended. The applicant/operator may be asked to cooperate and assist in the sampling of water in drilled wells or mined underground workings. Water quality monitoring will be the responsibility of the City. The applicant is responsible for reimbursing the City for the cost of preparing and implementing the extended water quality monitoring plan or otherwise collecting additional data as a result of the activity. The City has the right to hire a third party to carry out water quality sampling and analysis plans. The operator may choose to duplicate sampling at the operator's cost.

The extended monitoring program may extend for a period of years after the completion of the proposed activity. The extended monitoring program will be developed by the City and include a description of environmental sampling (water, soils, or other media) procedures, a list of sample analytes, and a sampling schedule. All sampling will be completed by the City, who will propose and implement the water quality monitoring program at the expense of the applicant. At a minimum, sampling will occur during base flows once per year. Otherwise, sampling will occur as deemed necessary by the City to assess potential contamination. The applicant may choose to be present during the City's scheduled sampling events at their own expense.

(13) Wastewater treatment. This activity is not permitted in the Watershed. Generated wastewater will be transported from the Watershed and treated in a permitted facility.

(14) Except for sewage disposal systems approved through Mesa County process for individual homeowners, no new sewage disposal system shall be constructed or installed within the Watershed without the City's approval.

(15) Compliance with other permits. The proposed activity shall be constructed, implemented, operated and maintained in compliance with all other applicable federal, state or local permits or approvals at all times. The terms and conditions of such permits and approvals shall be incorporated by reference as permit conditions of the permit.

(16) Mineral Development. Mineral development activities involving development and exploration, production and maintenance, and closure and reclamation shall conform to the following additional standards:

- a. No process water pits, impoundments, or basins will be permitted unless otherwise approved by the City.
- b. No land treatment of produced, process, or mine drainage waters is allowed.
- c. No discharge of produced, process, or mine drainage waters is permitted in the Watershed. All mine drainage, and other process or waste waters or fluids must be disposed of in a permitted facility located outside of the Watershed boundary. All wastes are to be transported from the Watershed in a timely manner, using closed transport systems. Wastes are not to be injected or discharged into wells or any type of drilled borehole.
- c. No underground injection wells for disposal of wastes of any type are permitted.
- d. Flaring, burning of waste, or welding will occur only in areas approved by the City.
- e. Waste rock that has an acid generation potential or the potential to produce other leachate that would cause degradation of water resources shall be effectively neutralized.

(17) Energy Development. Energy development activities involving development and exploration, production and maintenance, and closure and reclamation, including but not limited to oil and gas exploration, development, processing, or transmission; other forms of energy development; extraction; and utility construction (including pipelines, power lines, etc.) shall conform to the Watershed Plan for the Town of Palisade and the City of Grand Junction developed in collaboration with Genesis Gas and OIL, LLC dated 2007, which is incorporated herein by this reference as if fully set forth and the following additional standards:

- a. No drilling pits of any kind will be allowed when drilling with water or other drilling fluids. Drilling with fluids must be conducted with closed systems. No process water pits, impoundments, or basins will be permitted unless otherwise approved by the City.

Drilling with air or air mist methods requires that all borehole cuttings be contained.
- b. Chemicals used in hydraulic fracturing will be fully disclosed prior to use.

- c. Well Construction – Cementing/Casing programs will conform to the steps outlined in the “Watershed Plan for the Town of Palisade and the City of Grand Junction”. In addition to these steps all Surface Casing drilling will be drilled with air or air mist methods.
- d. No land treatment of produced, process waters is allowed.
- e. No discharge of produced, process, drilling waters is permitted in the Watershed. All drilling, produced, and other process or waste waters or fluids must be disposed of in a permitted facility located outside of the Watershed boundary. All wastes are to be transported from the Watershed in a timely manner, using closed transport systems. Wastes are not to be injected or discharged into wells or any type of drilled borehole.
- f. No underground injection wells for disposal of wastes of any type are permitted.
- g. Flaring, burning of waste, or welding will occur only in areas approved by the City.

Sec. XX-62. Issuance of permit; permit conditions.

The City Council may prescribe any condition or conditions in a permit that it may deem necessary to effectuate the powers granted to the City to protect the waterworks and the City water supply from pollution, impairment, injury or damage. (Ord. 3961 §1, 2006)

Sec. XX-63. Inspectors/Inspections.

The City retains the right to conduct inspections, by its own forces or by the forces of a third party, of the activity for which a Watershed Permit has been issued. Inspections may be made at any time with or without prior notice to the applicant. The permittee shall be assessed the reasonable cost of inspection(s).

Sec. XX-65. Permit Transferability.

Permits may not be transferred from one company, individual, entity, etc., to another. Successors will need to apply for a new permit and the previous permit will be deemed null and void.

Sec. XX-66. Financial Warranty.

After an application for a permit has been approved by the City, but before such permit is issued, the applicant shall file with the City, on a form prescribed and furnished by the City, a performance financial warranty payable to the City of Grand Junction. The performance financial warranty will be conditioned upon the faithful performance of all the requirements of these Regulations, the City Watershed Ordinance, and the permit.

The form of the financial warranty will be in a form prescribed by the City, such as cash bonds, cash escrow accounts, or certificates of deposit. Other types of financial warranties may be accepted. In the case of cash bonds, any interest accrued during the warranty period will benefit the financial warrantor,

except in the case that the permit is revoked. If a permit is revoked, the interest will accrue to the City, and will be used for the performance of reclamation.

The performance financial warranty shall cover the area of land within the permit area upon which activities are to be initiated and conducted. The amount of financial warranty will be determined using an objective, qualified professional engineer using fundamental principals of engineering cost estimation. The amount of the warranty shall be sufficient to assure high water quality within the Watershed if the final reclamation and or well closure had to be performed by the City, or by independent contractors, in the event of forfeiture. The City shall hire the engineer and the permittee shall be assessed the cost for obtaining this estimate. Liability under the warranty or warranties applicable to a permit shall be for the duration of the activity and shall continue until release of the warranties as determined by the City.

The City shall release a performance financial warranty, in whole or in part, when it is satisfied that the water quality of waters covered by the warranty or portion thereof affected by the operation has been returned to its original or higher quality as tested before the activity commenced, as required by these Regulations.

Sec. XX-67. Fees and review costs.

The applicant shall be assessed a fee, in accordance with the most current City Council fee resolution, to cover the costs incurred by the City for reviewing and processing the application, including the costs of publication, hearing, administration, inspection and enforcement of such requested permit.

In addition, the applicant shall also be assessed the costs of any legal and technical consultants retained or employed by the City for the purpose of evaluating the application's compliance with these Watershed regulations. An initial fee deposit based on the City's reasonable estimate of the total anticipated fees, including any consultant's fees, shall be paid by the applicant to the City within fifteen (15) days of the fee being set by the City. Any balance of fees owed by the applicant to the City shall be paid prior to and shall be a condition for the issuance of any permit or, if no permit is issued, such balance of fees shall be payable within fifteen (15) days of billing by the City. Any unused fees shall be returned to the applicant timely in either event. (Ord. 3961 §1, 2006)

Sec. XX-68. Proof of Insurance.

Prior to issuance of a permit, each applicant shall provide proof of complying insurance policies obtained by the applicant in satisfaction of the requirements of applicable regulating agencies, including but not limited to the City. The form of the proof of insurance shall be determined by the City. The proof of insurance must demonstrate current coverage in an amount adequate to compensate for personal injury and/or property damage as a result of the proposed activity and/or any environmental degradation that the activity may cause or reasonably be claimed to cause. The applicant shall provide proof of current Pollution Liability Insurance policy with a single event limit of \$1,000,000 for Minor Impact activities and \$5,000,000 for Major Impact activities. The City shall be an additional named insured for all coverages. The required insurance shall be provided by a Colorado licensed insurance company(ies). Required insurance policies shall remain in full force and effect during the life of the permit and any renewal thereof, including completion of all activities and reclamation. The City may accept from the applicant written evidence that the applicant has satisfied applicable State or Federal self-insurance

requirements. The City may accept complying State or Federal self insurance in lieu of other coverage(s).

Sec. XX-69 - 70. Reserved.

ARTICLE VI

Appeal

Sec. XX-71. Appeal of administrative decision.

Any person, including the permittee and other persons having standing, may appeal any administrative action, determination or decision of the City Manager by filing a written appeal with the City Clerk not later than thirty (30) days following the action, determination or decision being appealed. A timely appeal shall be heard by the City Council at the next regularly scheduled City Council meeting if practicable, but in no event shall the appeal be heard more than sixty (60) days after the written appeal is filed. The appeal shall state with particularity the decision being appealed and the grounds for the appeal, including citations to these Regulations, the Watershed Ordinance and/or other applicable law. (Ord. 3961)

Sec. XX-72. Appeal of City Council's decision.

Any person, including the permittee and other persons having standing, may seek review of a decision of the City Council by bringing an action in Mesa County District Court in accordance with Colorado Rule of Civil Procedure 106(a)(4). (Ord. 3961)