

To access the Agenda and Backup Materials electronically, go to www.gjcity.org



**CITY COUNCIL AGENDA
CITY HALL AUDITORIUM, 250 NORTH 5TH STREET
MONDAY, AUGUST 18, 2008, 7:00 P.M.**

Call to Order

Pledge of Allegiance
Invocation—Retired Pastor Mark Harris

[The invocation is offered for the use and benefit of the City Council. The invocation is intended to solemnize the occasion of the meeting, express confidence in the future and encourage recognition of what is worthy of appreciation in our society. During the invocation you may choose to sit, stand or leave the room.]

Council Comments

Citizen Comments

City Council/City Manager Meeting Schedule Review

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

1. **Minutes of Previous Meetings**

[Attach 1](#)

*Action: Approve the Minutes of the August 4, 2008 and the August 6, 2008
Regular Meetings*

*** Indicates New Item
® Requires Roll Call Vote

2. **Setting a Hearing on Zoning the Schuckman Annexation, Located at 231 28 1/2 Road** [File #ANX-2008-018] [Attach 2](#)

Request to zone the 0.87 acre Schuckman Annexation, located at 231 28 1/2 Road, to R-4 (Residential 4 du/ac).

Proposed Ordinance Zoning the Schuckman Annexation to R-4 (Residential 4 DU/Ac), Located at 231 28 1/2 Road

Action: Introduction of a Proposed Ordinance and Set a Hearing for September 3, 2008

Staff presentation: Senta L. Costello, Senior Planner

3. **Setting a Hearing on Zoning the Fournier Annexation, Located at 2132 Rainbow Ranch Drive** [File #ANX-2008-111] [Attach 3](#)

Request to zone the 3.27 acre Fournier Annexation, located at 2132 Rainbow Ranch Drive, to R-4 (Residential 4 du/ac).

Proposed Ordinance Zoning the Fournier Annexation to R-4 (Residential 4 DU/Ac), Located at 2132 Rainbow Ranch Drive

Action: Introduction of a Proposed Ordinance and Set a Hearing for September 3, 2008

Staff presentation: Senta L. Costello, Senior Planner

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

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

4. **Change Order for Removal of Asbestos Contaminated Soil at the Former Steam Plant, Located at 531 South Avenue** [Attach 4](#)

Asbestos contaminated soil was removed from the 1.36 acre site at 531 South Avenue under contract with LVI Environmental Services, Inc. in preparation for construction of the new Grand Valley Transit Transfer Station and office building. The quantity of contaminated materials (soil and concrete) removed was approximately 5,900 tons, which is 3,300 tons over the original contract quantity estimated at 2,600 tons.

Action: Authorize the City Manager to Execute a Change Order to LVI Environmental Services, Inc. Increasing the Contract Amount from \$99,899 to \$236,993 and Approve a Project Budget Adjustment from \$180,555 to \$368,084

Staff presentation: Tim Moore, Public Works and Planning Director
Trent Prall, Engineering Manager

5. **Change Order No. 1 for the 23 Road Sewer Improvement District** [Attach 5](#)

This change order will cover additional costs incurred during construction of a bore under Highway 340 at 23 Road needed for completion of the 23 Road Sewer Improvement District. This is a Septic System Elimination Program project.

Action: Authorize the City Manager to Execute Change Order No. 1 for the 23 Road Sewer Improvement District to MA Concrete Construction, Inc. in the Amount of \$105,725.20

Staff presentation: Trent Prall, Engineering Manager

6. **Final Change Order for the Ranchmen's Ditch Flood Control Project, Phase 1** [Attach 6](#)

This change order will cover additional costs incurred during construction of Phase 1 of the Ranchmen's Ditch Flood Control Project. The additional costs to the project are attributed to poor sub-grade within the Mesa Mall parking lot that resulted in failure of the asphalt paving with the parking lot.

Action: Authorize the City Manager to Execute the Final Change Order for Phase 1 of the Ranchmen's Ditch Flood Control Project to Scott Contracting in the Amount of \$107,606.43

Staff presentation: Trent Prall, Engineering Manager

7. **Public Hearing—The Shady Acre Annexation and Zoning, Located at 528 29 Road** [File # ANX-2008-159] [Attach 7](#)

Request to annex and zone 1.25 acres, located at 528 29 Road to R-8 (Residential 8 du/ac). The Shady Acre Annexation consists of one parcel and includes a portion of the 29 Road right-of-way.

a. Accepting Petition

Resolution No. 115-08—A Resolution Accepting a Petition for Annexation, Making Certain Findings, Determining that Property Known as the Shady Acre Annexation, Located at 528 29 Road Including a Portion of the 29 Road Right-of-Way is Eligible for Annexation

b. Annexation Ordinance

Ordinance No. 4276—An Ordinance Annexing Territory to the City of Grand Junction, Colorado, Shady Acre Annexation, Approximately 1.25 Acres, Located at 528 29 Road and Including a Portion of the 29 Road Right-of-Way

c. Zoning Ordinance

Ordinance No. 4277—An Ordinance Zoning the Shady Acre Annexation to R-8 (Residential 8 du/ac), Located at 528 29 Road

®Action: Adopt Resolution No. 115-08 and Hold a Public Hearing and Consider Final Passage and Final Publication of Ordinance Nos. 4276 and 4277

Staff presentation: Greg Moberg, Planning Services Supervisor

8. Public Hearing—Approving the Service Plan for the Proposed Redlands Mesa Metropolitan District, Including an Intergovernmental Agreement

[Attach 8](#)

Approving the Service Plan for the Redlands Mesa Metropolitan District (“District”). The District is being created for financing public improvements on the land within the District and also possible improvements on the City’s property commonly referred to as Painted Bowl.

Resolution No. 116-08—A Resolution Approving the Service Plan and Intergovernmental Agreement for the Redlands Mesa Metropolitan District

®Action: Hold a Public Hearing and Adopt Resolution No. 116-08

Staff presentation: John Shaver, City Attorney

9. Set Ballot Titles for the Public Safety Initiative

[Attach 9](#)

The City Council will be considering possible ballot language to raise the City’s sales and use tax by ¼% for the construction and operation of public safety

facilities in the City. The City Council will also consider whether to approve a ballot question regarding the TABOR Amendment revenue limitation. If the City Council authorizes the ballot questions the ¼% tax will be repealed upon repayment of the Riverside Parkway debt.

Resolution No. 117-08—A Resolution Setting Titles and Submitting to the Electorate on November 4, 2008 Measures to Increase the Sales and Use Tax from 2.75% to 3.00% and to Retain and Spend Revenues as a Voter Approved Revenue Change as Defined by Article X, Section 20 of the Colorado Constitution

®Action: *Adopt Resolution No. 117-08*

Staff presentation: Laurie Kadrich, City Manager
Bill Gardner, Police Chief
Jodi Romero, Financial Operations Manager
John Shaver, City Attorney
Ken Watkins, Fire Chief

10. **Non-Scheduled Citizens & Visitors**
11. **Other Business**
12. **Adjournment**

Attach 1

Minutes from Previous Meetings

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

August 4, 2008

The City Council of the City of Grand Junction convened into regular session on the 4th day of August 2008 at 7:00 p.m. in the City Auditorium. Those present were Councilmembers Bonnie Beckstein, Teresa Coons, Jim Doody, Bruce Hill, Doug Thomason, Linda Romer Todd, and Council President Gregg Palmer. Also present were City Manager Laurie Kadrach, City Attorney John Shaver, and City Clerk Stephanie Tuin.

Council President Palmer called the meeting to order. Councilmember Thomason led in the Pledge of Allegiance. The audience remained standing for the invocation by Pastor Rob Storey, River of Life Alliance Church.

Appointment

To the Grand Junction Housing Authority

Councilmember Coons, moved to appoint Paul Marx to the Housing Authority for a one year term expiring October 2009. Councilmember Hill seconded the motion. Motion carried.

Certificates of Appointments

Downtown Development Authority/Downtown Grand Junction Business Improvement District

Harry Griff was present to receive his certificate.

Avalon Theatre Advisory Committee

Kathy Jordan, Greer Taylor, and Stephen Thoms were present to receive their certificates of appointment. Patti Hoff was not in attendance.

Council Comments

Councilmember Hill noted that the Council recently had a retreat. Such a gathering is a visionary process and helps Council with the budget process in prioritizing and looking to the community for help.

Council President Palmer had photos of the first community appreciation barbeque on July 23, 2008. An estimated 900 to 1200 people showed up. He described the various events and the City vehicles that were there and the fun atmosphere.

Council President Palmer then announced the National Night Out Event scheduled for the following night (August 5, 2008). It is another opportunity for neighbors to get out and get to know each other. It lends itself to the City keeping that "small town feel".

Citizen Comments

Mildred Mahannah, 663 Springbrook Drive, addressed the City Council on the matter of prayer. She said there are a lot of people that have not understood the real issue. She believes in equal rights for everyone. Sometimes when the minority is being listened to, the rights of the majority are sometimes overlooked. She thanked the Council for providing this venue for citizens to have an opportunity to speak.

City Manager's Report

City Manager Laurie Kadrach reviewed the items on the upcoming meetings. She announced the intention of placing a resolution regarding a policy on invocations on the Wednesday's agenda.

She noted that August 12th was tentatively scheduled to meet with the County Commissioners and representatives from the School Board. Those scheduling discussions are ongoing as the City Council and the County Commissioners would rather have the full School Board in attendance.

On the workshop on August 18th, there will be the results of the fire station service area study. That Wednesday, August 20th, is the night ballot titles will be discussed regarding the Public Safety Initiative. Polling data from the Chamber and other polls will be presented. A resolution containing ballot titles for consideration will be presented. When concerns were voiced as to length of the proposed discussion, Ms. Kadrach offered to have the discussion on August 18th and then have the resolution on August 20th. The consensus was to have the discussion at the noon meeting on Monday, the 18th, and then have the resolution available on Monday night. That would also leave an additional opportunity for further consideration on Wednesday. The other items previously scheduled for noon on Monday can be rescheduled.

Ms. Kadrach then reviewed the other items on the future topics list. There was a discussion on how to schedule those items in when there are budget workshops at the noon workshops over the next few months. Council favored continuing to deal with business and not putting all items aside due to budget workshops. It was suggested that any items on the future topics list that have budget implications be scheduled in conjunction with the appropriate budget workshop.

CONSENT CALENDAR

Councilmember Beckstein read the Consent Calendar and then moved to approve the Consent Calendar items #1 through #9. Councilmember Thomason seconded. Motion carried by roll call vote.

1. **Minutes of Previous Meetings**

Action: Approve the Minutes of the July 14, 2008 and the July 16, 2008 Regular Meetings

2. **Grant for Fire Truck**

A request to accept an Energy and Mineral Impact Grant, in the amount of \$300,000, as partial funding for the purchase of a 100-foot aerial platform quint fire truck.

Action: Authorize the City Manager to Sign the Grant Contract in the Amount of \$300,000 for Partial Funding for the Purchase of a Fire Truck

3. **Contract for Novell Maintenance Support Renewal and Software Licensing**

This approval request is for the award of a renewal contract for the maintenance, support and software licensing for City Information Systems Division (I.S.).

Action: Authorize the Purchasing Division to Enter into a Contract with Novell, Inc. to Provide One Year of Maintenance, Support, and Software Licensing in the Amount of \$62,084.94

4. **Setting a Hearing on the Panorama Point Annexation, Located at 2122 and 2123 Sequoia Court** [File #ANX-2008-176]

Request to annex 12.55 acres, located at 2122 and 2123 Sequoia Court. The Panorama Point Annexation consists of 2 parcels, is a 2 part serial annexation, and includes portions of the Broadway, Panorama Drive, Sequoia Road, Sequoia Court, and Wild Rose Way rights-of-way.

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

Resolution No. 105-08—A Resolution Referring a Petition to the City Council for the Annexation of Lands, to the City of Grand Junction, Colorado, Setting a Hearing on Such Annexation, and Exercising Land Use Control, Panorama Point Annexations No. 1 and 2, Located at 2122 and 2123 Sequoia Court and Including Portions of the Broadway, Panorama Drive, Sequoia Road, Sequoia Court, and Wild Rose Way Rights-of-Way

Action: Adopt Resolution No. 105-08

b. Setting a Hearing on Proposed Ordinances

Proposed Ordinance Annexing Territory to the City of Grand Junction, Colorado, Panorama Point Annexation No. 1, Approximately 0.22 Acres, Located at 2122 and 2123 Sequoia Court and Including Portions of the Broadway, Panorama Drive, Sequoia Road, Sequoia Court, and Wild Rose Way Rights-of-Way

Proposed Ordinance Annexing Territory to the City of Grand Junction, Colorado, Panorama Point Annexation No. 2, Approximately 12.33 Acres, Located at 2122 and 2123 Sequoia Court and Including a Portion of the Wild Rose Way Right-of-Way

Action: Introduction of Proposed Ordinances and Set a Hearing for September 15, 2008

5. **Setting a Hearing on the Krogh Annexation, Located at 2932 B ½ Road** [File #ANX-2008-164]

Request to annex 9.58 acres located at 2932 B ½ Road. The Krogh annexation consists of one parcel and includes a portion of the B ½ Road right-of-way.

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

Resolution No. 106-08—A Resolution Referring a Petition to the City Council for the Annexation of Lands, to the City of Grand Junction, Colorado, Setting a Hearing on Such Annexation, and Exercising Land Use Control, Krogh Annexation, Located at 2932 B ½ Road Including a Portion of the B ½ Road Right-of-Way

Action: Adopt Resolution No. 106-08

b. Setting a Hearing on Proposed Ordinance

Proposed Ordinance Annexing Territory to the City of Grand Junction, Colorado, Krogh Annexation, Approximately 9.58 Acres, Located at 2932 B ½ Road Including a Portion of the B ½ Road Right-of-Way

Action: Introduction of Proposed Ordinances and Set a Hearing for September 15, 2008

6. **Setting a Hearing on the Green Leaf Annexation, Located at 3109 E Road** [File #ANX-2008-196]

Request to annex 2.29 acres located at 3109 E Road. The Green Leaf Annexation consists of 1 parcel.

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

Resolution No. 107-08—A Resolution Referring a Petition to the City Council for the Annexation of Lands, to the City of Grand Junction, Colorado, Setting a Hearing on Such Annexation, and Exercising Land Use Control, Green Leaf Annexation, Located at 3109 E Road

Action: Adopt Resolution No. 107-08

b. Setting a Hearing on Proposed Ordinance

Proposed Ordinance Annexing Territory to the City of Grand Junction, Colorado, Green Leaf Annexation, Approximately 2.29 Acres, Located at 3109 E Road

Action: Introduction of Proposed Ordinance and Set a Hearing for September 15, 2008

7. Setting a Hearing on Mesa View Elementary School Annexation, Located at 2967 B Road [File #GPA-2008-206]

Request to annex 19.51 acres, located at 2967 B Road. The Mesa View Elementary Annexation consists of 1 parcel.

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

Resolution No. 108-08—A Resolution Referring a Petition to the City Council for the Annexation of Lands, to the City of Grand Junction, Colorado, Setting a Hearing on Such Annexation, and Exercising Land Use Control, Mesa View Elementary Annexation, Located at 2967 B Road

Action: Adopt Resolution No. 108-08

b. Setting a Hearing on Proposed Ordinance

Proposed Ordinance Annexing Territory to the City of Grand Junction, Colorado, Mesa View Elementary Annexation, Approximately 19.51 Acres, Located at 2967 B Road

Action: Introduction of Proposed Ordinance and Set a Hearing for September 15, 2008

8. **Setting a Hearing on the Martin R and S Annexation, Located at 2105 H Road**
[File #ANX-2008-205]

Request to annex 1.54 acres, located at 2105 H Road. The Martin R and S Annexation consists of one parcel and includes portions of the 21 Road and H Road rights-of-way.

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

Resolution No. 109-08—A Resolution Referring a Petition to the City Council for the Annexation of Lands, to the City of Grand Junction, Colorado, Setting a Hearing on Such Annexation, and Exercising Land Use Control, Martin R and S Annexation, Located at 2105 H Road and Includes Portions of the 21 Road and H Road Rights-of-Way

Action: Adopt Resolution No. 109-08

b. Setting a Hearing on Proposed Ordinance

Proposed Ordinance Annexing Territory to the City of Grand Junction, Colorado, Martin R and S Annexation, Approximately 1.54 Acres, Located at 2105 H Road and Includes Portions of the 21 Road and H Road Rights-of-Way

Action: Introduction of Proposed Ordinance and Set a Hearing for September 15, 2008

9. **Setting a Hearing on Zoning the Shady Acre Annexation, Located at 528 29 Road**
[File #ANX-2008-159]

Request to zone the 1.25 acre Shady Acre Annexation, located at 528 29 Road, to R-8 (Residential 8 du/ac).

Proposed Ordinance Zoning the Shady Acre Annexation to R-8, Located at 528 29 Road

Action: Introduction of a Proposed Ordinance and Set a Hearing for August 18, 2008

ITEMS NEEDING INDIVIDUAL CONSIDERATION

Public Hearing—Rezoning the Grand View Care Lodge, Located at 815 26 ½ Road [File # SPR-2008-144]

Request to rezone 1.9 acres from an R-1 (Residential 1 du/ac) to R-2 (Residential 2 du/ac) zone district in order to construct an assisted living facility for 8 residents for property located at 815 26 ½ Road.

The public hearing was opened at 7:42 p.m.

Senta L. Costello, Senior Planner, presented this item. She described the location, the site, the surrounding uses and zoning. The Future Land Use Designation allows the zone being requested of R-2. There is R-1 zoning surrounding the property. The request does meet the requirements of the Growth Plan and the Zoning and Development Code. Planning Commission at its July 8th meeting recommended approval. Staff also recommends approval.

Rob Rowlands, from Design Specialists at 917 Main Street, was representing the applicant. The desire is to build a beautiful facility for assisted living.

There were no public comments.

The public hearing was closed at 7:45 p.m.

Council President Palmer asked how many dwellings will be on the property. Ms. Costello stated that there will be one building for the facility and attached via a breezeway will be the owner and caretaker dwelling. For an assisted living facility, the density is calculated on the number of beds since the residents will be unrelated.

Councilmember Hill asked if the zoning would allow additional dwellings for another use. Ms. Costello said yes that is possible but it is anticipated that the greatest number of dwelling units would be two on this property.

Councilmember Coons advised she believes that the facility lends a benefit to the community and it meets the requirements for a zoning change.

Ordinance No. 4269—An Ordinance Rezoning the Grand View Care Lodge from R-1 (Residential 1 du/ac) to R-2 (Residential 2 du/ac), Located at 815 26 ½ Road

Councilmember Todd moved to adopt Ordinance No. 4269 and ordered it published. Councilmember Coons seconded the motion. Motion carried by roll call vote.

Public Hearing—Fournier Annexation, Located at 2132 Rainbow Ranch Drive [File #ANX-2008-111]

Request to annex 6.48 acres, located at 2132 Rainbow Ranch Drive. The Fournier Annexation consists of 1 parcel and includes a portion of the Broadway right-of-way and all of the Rainbow Ranch Drive right-of-way.

The public hearing was opened at 7:51 p.m.

Senta L. Costello, Senior Planner, presented this item. She described the site and the location and asked that the Staff report and attachments be entered into the record. She stated the request meets the requirements for annexation. The applicant is present but does not wish to speak.

Council President Palmer asked about the conflict between her request and the Staff report on the zoning. Ms. Costello said that was due to an error on the GIS and the zoning will go back before the Planning Commission before coming forward to the City Council.

There were no public comments.

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

a. Accepting Petition

Resolution No. 110-08—A Resolution Accepting a Petition for Annexation, Making Certain Findings, Determining that Property Known as the Fournier Annexation, Located at 2132 Rainbow Ranch Drive Including a Portion of the Highway 340 (Broadway) Right-of-Way and all of the Rainbow Ranch Drive Right-of-Way is Eligible for Annexation

b. Annexation Ordinance

Ordinance No. 4270—An Ordinance Annexing Territory to the City of Grand Junction, Colorado, Fournier Annexation, Approximately 6.48 Acres, Located at 2132 Rainbow Ranch Drive Including a Portion of the Highway 340 (Broadway) Right-of-Way and all of the Rainbow Ranch Drive Right-of-Way

Councilmember Hill moved to adopt Resolution No. 110-08 and Ordinance No. 4270 and ordered it published. Councilmember Beckstein seconded the motion. Motion carried by roll call vote.

Public Hearing—Level III Annexation and Zoning, Located at 2922 B ½ Road [File #ANX-2008-147]

Request to annex and zone 19.68 acres, located at 2922 B ½ Road, to R-4 (Residential 4 du/ac). The Level III Annexation consists of 1 parcel and includes a portion of the B ½ Road right-of-way. The Level III Annexation creates an enclave of 6 properties.

The public hearing was opened at 7:55 p.m.

Senta L. Costello, Senior Planner, presented this item. She described the site and the location. The annexation creates an enclave for six properties that will need to be annexed within five years. She asked that the Staff report and attachments be entered into the record. The Planning Commission recommended approval. The request meets the annexation and zoning requirements.

Councilmember Coons inquired about the property marked “exception”. Ms. Costello explained that property belongs to another owner. It will not be enclaved as the right-of-way does not create an enclave.

The applicant was present but did not wish to speak.

There were no public comments.

The public hearing was closed at 7:56 p.m.

a. Accepting Petition

Resolution No. 111-08— A Resolution Accepting a Petition for Annexation, Making Certain Findings, Determining that Property Known as the Level III Annexation, Located at 2922 B ½ Road Including a Portion of the B ½ Road Right-of-Way is Eligible for Annexation

b. Annexation Ordinance

Ordinance No. 4271—An Ordinance Annexing Territory to the City of Grand Junction, Colorado, Level III Annexation, Approximately 19.68 Acres, Located at 2922 B ½ Road Including a Portion of the B ½ Road Right-of-Way

c. Zoning Ordinance

Ordinance No. 4272—An Ordinance Zoning the Level III Annexation to R-4 (Residential 4 du/ac), Located at 2922 B ½ Road

Councilmember Thomason moved to adopt Resolution No. 111-08 and Ordinance Nos. 4271 and 4272 and ordered them published. Councilmember Hill seconded the motion. Motion carried by roll call vote.

Operation and Use Agreement with Cinema at the Avalon, Inc. for the Avalon Theatre

Approve a one-year agreement with Cinema at the Avalon, Inc. (CAI) for use and operation of the Avalon Theatre. City Staff and the CAI Board have been working for the past 6 months to develop a new contract patterned after the agreement approved in 2007.

Councilmember Beckstein stated she will be recusing herself. She will leave the meeting and will not return. Councilmember Beckstein left the meeting at 7:58 p.m.

Debbie Kovalik, VCB and TRCC Director, presented this item. She expressed that she is bringing forth a new agreement with the Cinema at the Avalon. She reviewed the history of the relationship and how the new theater (Regal 8) affected the attendance of the Cinema at the Avalon. One the impediments of capturing popular movies is the pre-emption clause, the clause allowed the Cinema to be pre-empted seven days in advance. Lengthening that pre-emption period makes the Cinema have a stronger negotiating position when acquiring films. There are new terms in the agreement that will strengthen both parties' position. Both she and the Avalon manager, Tim Seeberg, feel that this new agreement will allow the Avalon to break even.

Stephan Schweissing, president of the Cinema at the Avalon, Incorporated (CAI) board, noted they are the primary tenant and have been a good tenant for the building. Over the history of the CAI and City relationship the CAI has paid over \$100,000 in rent. The board agrees with the restructuring with VCB Director Deb Kovalik taking over as director. They look forward to making this work.

Councilmember Todd asked what the fallback plan is if the CAI does not make their rent. Ms. Kovalik replied there is a termination clause of thirty days. The goal is to put together a twelve month business plan that will be successful.

Councilmember Doody asked if the Cinema at the Avalon benefits from the Downtown Grand Junction Business Improvement District (DGJBID) marketing. City Attorney Shaver said they would be eligible but it is up to the DGJBID board to make that decision. Councilmember Doody asked Ms. Kovalik to follow up on that.

Councilmember Hill agreed that there should be a solid connection. Ms. Kovalik said the Downtown Development Authority (DDA) Director Heidi Ham agrees that the Cinema should have a stronger presence on the DDA website.

Councilmember Coons asked about the business plan development, is they will have assistance. Ms. Kovalik said that another board member, Thea Chase, will be assisting them in the development of that plan. Ms. Kovalik noted that there are about forty to fifty events each year other than the Cinema.

Council President Palmer inquired about the payments made in the last year. Ms. Kovalik advised CAI paid approximately \$9,000. If the current agreement is adopted, the past due amount would be null, both 2007 and up to this date in 2008.

Councilmember Hill asked if the original agreement was graduated to allow them to gain some success. Ms. Kovalik said that was in an earlier agreement.

Some concerns were expressed about community support and making sure this is the right tenant.

City Manager Kadrich explained how this bridge agreement was brought forward. There were some successful years so the thought was a restructuring of the agreement would provide an opportunity for the CAI to be successful. She noted that the other uses are paying for the Theatre; even without CAI rent they still nearly broke even.

Council President Palmer voiced concern over setting a precedent of lowering the rent for this tenant.

Councilmember Hill asked for clarification in the agreement regarding the hiring of an Executive Director. It was noted that the City did have a say in the hiring of a director.

Councilmember Todd asked that the Council review the financials in six months.

Council President Palmer asked, besides VCB helping promote, if there are other City departments that would be lending assistance. Ms. Kovalik said it will be promoted like any other event through the VCB.

Councilmember Doody advised that the CAI board has a will to make this work. The idea of a film fest is coming together.

Councilmember Hill suggested some more family oriented films. That is why he is willing to support an operation and use agreement. It is already a jewel but he would like them to work to make it better. He also suggested that CAI have the opportunity to lock in a time period. He supported having a tenant in there day to day.

Councilmember Coons agreed with Councilmember Hill and she supports it.

Council President Palmer did not disagree but he is concerned about reducing the rent to a tenant who didn't pay. He is reluctant on the rent reduction but will support the agreement.

Councilmember Hill moved to authorize the City Manager to sign a one-year agreement with Cinema at the Avalon, Inc. for use and operation of the Avalon Theatre. Councilmember Doody seconded the motion. Motion carried by roll call vote.

Non-Scheduled Citizens & Visitors

Dale Cole, 2102 N. 1st Street, asked Council to review the Jerry Moorman report done a couple of years ago on the Avalon Theatre.

Other Business

Council President Palmer reminded the audience of National Night Out.

Adjournment

The meeting adjourned at 8:47 p.m.

Stephanie Tuin, MMC
City Clerk

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

August 6, 2008

The City Council of the City of Grand Junction convened into regular session on the 6th day of August 2008 at 7:00 p.m. in the City Auditorium. Those present were Councilmembers Bonnie Beckstein, Teresa Coons, Jim Doody, Bruce Hill, Doug Thomason, Linda Romer Todd, and Council President Gregg Palmer. Also present were City Manager Laurie Kadrich, City Attorney John Shaver, and City Clerk Stephanie Tuin.

Council President Palmer called the meeting to order. Councilmember Beckstein led in the Pledge of Allegiance.

Certificates of Appointments

To the Avalon Theatre Advisory Committee

Patti Hoff was present to receive her certificate.

Grand Junction Housing Authority

Paul Marx was present to receive his certificate.

Citizen Comments

There were none.

Council Comments

Council President Palmer announced that Councilmember Doug Thomason has a daughter that is turning four and the Council wished her Happy Birthday.

Council President Palmer then noted the article in the Free Press that featured Councilmember Teresa Coons and commended her for her work and the article.

CONSENT CALENDAR

Councilmember Hill read the Consent Calendar and then moved to approve the Consent Calendar items #1 through #4. Councilmember Beckstein seconded. Motion carried by roll call vote.

1. **Setting a Hearing on Zoning the Eagle Pointe Subdivision, Located at 2814 C 3/4 Road** [File #PP-2007-225]

A request for approval to zone property located at 2814 C 3/4 Road to PD (Planned Development) with a default zone of MU (Mixed Use) by approval of the Preliminary Development Plan as a Planned Development containing 76 multifamily dwelling units on one 4.23 acre lot and 4 commercial/industrial lots.

Proposed Ordinance Zoning Eagle Ponte Subdivision to PD (Planned Development) Zone, by Approving a Preliminary Development Plan with a Default MU (Mixed Use) Zone for the Development of Five Lots, One Residential Containing 76 Dwelling Units and Four (4) Commercial/Industrial Lots, Located at 2814 C 3/4 Road

Action: Introduction of Proposed Ordinance and Set a Public Hearing for August 20, 2008

2. **Setting a Hearing for Amending and Establishing Rates Used to Compute Assessments Levied Against Properties Located in Alley Improvement Districts**

The City's alley improvement district program has been in place since 1989. The alley improvement district assessment rates have not been revised since 1999. Since then construction costs for alleys have increased by 110% (average of 12% per year).

Proposed Ordinance Setting the Assessable Cost of the Improvements Made in and for Alley Improvement Districts

Action: Introduction of Proposed Ordinance and Set a Hearing for August 20, 2008

3. **Construction Contract for 2008 New Sidewalk Construction**

The 2008 New Sidewalk projects consists of installation of sidewalk in 5 locations. To be considered for this project the areas must first have curb and gutter adjacent to the property.

Action: Authorize the City Manager to Sign a Construction Contract for the 2008 New Sidewalk Construction to BPS Concrete, Inc. in the Amount of \$105,979.17

4. **Construction Contract for 2008 Alley Improvement District**

Bids were received on July 22, 2008 for construction of the 2008 Alley Improvement District. B.P.S. Concrete, Inc. submitted the low bid in the amount of \$369,309.84.

Action: Authorize the City Manager to Sign a Construction Contract for the 2008 Alley Improvement District to BPS Concrete, Inc. in the Amount of \$369,308.84

ITEMS NEEDING INDIVIDUAL CONSIDERATION

Contract for Public Safety Building Pre-Construction Design Services

This approval request is for the contract award for pre-construction design services for the Public Safety Initiative.

Troy Smith, Deputy Chief of Police, and Jim Shanks, Special Project Engineer, presented this item. Deputy Chief Smith reviewed the background of the change in scope for this contract. He listed the items included which do not include any actual construction. This contract will add a contractor to the design team. There are about eight months of design work left. The Department of Local Affairs awarded a grant in the amount of \$500,000 which will cover this change in scope.

Shaw Construction Inc. was the unanimous selection of the selection committee.

Councilmember Hill noted that bringing a contractor into the process early on adds value to the project. He did ask if there is a downside to going forward.

Deputy Chief Smith stated that in continuing the design work many of the systems can be designed and engineered and it is prudent to prepare the City for a series of solutions so he did not see a downside.

Councilmember Coons asked for additional information on the various buildings involved in the project and the contractor selected.

Deputy Chief Smith said there are different perspectives from a law enforcement side and another from the construction perspective. From the law enforcement perspective, Shaw Construction was the contractor to select. Project Engineer Jim Shanks agreed and then because of the site and the phasing necessary for the project, they were looking for a contractor experienced with that situation and one that has worked with short time frames and within close proximity of neighbors. Shaw Construction has those qualifications.

Councilmember Doody asked if it was not a bid but rather an RFP. Deputy Chief Smith said it was.

Councilmember Doody asked about the value of that process. Purchasing Manager Jay Valentine advised that RFP's deal with professional type services; contracting

professional services is not like buying a car; other items besides price are taken into account. They look for the right fit, the experience, and other factors.

Councilmember Thomason lauded having a local contractor as part of the team.

Councilmember Thomason moved to authorize the City Purchasing Division to enter into a contract with Shaw Construction, LLC in the Amount of \$147,729 for pre-construction design services associated with the Public Safety Initiative. Councilmember Doody seconded the motion. Motion carried.

Public Hearing—Assessments for Sanitary Sewer Improvement District No. SS-49-07 (Galley Lane)

The City has completed the installation of sanitary sewer facilities as requested by a majority of the property owners located in the area of Galley Lane and Young Street.

The public hearing was opened at 7:20 p.m.

Tim Moore, Public Works and Planning Director, presented this item. He reviewed how the district was formed. The job has been completed and inspected and this is the assessment step. The project came in under budget. The petition to form the district contained 76% of the property owners.

There were no public comments.

The public hearing was closed at 7:22 p.m.

Councilmember Todd asked Public Works and Planning Director Moore to explain why there is a trunk line fee in addition to the tap fee. Public Works and Planning Director Moore explained that trunk line extension is a program that looks for areas that may be sewerred in the future and place the infrastructure in to make it available and when people do hook up to sewer; they pay a portion of the trunk line extension.

Ordinance No. 4273—An Ordinance Approving the Assessable Cost of the Improvements made in and for Galley Lane Sanitary Sewer Improvement District No. SS-49-07, 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 Each Lot or Tract of Land or Other Real Estate in Said District; Assessing the Share of Said Cost Against Each Lot or Tract of Land or Other Real Estate in Said District; Approving the Apportionment of Said Cost and Prescribing the Manner for the Collection and Payment of Said Assessment

Councilmember Doody moved to adopt Ordinance No. 4273 and ordered it published. Councilmember Todd seconded the motion. Motion carried by roll call vote.

Public Hearing—The FedEx-Swanson Annexation and Zoning, Located at 788 22 Road and 2223 H Road [File #ANX-2008-091]

Request to annex and zone 13.2 acres, located at 788 22 Road and 2223 H Road, to I-1 (Light Industrial). The FedEx-Swanson Annexation consists of two parcels and a portion of the 22 Road Right-of-Way.

The public hearing was opened at 7:25 p.m.

Greg Moberg, Planning Services Supervisor, presented this item. He reviewed the request, the site, and the location. He then described the surrounding uses and zones. The Growth Plan designation for the property is C-I (commercial/industrial). The request meets the criteria of the Zoning and Development Code and the Planning Commission recommended approval.

Council President Palmer asked at what point will the three properties being surrounded be enclaved. Mr. Moberg advised the proposed annexation will create an enclave for the surrounding three properties. Council President Palmer asked if those property owners have been notified. City Attorney Shaver advised that the property owners of those properties will be notified after the annexation has been approved. The time period for annexation for the enclave will be no sooner than three years and no later than five years.

Ben Jagelski, FedEx Freight manager for the Western Slope, one of the applicants, said they are looking to make some improvements to the site which requires annexation.

Brian Swanson, son of the other applicant Arlene Swanson, said the property is currently a farm which is not relevant in that area. Their intention with FedEx will not impact anyone in that area. FedEx intends to use it as a parking facility.

There were no public comments.

The public hearing was closed at 7:30 p.m.

a. Accepting Petition

Resolution No. 112-08—A Resolution Accepting a Petition for Annexation, Making Certain Findings, Determining the Property Known as the FedEx-Swanson Annexation, Located at 788 22 Road and 2223 H Road, Including a Portion of the 22 Road Right-of-Way is Eligible for Annexation

b. Annexation Ordinance

Ordinance No. 4274—An Ordinance Annexing Territory to the City of Grand Junction, Colorado, FedEx-Swanson Annexation, Approximately 13.2 Acres, Located at 788 22 Road and 2223 H Road, Including a Portion of the 22 Road Right-of-Way

c. Zoning Ordinance

Ordinance No. 4275—An Ordinance Zoning the FedEx-Swanson Annexation to I-1 (Light Industrial), Located at 788 22 Road and 2223 H Road

Councilmember Todd moved to adopt Resolution No. 112-08 and Ordinance Nos. 4274 and 4275 and ordered them published. Councilmember Coons seconded the motion. Motion carried by roll call vote.

Ratify Agreement with the Grand Junction Rural Fire Protection District and Redlands Subdistrict

The City and the Grand Junction Rural Fire Protection District have a longstanding relationship for the delivery of fire and emergency medical services (EMS) by the City to the residents of the District, memorialized in a 2002 service contract between the parties. Because of decreasing revenues of the District and the Subdistrict since 2002, both parties are in agreement that the 2002 service contract needs to be amended. A new agreement has been prepared and signed by the District and the City Manager.

John Shaver, City Attorney, presented this item. He advised that the consideration is to ratify a contract with the Grand Junction Rural Fire Protection District. He reviewed the history of the relationship with the District. The revenues of the District continue to be reduced as properties are annexed into the City. The District asked that their financial obligation to the City be reduced. The new agreement provides that all revenue received by the District, less some administrative costs, will be remitted to the City.

Councilmember Hill agreed with the description and the Council knew this would happen. It was the intention that the District's obligation be reduced as annexations decreased their revenues.

Council President Palmer agreed noting the agreement formalizes the current practice. City Attorney Shaver advised that the District is current on their payments and they are presently solvent so the financial arrangements are positive.

Fire Chief Ken Watkins said he spoke with the Chair of the District who could not be present but wanted his thanks expressed. Also, the Rural District Board unanimously supports the Public Safety Initiative.

Resolution No. 113-08—A Resolution Authorizing and Ratifying an Agreement Between the City of Grand Junction and the Grand Junction Rural Fire Protection District

Councilmember Beckstein moved to adopt Resolution 113-08. Councilmember Thomason seconded the motion. Motion carried by roll call vote.

Policy Regarding Invocations at City Council Meetings

Given the state of the law and the Council majority's preference to continue the invocation, this resolution presents a very meaningful opportunity to be very respectful of the diverse interests of the community.

John Shaver, City Attorney, presented this item. He explained the revised resolution and noted there was an extensive conversation on Monday night regarding this issue. He explained the items he added including the establishment clause of the First Amendment and its purpose.

Councilmember Coons asked City Attorney Shaver to speak to the issues around Constitutional Law and interpretations.

City Attorney Shaver said there are two views, structuralist and literalist, and those two views underlie a lot of debates. Courts struggle with this too. Another reason for differing views is the underlying facts. There are also political and personal motives which also complicate interpretations.

Councilmember Hill read the First Amendment of the Constitution. He said he did not nor now does he believe that the Council's invocation is the establishment of any religion. The Council is respectful of the freedom of speech and he believes that those who helped write this First Amendment knew they could not be specific. The Council now has a document that says they have never tried or will try to establish a religion by having an invocation.

Councilmember Coons thanked City Attorney Shaver and the rest of Council for the discussion and noted it is a complicated situation to respond to law and the needs and concerns of the community. The resolution is not a statement of right or wrong on their beliefs but is an effort to be respectful of the community and the differing beliefs.

Councilmember Todd thanked Staff for their time on this issue, but she feels way too much time has been spent on the matter. They did so to try to accommodate both sides. She agrees with Councilmembers Hill and Coons. Spirituality is a very personal thing and she will not support a resolution that states a right she already has.

Councilmember Beckstein said the invocation has been a long-time tradition and it helps the Council focus. Those giving the invocation do represent a variety of beliefs. The Constitution is special because it was written to protect the rights of the majority and the minority but the current situation in this country does tend to protect only the rights of the minority.

Councilmember Thomason thanked both the City Manager and City Attorney for their work on this document. He believes it is a good solution.

Councilmember Doody said this was a great exercise in “Our Town”. Decisions sometimes are for the majority. This one encompassed the whole community. He educated himself about these cases. He recalled the issue on the Ten Commandments a few years ago. He said the definition of “Amen” is the affirmative and he will use that for his vote.

Council President Palmer lauded the comments by Council. Few issues in his tenure generated this much interest. Many comments were “don’t cave in”. The Council wanted to find a way to continue the invocation and the professional Staff found a way. The change is very little except they are going to broaden the opportunity for invocators. He thinks it’s fair and legal. Any further questions should be addressed to the City Attorney.

Resolution No. 114-08 – A Resolution Concerning the Offering of Invocations Prior to the Meetings of the City Council and Other Deliberative Bodies of the City of Grand Junction

Councilmember Thomason moved to adopt Resolution No. 114-08. Councilmember Hill seconded the motion. Motion carried by roll call vote with Councilmember Todd voting NO.

Non-Scheduled Citizens & Visitors

James Braden, who lives in Clifton, is looking forward to Clifton becoming part of the City. He has noticed tumbleweed size weeds in both the City and the County. He asked each Councilmember to report any areas with overgrown weeds that they see. He suggested that the Workforce be used for clean up. Those kids have pride when they do such work.

In regards to the trucking company that wanted property along the river, he recommended against that approval as that might result in dumping near the river and it might get into the water system.

He then commended the Council for their actions this evening.

Mr. Braden said he enjoyed the barbeque but missed the National Night Out as he could not find the locations. He suggested a header be on the website for events taking place that day.

Regarding the new police station, he wanted renewable energy sources to be considered in that construction.

Concerning the Matchett Property, he suggested a water park with an enclosed lazy river so it can be used year round. He also suggested swim-in-place pools. Also fun fountain equipment, covered with shade so the kids could use it all day and not get sunburned.

Other Business

There was none.

Adjournment

The meeting adjourned at 8:06 p.m.

Stephanie Tuin, MMC
City Clerk

Attach 2

**Setting a Hearing on Zoning the Schuckman Annexation, Located at 231 28 1/2 Road
CITY OF GRAND JUNCTION**

CITY COUNCIL AGENDA			
Subject	Zoning the Schuckman Annexation - Located at 231 28 1/2 Road		
File #	ANX-2008-018		
Meeting Day, Date	Monday, August 18, 2008		
Placement on the Agenda	Consent	X	Individual
Date Prepared	August 12, 2008		
Author Name & Title	Senta L. Costello – Senior Planner		
Presenter Name & Title	Senta L. Costello – Senior Planner		

Summary: Request to zone the 0.87 acre Schuckman Annexation, located at 231 28 1/2 Road, to R-4 (Residential 4 du/ac).

Budget: N/A

Action Requested/Recommendation: Introduce a proposed Ordinance and set a public hearing for September 3, 2008.

Attachments:

1. Staff report/Background information
2. Annexation - Site Location Map / Aerial Photo Map
3. Future Land Use Map / Existing City and County Zoning Map
4. Zoning Ordinance

Background Information: See attached Staff Report/Background Information

STAFF REPORT / BACKGROUND INFORMATION					
Location:		231 28 1/2 Road			
Applicants:		Russell & Norma Schuckman			
Existing Land Use:		Duplex			
Proposed Land Use:		Additional Duplex			
Surrounding Land Use:	North	Duplex			
	South	Single Family Residential			
	East	Single Family Residential			
	West	Single Family Residential			
Existing Zoning:		County RSF-4 (Residential Single Family 4 du/ac)			
Proposed Zoning:		City R-4 (Residential 4 du/ac)			
Surrounding Zoning:	North	County RSF-4 (Residential Single Family 4 du/ac)			
	South	County RSF-4 (Residential Single Family 4 du/ac)			
	East	County RSF-4 (Residential Single Family 4 du/ac)			
	West	County RMF-5 (Residential Multi-Family 5 du/ac)			
Growth Plan Designation:		Residential Medium 4-8 du/ac			
Zoning within density range?		X	Yes		No

Staff Analysis:

Zone of Annexation: The requested zone of annexation to the R-4 (Residential 4 du/ac) district is consistent with the Growth Plan density of Residential Medium 4-8 du/ac. The existing County zoning is RSF-4 (Residential Single Family 4 du/ac). Section 2.14 of the Zoning and Development Code states that the zoning of an annexation area shall be consistent with either the Growth Plan or the existing County zoning.

In order for the zoning to occur, the following questions must be answered and a finding of consistency with the Zoning and Development Code must be made per Section 2.6.A.3 and 4 as follows:

- The proposed zone is compatible with the neighborhood, 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.

Response: The proposed R-4 zone district is compatible with the surrounding neighborhood which consists of RSF-4 and RMF-5 zoning. The zoning is consistent with the goals and policies of the Growth Plan by utilizing existing infrastructure for further development potential instead of “leap frog”

development and is consistent with the Orchard Mesa Plan, the requirements of the Zoning and Development Code and other City regulations.

- Adequate public facilities and services are available or will be made available concurrent with the projected impacts of development allowed by the proposed zoning;

Response: Adequate public facilities are available or will be supplied at the time of further development of the property. An 8" water and an 8" sewer line exist in 28 ½ Road and a 6" water line is located in B.3 Road.

Alternatives: In addition to the zoning that the petitioner has requested, the following zone districts would also be consistent with the Growth Plan designation for the subject property.

- a. R-5
- b. R-8

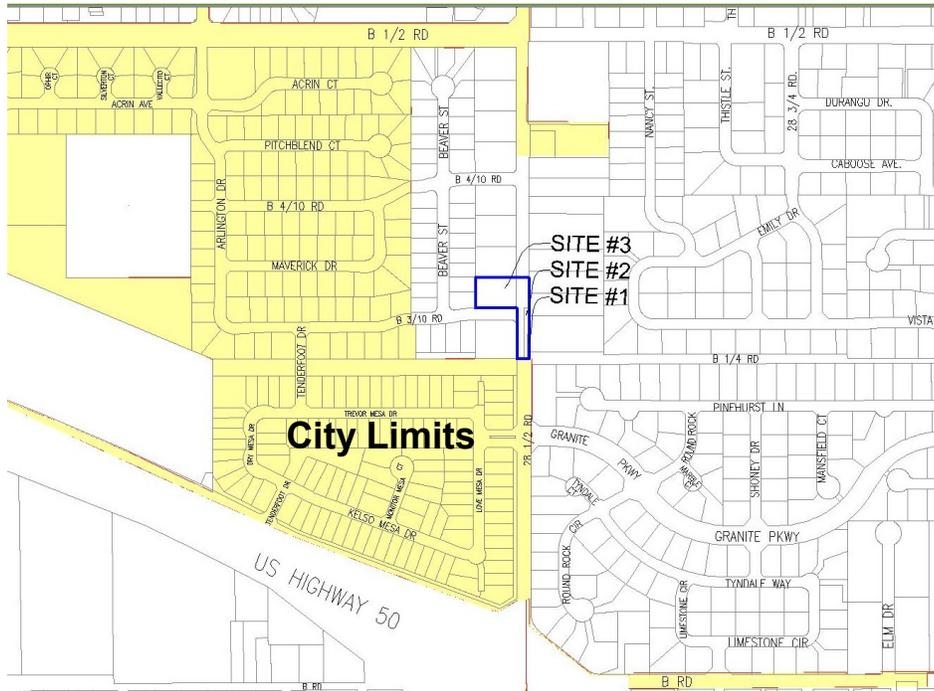
If the City Council chooses to recommend one of the alternative zone designations, specific alternative findings must be made.

PLANNING COMMISSION RECOMMENDATION: At their March 25, 2008 meeting, the Planning Commission recommended denial of the requested zone of annexation to the City Council, finding the zoning to the R-8 district to be inconsistent with the Growth Plan and Sections 2.6 and 2.14 of the Zoning and Development Code. Their recommendation for zoning on this property is R-4 (Residential 4 du/ac).

The applicant's original request was for the R-8 zone district. Since the March 25, 2008 Planning Commission meeting and the April 14, 2008 City Council meeting Mr. and Mrs. Schuckman have changed their request to the R-4 designation.

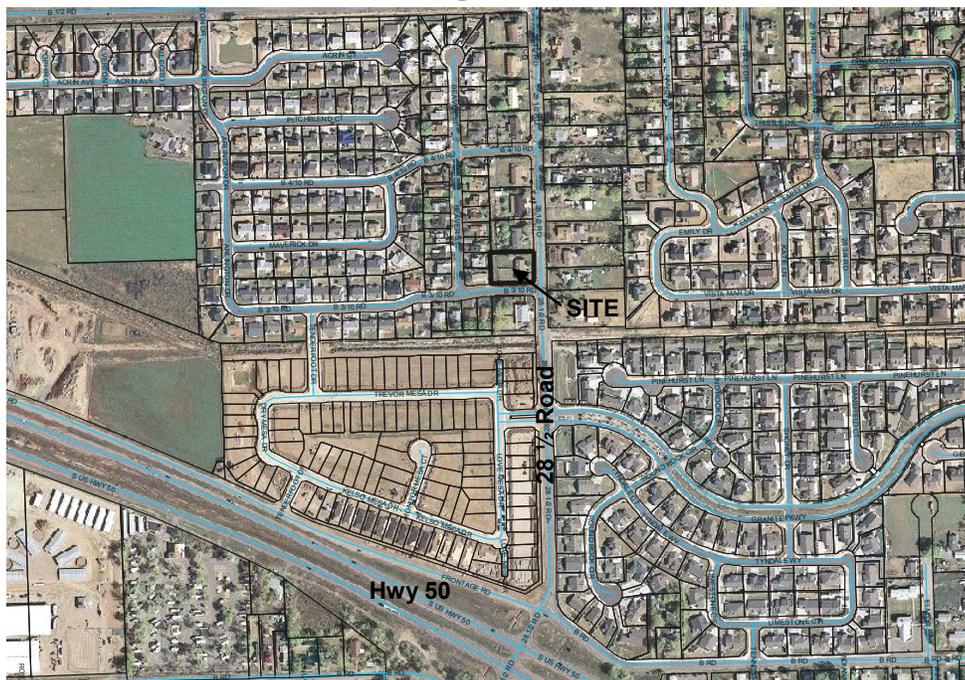
Annexation/Site Location Map

Figure 1



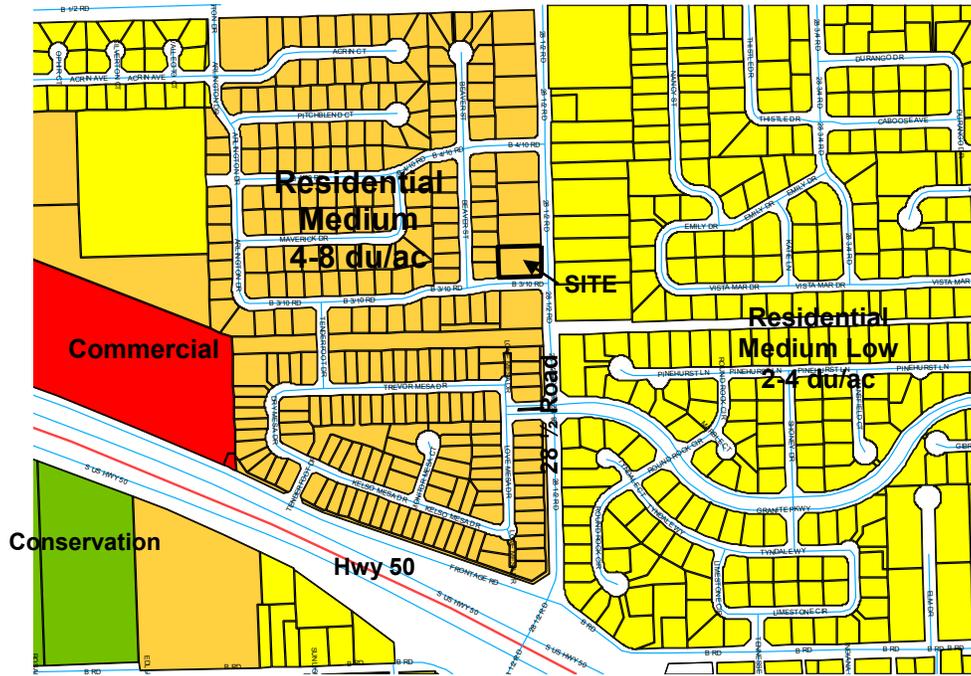
Aerial Photo Map

Figure 2



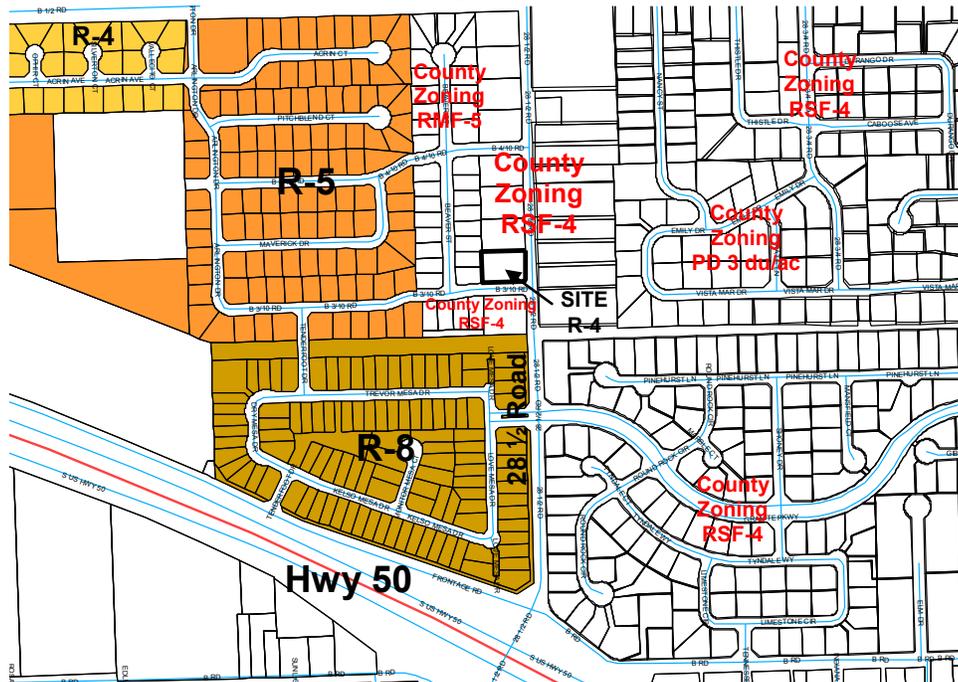
Future Land Use Map

Figure 3



Existing City and County Zoning Map

Figure 4



NOTE: Mesa County is currently in the process of updating their zoning map. Please contact Mesa County directly to determine parcels and the zoning thereof."

CITY OF GRAND JUNCTION, COLORADO

ORDINANCE NO.

**AN ORDINANCE ZONING THE SCHUCKMAN ANNEXATION TO
R-4 (RESIDENTIAL 4 DU/AC)**

LOCATED AT 231 28 1/2 ROAD

Recitals:

After public notice and public hearing as required by the Grand Junction Zoning and Development Code, the Grand Junction Planning Commission recommended approval of zoning the Schuckman Annexation to the R-4 (Residential 4 du/ac) zone district finding that it conforms with the recommended land use category as shown on the future land use map of the Growth Plan and the Growth Plan's goals and policies and is generally compatible with land uses located in the surrounding area. The zone district meets the criteria found in Section 2.6 of the Zoning and Development Code.

After public notice and public hearing before the Grand Junction City Council, City Council finds that the R-4 (Residential 4 du/ac) zone district is in conformance with the stated criteria of Section 2.6 of the Grand Junction Zoning and Development Code.

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

The following property be zoned R-4 (Residential 4 du/ac).

SCHUCKMAN ANNEXATION

Lot 4, Block 2, Orchard Villas Sub Filing No 1 Recorded in Plat Book 11, Page 209,
Public Records of Mesa County, Colorado.

INTRODUCED on first reading the ____ day of _____, 2008 and ordered published.

ADOPTED on second reading the ____ day of _____, 2008.

ATTEST:

President of the Council

City Clerk

Attach 3

Setting a Hearing on Zoning the Fournier Annexation, Located at 2132 Rainbow Ranch Drive

CITY OF GRAND JUNCTION

CITY COUNCIL AGENDA			
Subject	Zoning the Fournier Annexation - Located at 2132 Rainbow Ranch Drive		
File #	ANX-2008-111		
Meeting Day, Date	Monday, August 18, 2008		
Placement on the Agenda	Consent	X	Individual
Date Prepared	August 5, 2008, 2008		
Author Name & Title	Senta L. Costello – Senior Planner		
Presenter Name & Title	Senta L. Costello – Senior Planner		

Summary: Request to zone the 3.27 acre Fournier Annexation, located at 2132 Rainbow Ranch Drive, to R-4 (Residential 4 du/ac).

Budget: N/A

Action Requested/Recommendation: Introduce a proposed Ordinance and set a public hearing for September 3, 2008.

Attachments:

1. Staff report/Background information
2. Annexation - Site Location Map / Aerial Photo Map
3. Future Land Use Map / Existing City and County Zoning Map
4. Zoning Ordinance

Background Information: See attached Staff Report/Background Information

STAFF REPORT / BACKGROUND INFORMATION			
Location:		2132 Rainbow Ranch Drive	
Applicants:		Owner: Kathleen M. Fournier Representative: Meadowlark Consulting LLC – Paul Johnson	
Existing Land Use:		Vacant	
Proposed Land Use:		Single Family Residential Subdivision	
Surrounding Land Use:	North	Monument Village Shopping Center	
	South	Single Family Residential	
	East	Single Family Residential	
	West	Single Family Residential	
Existing Zoning:		County RSF-4 (Residential Single Family 4 du/ac)	
Proposed Zoning:		City R-4 (Residential 4 du/ac)	
Surrounding Zoning:	North	County C-1 (Light Commercial) / City B-1 (Neighborhood Commercial)	
	South	County RSF-4 (Residential Single Family 4 du/ac)	
	East	County RSF-4 (Residential Single Family 4 du/ac)	
	West	County RSF-4 (Residential Single Family 4 du/ac)	
Growth Plan Designation:		Residential Medium Low 2-4 du/ac	
Zoning within density range?		X	Yes
			No

Staff Analysis:

Zone of Annexation: The requested zone of annexation to the R-4 (Residential 4 du/ac) zone district is consistent with the Growth Plan designation of Residential Medium Low 2-4 du/ac. The existing County zoning is RSF-4 (Residential Single Family 4 du/ac). Section 2.14 of the Zoning and Development Code, states that the zoning of an annexation area shall be consistent with either the Growth Plan or the existing County zoning.

In order for the zoning to occur, the following questions must be answered and a finding of consistency with the Zoning and Development Code must be made per Section 2.6.A.3 and 4 as follows:

- The proposed zone is compatible with the neighborhood, 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.

Response: The subject site and the neighboring properties on Rainbow Ranch Drive are zoned RSF-4 in the county with lot sizes ranging from 1/3 of an acre up

to 5 acres. Many of these lots have the potential to further develop. On the north side of Broadway is the Monument Village shopping center and Monument Village subdivision with a density of 3.4 du/ac and lot sizes ranging from 1/6 acre to 1/2 acre. The proposed zoning of the subject property is compatible with the surrounding existing properties as well as the potential future development in the area. It will serve as a buffer between the commercial development on the north side of Broadway and the existing lower density lots to the southwest. Should the larger lots further subdivide, this property will still have a similar character to the neighborhood as a whole.

- Adequate public facilities and services are available or will be made available concurrent with the projected impacts of development allowed by the proposed zoning;

Response: There is an existing 4" water line in Broadway and 1 1/2" and 2" water lines in Rainbow Ranch Drive. An existing sewer line is approximately 875' to the east. The water lines will need to be upgraded and the sewer extended to the property, but the services can be made available for development of the property.

Alternatives: In addition to the zoning that the petitioner has requested, the following zone district would also be consistent with the Growth Plan designation for the subject property.

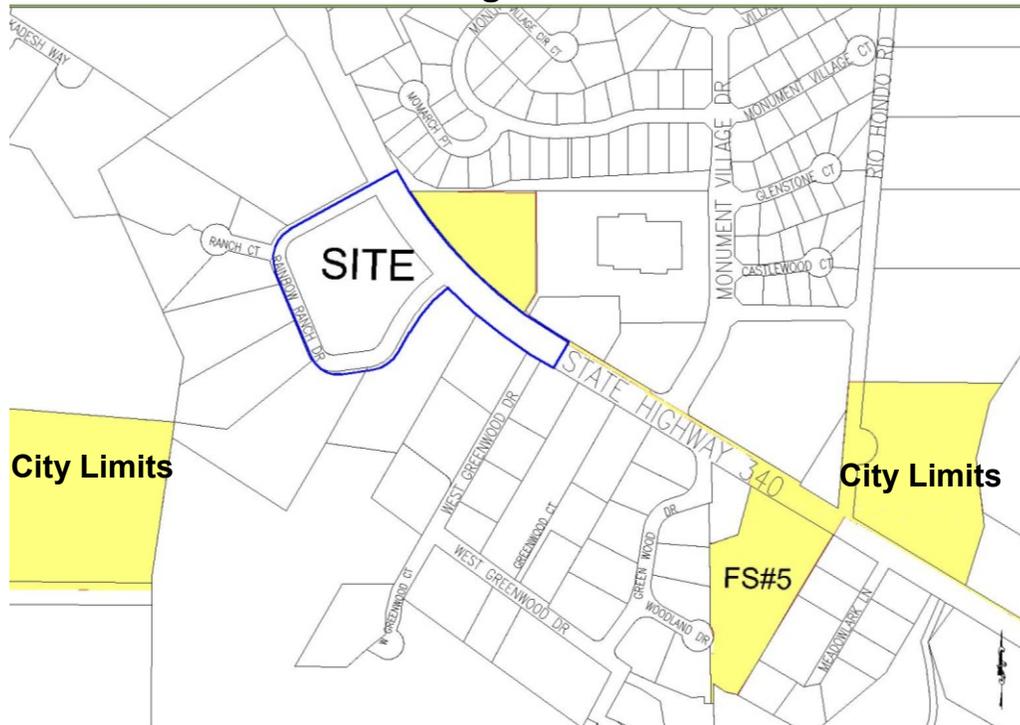
- c. R-2 (Residential 2 du/ac)

If the Planning Commission chooses to recommend an alternative zone designation, specific alternative findings must be made as to why the Planning Commission is recommending an alternative zone designation to the City Council.

PLANNING COMMISSION RECOMMENDATION: At their August 12, 2008 meeting, the Planning Commission recommended approval of the R-4 zone district for zone of annexation to the City Council, finding the zoning to the R-4 district to be consistent with the Growth Plan, existing County zoning and Sections 2.6 and 2.14 of the Zoning and Development Code.

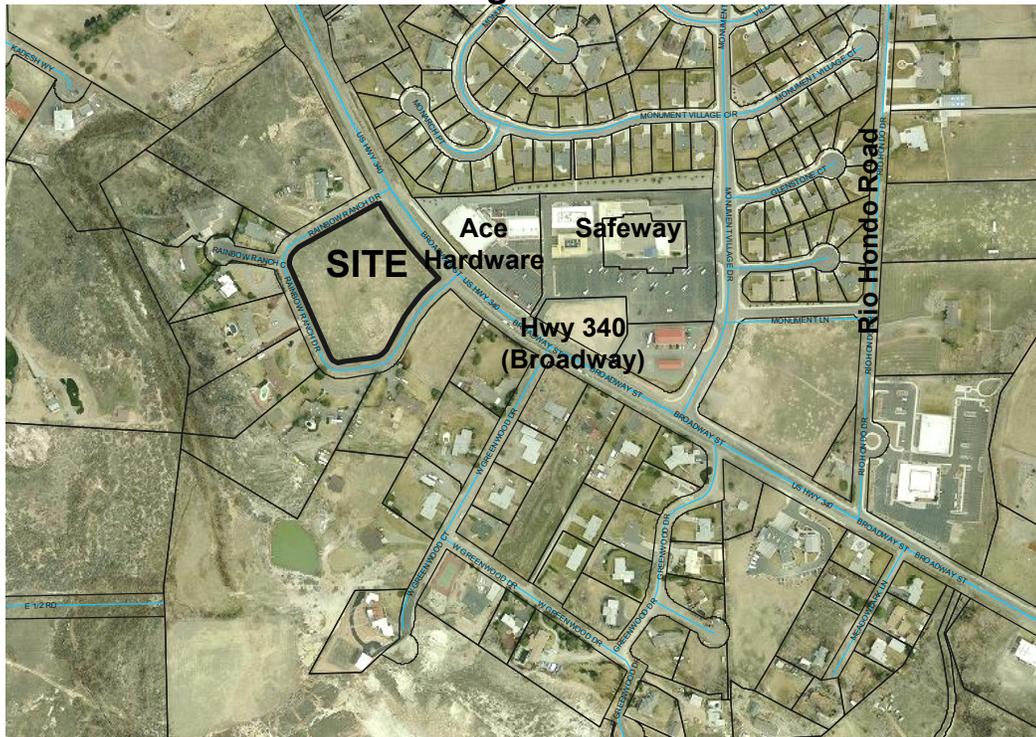
Annexation-Site Location Map

Figure 1



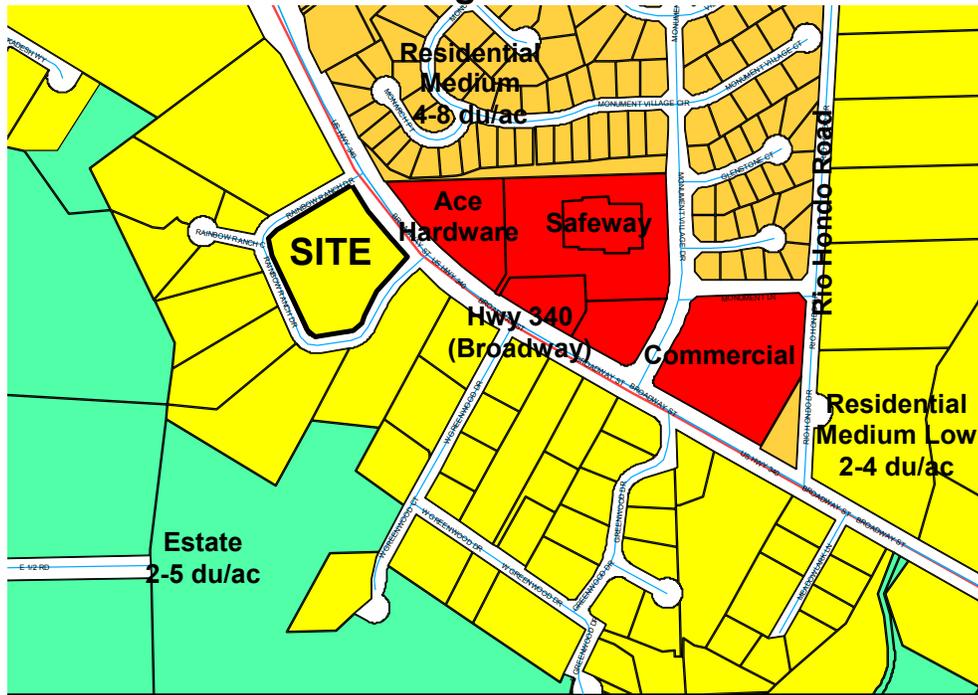
Aerial Photo Map

Figure 2



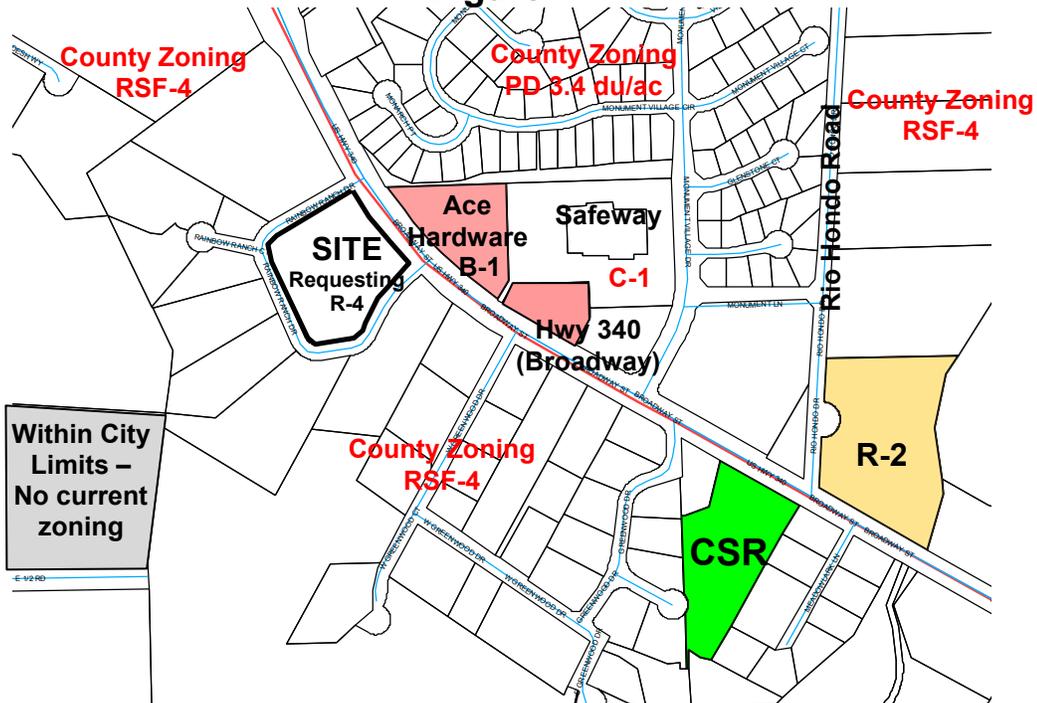
Future Land Use Map

Figure 3



Existing City and County Zoning Map

Figure 4



NOTE: Mesa County is currently in the process of updating their zoning map. Please contact Mesa County directly to determine parcels and the zoning thereof."

CITY OF GRAND JUNCTION, COLORADO

ORDINANCE NO.

**AN ORDINANCE ZONING THE FOURNIER ANNEXATION
TO R-4 (RESIDENTIAL 4 DU/AC)**

LOCATED AT 2132 RAINBOW RANCH DRIVE

Recitals:

After public notice and public hearing as required by the Grand Junction Zoning and Development Code, the Grand Junction Planning Commission recommended approval of zoning the Fournier Annexation to the R-4 (Residential 4 du/ac) zone district finding that it conforms with the recommended land use category as shown on the future land use map of the Growth Plan and the Growth Plan's goals and policies and is generally compatible with land uses located in the surrounding area. The zone district meets the criteria found in Section 2.6 of the Zoning and Development Code.

After public notice and public hearing before the Grand Junction City Council, City Council finds that the R-4 (Residential 4 du/ac) zone district is in conformance with the stated criteria of Section 2.6 of the Grand Junction Zoning and Development Code.

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

The following property be zoned R-4 (Residential 4 du/ac).

FOURNIER ANNEXATION

A certain parcel of land lying in the Southeast Quarter of the Northwest Quarter (SE 1/4 NW 1/4) of Section 23, Township 11 South, Range 101 West of the 6th Principal Meridian, County of Mesa, State of Colorado and being more particularly described as follows:

Lot 1, Rainbow Ranch Subdivision as same is recorded in Plat Book 11, Page 7, Public Records of Mesa County, Colorado

INTRODUCED on first reading the ____ day of _____, 2008 and ordered published.

ADOPTED on second reading the ____ day of _____, 2008.

ATTEST:

President of the Council

City Clerk

Attach 4

Change Order for Removal of Asbestos Contaminated Soil at the Former Steam Plant, Located at 531 South Avenue

CITY OF GRAND JUNCTION

CITY COUNCIL AGENDA			
Subject	Contract Change Order and cost overruns during removal of Asbestos Contaminated Soil at the Former Steam Plant Site – Located at 531 South Avenue		
File #			
Meeting Day, Date	Monday, August 18, 2008		
Placement on the Agenda	Consent		Individual X
Date Prepared	August 12, 2008		
Author Name & Title	Don Newton, Engineering Projects Manager		
Presenter Name & Title	Tim Moore, Public Works and Planning Director Trent Prall, Engineering Manager		

Summary: Asbestos contaminated soil was removed from the 1.36 acre site at 531 South Avenue under contract with LVI Environmental Services, Inc. in preparation for construction of the new Grand Valley Transit Transfer Station and office building. The quantity of contaminated materials (soil and concrete) removed was approximately 5,900 tons, which is 3,300 tons over the original contract quantity estimated at 2,600 tons.

Budget:

Project Costs: Original Contract with LVI for ACS removal	\$ 99,899
Actual cost of ACS removal (LVI Contract)	\$ 236,993
Mesa County Landfill ACS Disposal Fees	\$ 62,141
Walsh Environmental - Project Management Fees	\$ 39,000
City Inspection and Contract Administration	\$ 23,000
City Furnished Materials and Site Prep.	\$ 5,327
Water Usage for Dust Control	\$ 1,623
Total Project Cost	\$ 368,084
Funds budgeted in 2007 (Account 2011-F46800)	\$ 180,555
Funding shortfall	\$ 187,529

Action Requested/Recommendation: Authorize the City Manager to execute a Change Order to LVI Environmental Services, Inc. increasing the contract amount from \$99,899 to \$236,993 and approve a project budget adjustment from \$180,555 to \$368,084.

Background Information: The ACS Management Plan and Scope of Work prepared for the removal of contaminated soil were based on the assumption that the contaminated soil was less than one foot deep in areas where traces of asbestos were found in soil samples taken at or near the ground surface. After removal of the top foot (approximately 2600 tons) of soil from the contaminated areas, the remaining soil was retested and traces of asbestos were still present. At this point it was determined that the contaminated areas would need to be excavated to the subgrade elevation (approximately 2' below finished grade) shown on the site plan for the proposed GVT Transfer Station. In addition the area under the proposed office building would need to be excavated to a depth of approximately 6 feet in order to remove ACS below the building foundation. During this excavation several old concrete walls and footings were discovered and had to be removed. The demolition and removal of concrete from these structures required an additional five days of contract time.

Approximately 2,800 tons of ACS was buried on site in the basement area of the old steam plant as originally planned. The additional 3,100 tons of contaminated materials had to be disposed of at the Mesa County Landfill at a cost of \$20 per ton. Total landfill fees of \$62,141 plus the cost of \$137,994 for excavation and hauling of this material totals \$200,135. This additional work accounts for 100 percent of the budget shortfall of \$186,249.

In accordance with a Memorandum of Agreement with Mesa County, the site will now be turned over to the Mesa County Regional Transportation Planning Office for construction their new office building and GVT Transfer station.

Attach 5
Change Order No. 1 for the 23 Road Sewer Improvement District
CITY OF GRAND JUNCTION

CITY COUNCIL AGENDA			
Subject	23 Road Sewer Improvement District Project – Change Order No. 1		
File #			
Meeting Day, Date	Monday, August 18, 2008		
Placement on the Agenda	Consent	X	Individual
Date Prepared	August 5, 2008		
Author Name & Title	Justin Vensel Project Manager Bret Guillory, Utility Engineer		
Presenter Name & Title	Trent Prall, Engineering Manager		

Summary: This change order will cover additional costs incurred during construction of a bore under Highway 340 at 23 Road needed for completion of the 23 Road Sewer Improvement District. This is a Septic System Elimination Program project.

Budget:

Contract Summary:

Original Construction Contract	\$ 411,610.98
Construction cost over contract amount	<u>\$ 105,725.20</u>
Total Construction Contract	\$ 517,336.18

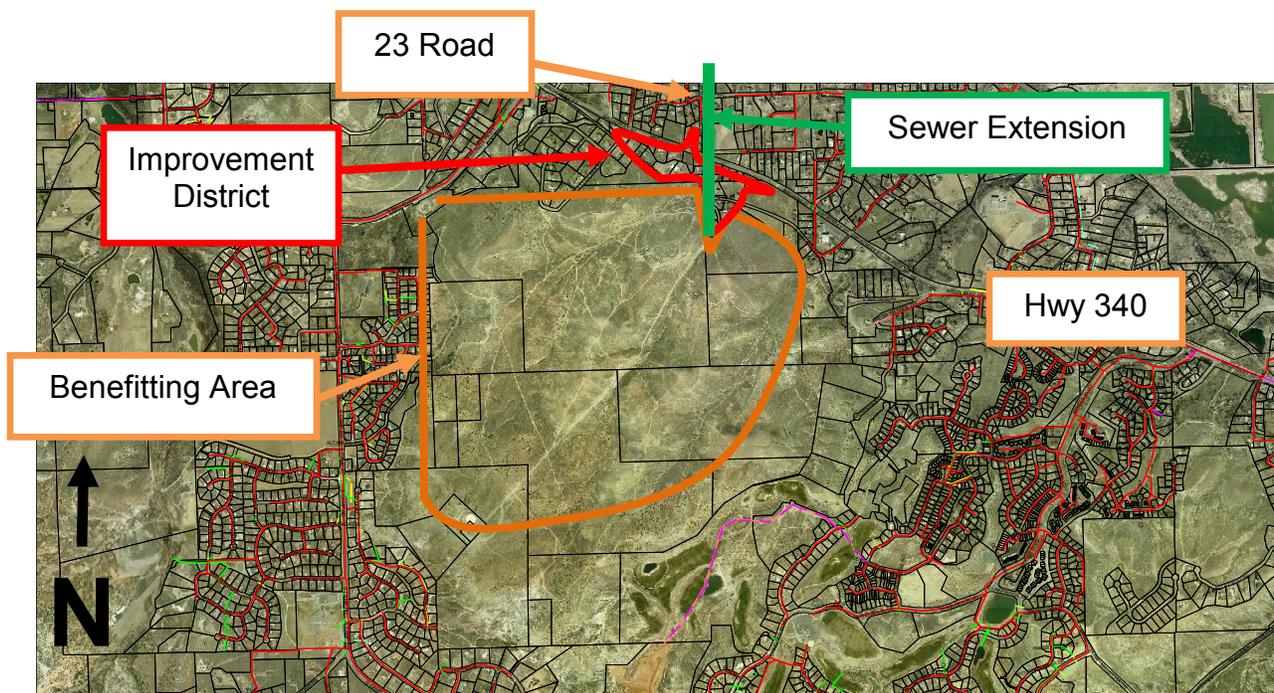
Adequate funds have been transferred from the Trunk Line Extension Fund (Fund 903) to cover these additional construction costs. After this transfer we have a fund balance of \$390,800 available for future trunk extension projects.

Action Requested/Recommendation: Authorize the City Manager to execute Change Order No. 1 for the 23 Road Sewer Improvement District to MA Concrete Construction Inc, in the amount of \$105,725.20.

Background Information: The 23 Road Sewer Improvement District was formed in February of 2008. Design of the project was completed in 2007. The project will provide sewer infrastructure to 28 properties near the intersection of 23 Road and Highway 340 that are currently served by septic systems. A geotechnical investigation was completed during design of this project to evaluate the viability of completing a bore of Highway 340 utilizing a directional boring method. Results of this investigation showed that soil conditions were favorable for this type of boring installation. Upon starting the work the contractor encountered differing materials from those found during the geotechnical investigation. As a result of the changed conditions the directional boring method proposed to cross the highway with the new sewer line was not feasible. The boring method needed to cross the highway was more labor intensive than both the contractor and City staff anticipated. This resulted in an additional cost that could not be covered in the force account contract item as initially expected.

With trunk extension funds covering this additional cost the property owners participating in this improvement district will remain whole. The anticipated assessment will be less than the estimated assessment that property owners were given prior to formation of the district as has typically been the case.

The Persigo system will recover this trunk extension investment as the larger benefitting basin develops.



Attach 6
Final Change Order for the Ranchmen's Ditch Flood Control Project, Phase 1
CITY OF GRAND JUNCTION

CITY COUNCIL AGENDA			
Subject	Ranchmen's Ditch Flood Control Project Phase 1 – Final Change Order		
File #			
Meeting Day, Date	Monday, August 18, 2008		
Placement on the Agenda	Consent	X	Individual
Date Prepared	August 5, 2008		
Author Name & Title	Bret Guillory, Utility Engineer		
Presenter Name & Title	Trent Prall, Engineering Manager		

Summary: This change order will cover additional costs incurred during construction of Phase 1 of the Ranchmen's Ditch Flood Control Project. The additional costs to the project are attributed to poor sub-grade within the Mesa Mall parking lot that resulted in failure of the asphalt paving with the parking lot.

Budget:

Contract Summary:

Phase 1 Original Construction Contract	\$ 6,741,061.47
Construction cost over contract amount	<u>\$ 107,606.43</u>
Total construction contract	\$ 6,848,667.90

Phase 2 Contract Amount	\$2,449,231.25
Phase 2 Final Contract Amount (estimated)	<u>\$2,257,410.23</u>
Construction cost under contract amount	(\$191,821.00)

Adequate funds have been budgeted in the 2008 revised budget to cover the completion of Phase 1 & 2 of this project based on total contract amounts for both phases. There are adequate savings from the Phase 2 project to cover the overages that occurred during Phase 1.

Action Requested/Recommendation: Authorize the City Manager to execute the Final Change Order for Phase 1 of the Ranchmen's Ditch Flood Control Project to Scott Contracting in the amount of \$107,606.43.

Background Information: Phase 1 of the Ranchmen's Ditch Flood Control project included installation of triple 78" pipes crossing the Mesa Mall Parking lot from east of 24½ Road to the west side of the mall at the confluence with Leach Creek. Additional costs to the project are attributed to poor sub-grade within the Mesa Mall parking lot that resulted in failure of the asphalt paving within the parking lot. The additional costs to repair damaged pavement within the temporary construction easement, but outside the trench section, accounted for roughly \$300k additional cost to the project.

**Attach 7
Public Hearing—The Shady Acre Annexation and Zoning
CITY OF GRAND JUNCTION**

CITY COUNCIL AGENDA			
Subject	Shady Acre Annexation and Zoning - Located at 528 29 Road		
File #	ANX-2008-159		
Meeting Day, Date	Monday, August 18, 2008		
Placement on the Agenda	Consent	<input type="checkbox"/>	Individual <input checked="" type="checkbox"/>
Date Prepared	July 23, 2008		
Author Name & Title	Ivy Williams, Development Services Supervisor		
Presenter Name & Title	Greg Moberg, Planning Service Supervisor		

Summary: Request to annex and zone 1.25 acres, located at 528 29 Road to R-8 (Residential 8 du/ac). The Shady Acre Annexation consists of one parcel and includes a portion of the 29 Road right-of-way.

Budget: N/A

Action Requested/Recommendation: Adopt Resolution accepting the petition for Annexation and hold a public hearing and consider final passage of the Annexation Ordinance and Zoning Ordinance.

Attachments:

1. Staff report/Background information
2. Annexation – Site Location Map / Aerial Photo Map
3. Future Land Use Map / Existing City and County Zoning Map
4. Acceptance Resolution
5. Annexation Ordinance
6. Zoning Ordinance

Background Information: See attached Staff Report/Background Information

STAFF REPORT / BACKGROUND INFORMATION			
Location:		528 29 Road	
Applicants:		Owner: Valley Mortgage, Inc Representative: Tom Dixon	
Existing Land Use:		Single Family Residential	
Proposed Land Use:		Multi Family Residential	
Surrounding Land Use:	North	Single Family/Multi Family Residential	
	South	Daycare/Single Family Residential	
	East	Single Family Residential	
	West	Single Family Residential	
Existing Zoning:		County RMF-8 (Residential Multi Family 8 du/ac)	
Proposed Zoning:		R-8 (Residential 8 du/ac)	
Surrounding Zoning:	North	County RMF-8 (Residential Multi Family 8 du/ac)	
	South	County RMF-8 (Residential Multi Family 8 du/ac)	
	East	County RMF-8 (Residential Multi Family 8 du/ac)	
	West	R-8 (Residential 8 du/ac)	
Growth Plan Designation:		Residential Medium 4-8 du/ac	
Zoning within density range?	X	Yes	No

Staff Analysis:

ANNEXATION:

This annexation area consists of 1.25 acres of land and is comprised of one parcel and a portion of the 29 Road right-of-way. The property owners have requested annexation into the City to allow for development of the property. Under the 1998 Persigo Agreement all proposed development within the Persigo Wastewater Treatment boundary requires annexation and processing in the City.

It is staff's opinion, based on review of the petition and knowledge of applicable state law, including the Municipal Annexation Act Pursuant to C.R.S. 31-12-104, that the Shady Acre Annexation is eligible to be annexed because of compliance with the following:

- a) A proper petition has been signed by more than 50% of the owners and more than 50% of the property described;
- b) Not less than one-sixth of the perimeter of the area to be annexed is contiguous with the existing City limits;
- c) A community of interest exists between the area to be annexed and the City. This is so in part because the Central Grand Valley is essentially a single demographic and economic unit and occupants of the area can be expected to, and regularly do, use City streets, parks and other urban facilities;

- d) The area is or will be urbanized in the near future;
- e) The area is capable of being integrated with the City;
- f) No land held in identical ownership is being divided by the proposed annexation;
- g) No land held in identical ownership comprising 20 contiguous acres or more with an assessed valuation of \$200,000 or more for tax purposes is included without the owners consent.

The following annexation and zoning schedule is being proposed.

<u><i>ANNEXATION SCHEDULE</i></u>	
July 14, 2008	Referral of Petition (30 Day Notice), Introduction of a proposed Ordinance, Exercising Land Use
July 22, 2008	Planning Commission considers Zone of Annexation
August 4, 2008	Introduction of a proposed Ordinance on Zoning by City Council
August 18, 2008	Acceptance of Petition and Public Hearing on Annexation and Zoning by City Council
September 19, 2008	Effective date of Annexation and Zoning

SHADY ACRE ANNEXATION SUMMARY		
File Number:		ANX-2008-159
Location:		528 29 Road
Tax ID Number:		2943-083-00-101
Parcels:		One
Estimated Population:		Two
# of Parcels (owner occupied):		None
# of Dwelling Units:		One
Acres land annexed:		1.25 acres
Developable Acres Remaining:		1.13 acres
Right-of-way in Annexation:		4,972.46 square feet of 29 Road
Previous County Zoning:		RMF-8 (Residential Multi-Family 8du/ac)
Proposed City Zoning:		R-8 (Residential 8 du/ac)
Current Land Use:		Single Family Residential
Future Land Use:		New Multi-Family
Values:	Assessed:	\$15,420
	Actual:	\$193,690
Address Ranges:		528 29 Road only
Special Districts:	Water:	Ute Water
	Sewer:	Fruitvale Sanitation District
	Fire:	Grand Junction Rural Fire District
	Irrigation/ Drainage:	Grand Valley Irrigation/Grand Valley Drainage
	School:	Mesa County School District 51
	Pest:	N/A

Staff Analysis:

Zone of Annexation: The requested zone of annexation to the R-8 (Residential 8 du/ac) district is consistent with the Growth Plan density/intensity of Residential Medium 4-8 du/ac. The existing County zoning is RMF-8 (Residential Multifamily 8 du/ac). Section 2.14 of the Zoning and Development Code states that the zoning of an annexation area shall be consistent with either the Growth Plan or the existing County zoning.

In order for the zoning to occur, the following questions must be answered and a finding of consistency with the Zoning and Development Code must be made per Section 2.6.A.3 and 4 as follows:

- The proposed zone is compatible with the neighborhood, 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.

Response: The subject property and the surrounding properties on all sides are zoned R-8 or County RMF-8. There are several triplexes on the north side of the property and there is a variety of single-family and multifamily development in the surrounding area. The proposed R-8 zone is compatible with the neighborhood.

- Adequate public facilities and services are available or will be made available concurrent with the projected impacts of development allowed by the proposed zoning;

Response: There is an existing 12 inch sewer line and an existing eight inch Ute water line located in the 29 Road right-of-way that would be available for providing service to development on the subject property.

Alternatives: In addition to the zoning that the petitioner has requested, the following zone districts would also be consistent with the Growth Plan designation for the subject property.

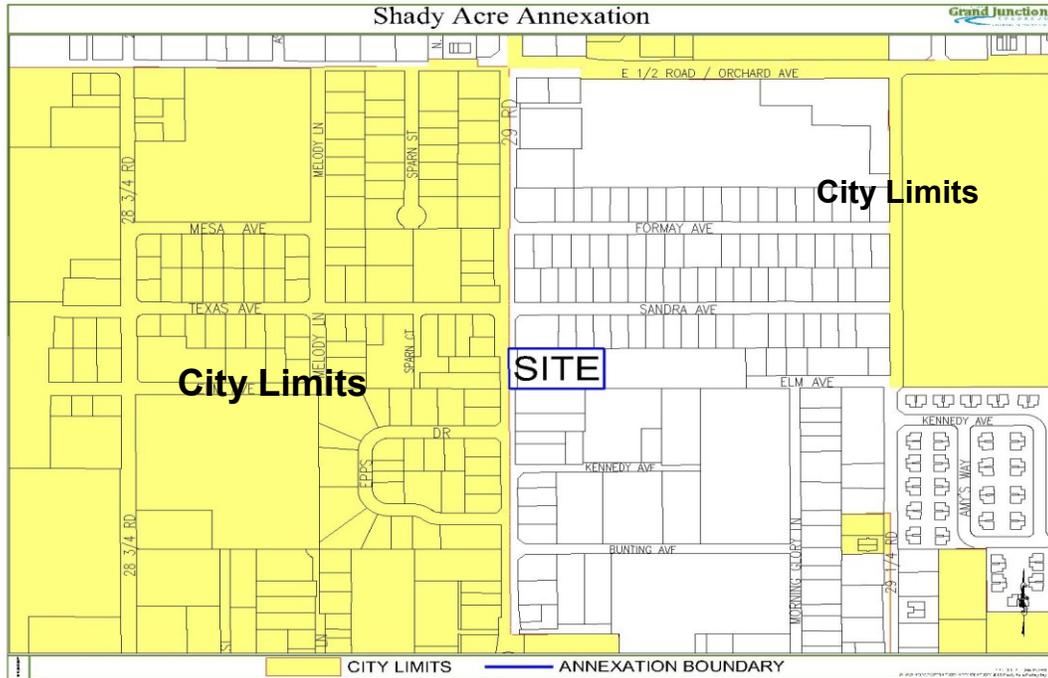
- d. R-4
- e. R-5

If the City Council chooses to recommend one of the alternative zone designations, specific alternative findings must be made.

PLANNING COMMISSION RECOMMENDATION: The Planning Commission recommended approval of the requested zone of annexation to the City Council on July 22, 2008, finding the zoning to the R-8 district to be consistent with the Growth Plan and Sections 2.6 and 2.14 of the Zoning and Development Code.

Annexation - Site Location Map

Figure 1



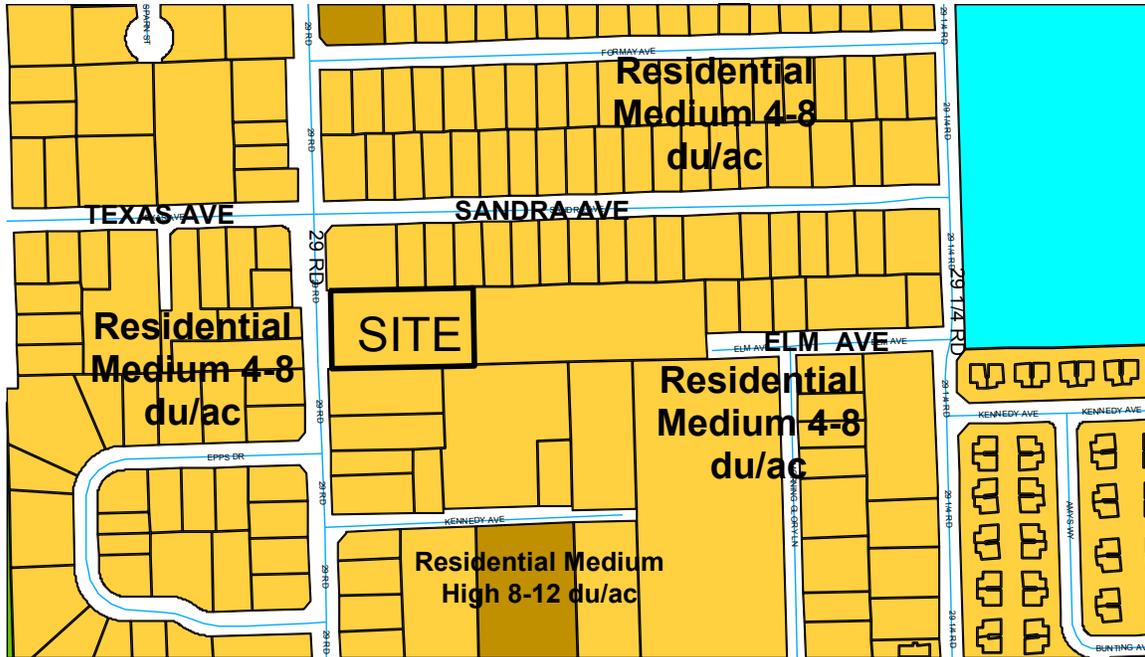
Aerial Photo Map

Figure 2



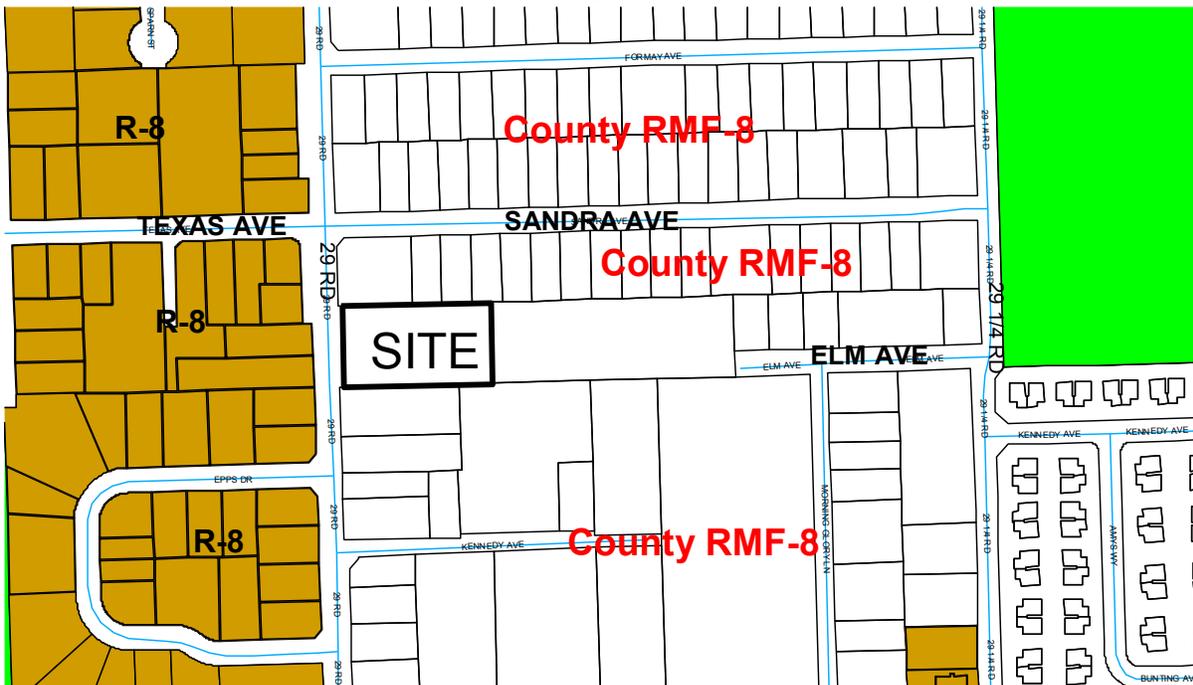
Future Land Use Map

Figure 3



Existing City and County Zoning Map

Figure 4



NOTE: Mesa County is currently in the process of updating their zoning map. Please contact Mesa County directly to determine parcels and the zoning thereof."

CITY OF GRAND JUNCTION, COLORADO

RESOLUTION NO. ____

**A RESOLUTION ACCEPTING A
PETITION FOR ANNEXATION, MAKING CERTAIN
FINDINGS, DETERMINING THAT PROPERTY KNOWN AS THE**

SHADY ACRE ANNEXATION

**LOCATED AT 528 29 ROAD INCLUDING A PORTION OF THE 29 ROAD
RIGHT-OF-WAY**

IS ELIGIBLE FOR ANNEXATION

WHEREAS, on the 14th day of July 2008, a petition was submitted to the City Council of the City of Grand Junction, Colorado, for annexation to said City of the following property situate in Mesa County, Colorado, and described as follows:

SHADY ACRE ANNEXATION

A certain parcel of land located in the Northwest Quarter of the Southwest Quarter (NW 1/4 SW 1/4) of Section 8, Township One South, Range One East of the Ute Meridian, County of Mesa, State of Colorado and being more particular described as follows:

Beginning at the Southwest corner of the NW 1/4 SW 1/4 of said Section 8 and assuming the South line of the NW 1/4 SW 1/4 of said Section 8 to bear N89°57'46"E with all bearings contained herein relative thereto; thence N00°03'15"W a distance of 165.75 feet along the West line of the NW 1/4 SW 1/4 of said Section 8, said line also being the East line of Central Fruitvale Annexation, Ordinance No. 1133, City of Grand Junction; thence N89°57'46"E a distance of 30.00 feet to a point on the West line of Lot 1 of Shumacher Subdivision, as same is recorded in Plat Book 7, Page 30, public records of Mesa County, Colorado; thence S00°03'15"E a distance of 1.00 foot to the Southwest corner of Lot 1 of said Schumacher Subdivision; thence N89°57'46"E a distance of 300.00 feet along the South line of said Schumacher Subdivision; thence S00°03'15"E a distance of 164.75 feet to a point on the South line of the NW 1/4 SW 1/4 of said Section 8; thence S89°57'46"W a distance of 330.00 feet along the South line of the NW 1/4 SW 1/4 of said Section 8 to the Point of Beginning.

Said parcel contains 1.25 acres (54,397.44 sq. ft.), more or less, as described.

WHEREAS, a hearing on the petition was duly held after proper notice on the 18TH day of August 2008; and

WHEREAS, the Council has found and determined and does hereby find and determine that said petition is in substantial compliance with statutory requirements therefore, that one-sixth of the perimeter of the area proposed to be annexed is contiguous with the City; that a community of interest exists between the territory and the City; that the territory proposed to be annexed is urban or will be urbanized in the near future; that the said territory is integrated or is capable of being integrated with said City; that no land held in identical ownership has been divided without the consent of the landowner; that no land held in identical ownership comprising more than twenty acres which, together with the buildings and improvements thereon, has an assessed valuation in excess of two hundred thousand dollars is included without the landowner's consent; and that no election is required under the Municipal Annexation Act of 1965.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION THAT;

The said territory is eligible for annexation to the City of Grand Junction, Colorado, and should be so annexed by Ordinance.

ADOPTED this ____ day of _____, 2008.

Attest:

President of the Council

City Clerk

CITY OF GRAND JUNCTION, COLORADO

ORDINANCE NO.

**AN ORDINANCE ANNEXING TERRITORY TO THE
CITY OF GRAND JUNCTION, COLORADO**

SHADY ACRE ANNEXATION

APPROXIMATELY 1.25 ACRES

**LOCATED AT 528 29 ROAD AND INCLUDING A PORTION OF THE 29 ROAD
RIGHT-OF-WAY**

WHEREAS, on the 14th day of July 2008, the City Council of the City of Grand Junction considered a petition for the annexation of the following described territory to the City of Grand Junction; and

WHEREAS, a hearing on the petition was duly held after proper notice on the 18th day of August 2008; and

WHEREAS, the City Council determined that said territory was eligible for annexation and that no election was necessary to determine whether such territory should be annexed;

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

That the property situate in Mesa County, Colorado, and described to wit:

SHADY ACRE ANNEXATION

A certain parcel of land located in the Northwest Quarter of the Southwest Quarter (NW 1/4 SW 1/4) of Section 8, Township One South, Range One East of the Ute Meridian, County of Mesa, State of Colorado and being more particular described as follows:

Beginning at the Southwest corner of the NW 1/4 SW 1/4 of said Section 8 and assuming the South line of the NW 1/4 SW 1/4 of said Section 8 to bear N89°57'46"E with all bearings contained herein relative thereto; thence N00°03'15"W a distance of 165.75 feet along the West line of the NW 1/4 SW 1/4 of said Section 8, said line also being the East line of Central Fruitvale Annexation, Ordinance No. 1133, City of Grand Junction; thence N89°57'46"E a distance of 30.00 feet to a point on the West line of

Lot 1 of Shumacher Subdivision, as same is recorded in Plat Book 7, Page 30, public records of Mesa County, Colorado; thence S00°03'15"E a distance of 1.00 foot to the Southwest corner of Lot 1 of said Schumacher Subdivision; thence N89°57'46"E a distance of 300.00 feet along the South line of said Schumacher Subdivision; thence S00°03'15"E a distance of 164.75 feet to a point on the South line of the NW 1/4 SW 1/4 of said Section 8; thence S89°57'46"W a distance of 330.00 feet along the South line of the NW 1/4 SW 1/4 of said Section 8 to the Point of Beginning.

CONTAINING 1.25 acres (54,397.44 sq. ft.), more or less, as described.

Be and is hereby annexed to the City of Grand Junction, Colorado.

INTRODUCED on first reading on the 14th day of July, 2008 and ordered published.

ADOPTED on second reading the ____ day of _____, 2008.

Attest:

President of the Council

City Clerk

CITY OF GRAND JUNCTION, COLORADO

ORDINANCE NO.

**AN ORDINANCE ZONING THE SHADY ACRE ANNEXATION TO
R-8 (RESIDENTIAL 8 DU/AC)**

LOCATED AT 528 29 ROAD

Recitals:

After public notice and public hearing as required by the Grand Junction Zoning and Development Code, the Grand Junction Planning Commission recommended approval of zoning the Shady Acre Annexation to the R-8 zone district finding that it conforms with the recommended land use category as shown on the future land use map of the Growth Plan and the Growth Plan's goals and policies and is generally compatible with land uses located in the surrounding area. The zone district meets the criteria found in Section 2.6 of the Zoning and Development Code.

After public notice and public hearing before the Grand Junction City Council, City Council finds that the R-8 zone district is in conformance with the stated criteria of Section 2.6 of the Grand Junction Zoning and Development Code.

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

The following property be zoned R-8 (Residential 8 du/ac).

A parcel of land situate in the NW ¼ SW ¼ Section 8, Township 1 South, Range 1 East of the Ute Meridian, Mesa, County, Colorado, as demonstrated in Book 2722 at Page 565 of the records of said Mesa County, being more particularly described as follows:

The west 330.00 feet of the south 5 acres of said NW ¼ SW ¼; EXCEPT: the west 30.00 feet for right of way.

CONTAINING 1.13 Acres (49,424.98 Sq. Ft.), more or less, as described.

INTRODUCED on first reading the 4th day of August, 2008 and ordered published.

ADOPTED on second reading the ____ day of _____, 2008.

ATTEST:

President of the Council

City Clerk

**Attach 8
Public Hearing—Approving the Service Plan for the Proposed Redlands Mesa Metropolitan District, Including an Intergovernmental Agreement
CITY OF GRAND JUNCTION**

CITY COUNCIL AGENDA			
Subject	Service Plan for proposed Redlands Mesa Metropolitan District, including an Intergovernmental Agreement		
File #			
Meeting Day, Date	Monday, August 18, 2008		
Placement on the Agenda	Consent		Individual X
Date Prepared	December 19, 2011		
Author Name & Title	Jamie B. Beard, Assistant City Attorney		
Presenter Name & Title	John Shaver, City Attorney		

Summary: Approving the Service Plan for the Redlands Mesa Metropolitan District (“District”). The District is being created for financing public improvements on the land within the District and also possible improvements on the City’s property commonly referred to as Painted Bowl.

Budget: None for the City. Please see the attached Financial Plan for the budget regarding the District.

Action Requested/Recommendation: Adopt the Resolution.

Attachments: The Service Plan with the Intergovernmental Agreement, Capital Improvements Cost Estimate, Financial Plan and proposed Resolution.

Background Information: In December 1998, the Outline Planned Development for Redlands Mesa including 494 acres of land in the Ridges was approved by City Council. The first phase for the development began in April 1999. Numerous phases have been completed since that time and additional phases have yet to be completed. City Council approved an extension of the development phases in 2004. Based on that extension the final phase is to be completed in 2012.

The land included within this proposed special district is a portion of the planned development for Redlands Mesa. It includes a total of 65.92 acres yet to be developed.

The district is being organized to finance the cost of the construction and installation of the public improvements for development of the 65.92 acres. The total estimated cost of the public improvements exceeds the debt authorized under the service plan. The developer shall be responsible for those expenses that exceed the debt authorized. In addition, the plan includes the possibility of financing improvements for recreational purposes in the Painted Bowl area. These improvements would not be completed without an intergovernmental agreement between the district and the City being negotiated in the future.

Pursuant to Sections 32-1-101, *et seq.*, C.R.S. a special district, referred to as a "Metropolitan District" may be created for public improvement services. If the proposed district is wholly within the boundaries of a municipality, then the governing body for the municipality has the authority to approve the service plan as submitted, to disapprove the service plan as submitted, or to conditionally approve the service plan subject to the submission of additional information relating to, or the modification, of the proposed service plan or by agreement with the proponents of the proposed service plan.

Pursuant to Section 32-1-202(2), the governing body "shall find that the service plan contains the following:

- (a) A description of the proposed services;
- (b) A financial plan showing how the proposed services are to be financed, including the proposed operating revenue derived from property taxes for the first budget year of the district, which shall not be materially exceeded except as authorized pursuant to section 32-1-207 (approved under the same procedures as the original service plan) or 29-1-302, (approval of the local division of government or election approval) C.R.S. All proposed indebtedness for the district shall be displayed together with a schedule indicating the year or years in which the debt is scheduled to be issued. The board of directors of the district shall notify the board of county commissioners or the governing body of the municipality of any alteration or revision of the proposed schedule of debt issuance set forth in the financial plan.
- (c) A preliminary engineering or architectural survey showing how the proposed services are to be provided;
- (d) A map of the proposed special district boundaries and an estimate of the population and valuation for assessment of the proposed special district;
- (e) A general description of the facilities to be constructed and the standards of such construction, including a statement of how the facility

and service standards of the proposed special district are compatible with facility and service standards of any county within which all or any portion of the proposed special district is to be located, and of municipalities and special districts which are interested parties pursuant to section 32-1-204(1);

(f) A general description of the estimated cost of acquiring land, engineering services, legal services, administrative services, initial proposed indebtedness and estimated proposed maximum interest rates and discounts, and other major expenses related to the organization and initial operation of the district;

(g) A description of any arrangement or proposed agreement with any political subdivision for the performance of any services between the proposed special district and such other political subdivision, and, if the form contract to be used is available, it shall be attached to the service plan;

(h) Information, along with other evidence presented at the hearing, satisfactory to establish that each of the criteria set forth in section 32- 1-203 (see below), if applicable, is met;

(i) Such additional information as the governing body may require by resolution on which to base its findings pursuant to section 32- 1-203 (see below);

Pursuant to Section 32-1-203(2), C.R.S., the governing body “shall disapprove the service plan unless evidence satisfactory to the board of each of the following is presented:”

(a) There is sufficient existing and projected need for organized service in the area to be serviced by the proposed special district.

(b) The existing service in the area to be served by the proposed special district is inadequate for present and projected needs.

(c) The proposed special district is capable of providing economical and sufficient service to the area within its proposed boundaries.

(d) The area to be included in the proposed special district has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis.

Pursuant to Section 32-1-203 (2.5), C.R.S. the governing body may disapprove the service plan if evidence satisfactory to the governing body that any of the following is not presented:

- (a) Adequate service is not, or will not be, available to the area through the county or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis.
- (b) The facility and service standards of the proposed special district are compatible with the facility and service standards of each county within which the proposed special district is to be located and each municipality which is an interested party under section 32-1-204(1) (the City of Grand Junction).
- (c) The proposal is in substantial compliance with a master plan adopted pursuant to section 30-28-106, C.R.S (the City of Grand Junction's Growth Plan).
- (d) The proposal is in compliance with any duly adopted county, regional, or state long-range water quality management plan for the area.
- (e) The creation of the proposed special district will be in the best interests of the area proposed to be served.

City Staff has reviewed the service plan and the intergovernmental agreement along with the additional information provided (included herein as attachments) and believe that the service plan includes the required information, that the intergovernmental agreement is appropriate with the service plan, and that the criteria have been met, but it is City Council, as the governing body, that has the authority to review, consider and make the determination that the service plan is sufficient, that the criteria have been met for purposes of approval of the service plan, and to give the approval to enter into the intergovernmental agreement.

SERVICE PLAN

FOR

REDLANDS MESA METROPOLITAN DISTRICT

CITY OF GRAND JUNCTION, COLORADO

Prepared

by

McGeady Sisneros, P.C.
450 E. 17th Avenue, Suite 400
Denver, Colorado 80203

Submitted: July 24, 2008

TABLE OF CONTENTS

I. INTRODUCTION 1
 A. Purpose and Intent 1
 B. Need for the District. 1
 C. Objective of the City Regarding District’s Service Plan. 1

II. DEFINITIONS 2

III. BOUNDARIES 3

IV. PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION . 3

V. DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES 4
 A. Powers of the District and Service Plan Amendment..... 4
 1. Operations and Maintenance Limitation 4
 2. Acquisition of Land for Public Improvements and Easements. 4
 3. Construction Standards Limitation..... 4
 4. Privately Placed Debt Limit 4
 5. Inclusion Limitation 5
 6. Total Debt Issuance Limitation 5
 7. Monies from Other Governments/Sources 5
 8. Consolidation Limitation..... 5
 9. Bankruptcy Limitation..... 5
 10. Service Plan Amendment Requirement..... 6
 B. Preliminary Engineering Survey. 6

VI. REGIONAL IMPROVEMENTS 6

VII. FINANCIAL PLAN 6
 A. General..... 6
 B. Maximum Voted Interest Rate and Maximum Underwriting Discount 7
 C. Maximum Debt Mill Levy..... 7
 D. Debt Repayment Sources..... 8
 E. Debt Instrument Disclosure Requirement. 8
 F. Security for Debt. 8
 G. TABOR Compliance. 8
 H. District’s Operating Costs. 8

VIII. ANNUAL REPORT 9
 A. General..... 9
 B. Report Contents. 9

IX. DISSOLUTION..... 9

X. DISCLOSURE TO PURCHASERS 10

XI. INTERGOVERNMENTAL AGREEMENT	10
XII. CONCLUSION	10

LIST OF EXHIBITS

EXHIBIT A	Legal Descriptions
EXHIBIT B	Vicinity Map
EXHIBIT C	District Boundary Map
EXHIBIT D	Intergovernmental Agreement

I. INTRODUCTION

A. Purpose and Intent.

The District is an independent unit of local government, separate and distinct from the City, as hereinafter defined, and, except as may otherwise be provided for by State, as hereinafter defined, or local law or this Service Plan, its activities are subject to review by the City only insofar as they may deviate in a material manner from the requirements of the Service Plan or intergovernmental agreements between the City and the District. It is intended that the District will provide a part or all of the Public Improvements, as hereinafter defined, for the use and benefit of the inhabitants and taxpayers of the District. The primary purpose of the District will be to finance the construction of these Public Improvements.

B. Need for the District.

There are currently no other governmental entities, including the City, located in the immediate vicinity of the District that consider it desirable, feasible or practical to undertake the planning, design, acquisition, construction, installation, relocation, redevelopment, and financing of the Public Improvements needed for the Project, as hereinafter defined. The District is therefore necessary in order for the Public Improvements required for the Project to be provided in the most economical manner possible.

C. Objective of the City Regarding District's Service Plan.

The City's objective in approving the Service Plan for the District is to authorize the District to provide for the planning, design, acquisition, construction, installation, relocation and redevelopment of the Public Improvements from the proceeds of Debt, as hereinafter defined, to be issued by the District. All Debt is expected to be repaid by taxes, fees, rates and tolls. No debt service mill levy shall be imposed and collected at a level higher than the Maximum Debt Mill Levy, as hereinafter defined, for residential properties. Debt which is issued within these parameters, as further described in the Financial Plan, as hereinafter defined, will insulate property owners from excessive tax burdens to support the servicing of the Debt and will result in a timely and reasonable discharge of the Debt.

This Service Plan is intended to establish both a limited purpose for the District and explicit financial constraints that are not to be violated under any circumstances. The primary purpose is to provide for the Public Improvements associated with development and regional needs. Operational activities are allowed, but only as authorized by an intergovernmental agreement with the City.

It is the intent of the District to dissolve upon payment or defeasance of all Debt incurred or upon a court determination that adequate provision has been made for the payment of all Debt, and if the District has operating functions, to retain only the power necessary to impose and collect taxes or fees to pay for these costs.

The District shall be authorized to finance the Public Improvements that can be funded from Debt to be repaid from tax revenues collected from a mill levy which shall not exceed the Maximum Debt Mill Levy on commercial and residential properties. It is the intent

of this Service Plan to assure to the extent possible that no commercial or residential property bear an economic burden that is greater than that associated with the Maximum Debt Mill Levy even under bankruptcy or other unusual situations. Generally, the cost of Public Improvements that cannot be funded within these parameters are not costs to be paid by the District. With regard to Regional Improvements, this Service Plan also provides for the District to pay a portion of the cost of regional infrastructure as part of ensuring that those that benefit from development pay for the associated costs.

II. DEFINITIONS

In this Service Plan, the following terms shall have the meanings indicated below, unless the context hereof clearly requires otherwise:

Approved Development Plan: means a development plan or other process established by the City for identifying, among other things, Public Improvements necessary for facilitating development of property within the Service Area as approved by the City pursuant to the City Code and as amended pursuant to the City Code from time to time.

Board: means the board of directors of the District.

Bond, Bonds or Debt: means bonds or other obligations for the payment of which the District has promised to impose an *ad valorem* property tax mill levy.

City: means the City of Grand Junction, Colorado.

City Code: means the City Code of the City of Grand Junction, Colorado.

City Council: means the City Council of the City of Grand Junction, Colorado.

District: means Redlands Mesa Metropolitan District.

District Boundaries: means the boundaries of the area described in the District Boundary Map.

District Boundary Map: means the map attached hereto as **Exhibit C**, describing the District's boundaries.

External Financial Advisor: means a consultant that: (i) advises Colorado governmental entities on matters relating to the issuance of securities by Colorado governmental entities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities; (ii) shall be an underwriter, investment banker, or individual listed as a public finance advisor in the Bond Buyer's Municipal Market Place; and (iii) is not an officer or employee of the District and has not been otherwise engaged to provide services in connection with the transaction related to the applicable Debt.

Financial Plan: means the Financial Plan of the District as described in Section VII, which describes (i) how the Public Improvements are to be financed; (ii) how the Debt is

expected to be incurred; and (iii) the estimated operating revenue derived from property taxes for the first budget year.

Maximum Debt Mill Levy: means the maximum mill levy the District is permitted to impose for payment of Debt as set forth in Section VII.C below.

Project: means the development or property commonly referred to as Redlands Mesa.

Public Improvements: means a part or all of the improvements authorized to be planned, designed, acquired, constructed, installed, relocated, redeveloped and financed as generally described in the Special District Act, except as specifically limited in Section V below to serve the future taxpayers and inhabitants of the Service Area as determined by the Board of the District.

Regional Improvements: means the redevelopment of the area known as the Painted Bowl, in connection with which the District will work collaboratively with the City to develop plans and to determine the sum of money that the District shall contribute toward the redevelopment.

Service Area: means the property within the District Boundary Map.

Service Plan: means this service plan for the District as approved by City Council.

Service Plan Amendment: means an amendment to the Service Plan as approved by City Council in accordance with the City's ordinance and the applicable state law.

Special District Act: means Section 32-1-101, *et seq.*, of the Colorado Revised Statutes, as amended from time to time.

State: means the State of Colorado.

III. BOUNDARIES

The area of the District Boundaries includes approximately 65.925 acres. A legal description of the District Boundaries is attached hereto as **Exhibit A**. A vicinity map is attached hereto as **Exhibit B**. A map of the District Boundaries is attached hereto as **Exhibit C**.

IV. PROPOSED LAND USE/POPULATION PROJECTIONS/ASSESSED VALUATION

The Service Area consists of approximately 65.925 acres of residential land. The current assessed valuation of the Service Area is \$-0- for purposes of this Service Plan and, at build out, is expected to be sufficient to reasonably discharge the Debt under the Financial Plan. The population of the District at build-out is estimated to be approximately five hundred (500) people.

Approval of this Service Plan by the City does not imply approval of the development of a specific area within the District, nor does it imply approval of the number of residential units

identified in this Service Plan or any of the exhibits attached thereto, unless the same is contained within an Approved Development Plan.

V. **DESCRIPTION OF PROPOSED POWERS, IMPROVEMENTS AND SERVICES**

A. **Powers of the District and Service Plan Amendment.**

The District shall have the power and authority to provide the Public Improvements and related operation and maintenance services within and without the boundaries of the District as such power and authority is described in the Special District Act and other applicable statutes, common law and the Constitution, subject to the limitations set forth herein.

1. **Operations and Maintenance Limitation.** The purpose of the District is to plan for, design, acquire, construct, install, relocate, redevelop and finance the Public Improvements. It is not the District's intention to own any Public Improvements that are of the type that would normally be dedicated to the City. The District shall dedicate the Public Improvements to the appropriate jurisdiction in a manner consistent with the Approved Development Plan and other rules and regulations of the City and applicable provisions of the City Code.

Those Public Improvements that are not conveyed to the City, or other governmental entities as appropriate, will be conveyed to the owners association. With regard to those Public Improvements that will be dedicated to the owners association, the District shall undertake the operations and maintenance responsibilities for the improvements until such time as they are accepted by the owners association. During the period that District operates such facilities, revenue to pay the expenses of operations may be obtained from fees legally imposed by the District or other legally available revenues of the District. User fees for use of recreational facilities may be different for residents of the District than for outside users. Approval of this Service Plan by the City constitutes the City's agreement that the District may perform these functions.

2. **Acquisition of Land for Public Improvements and Easements.** The District agrees to acquire by easement or plat dedication, or cause the dedication to the City of all land required by the City for construction of public improvements being provided by the District that will be conveyed to the City. Exceptions must be approved by the City in writing. Failure to comply with this provision shall be deemed to be a material modification of this Service Plan.

3. **Construction Standards Limitation.** The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City or other governmental entities having proper jurisdiction. The District will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work.

4. **Privately Placed Debt Limit:** Prior to the issuance of any privately placed Debt, the District shall obtain the certification of an External Financial Advisor substantially as follows:

We are [I am] an External Financial Advisor within the meaning of the District's Service Plan.

We [I] certify that (1) the net effective interest rate (calculated as defined in Section 32-1-103(12), C.R.S.) to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

5. Inclusion Limitation. The District shall not include within its boundaries any property outside the Service Area without the prior written consent of the City Council.

6. Total Debt Issuance Limitation. The District shall not issue Debt in excess of \$10,000,000.

7. Monies from Other Governments/Sources. The District shall not apply for or accept Conservation Trust Funds, Great Outdoors Colorado Funds, or other funds available from or through governmental or non-profit entities that the City is eligible to apply for, except pursuant to an intergovernmental agreement with the City. This section shall not apply to specific ownership taxes which shall be distributed to and a revenue source for the District without any limitation.

8. Consolidation Limitation. The District shall not file a request with any Court to consolidate with another Title 32 district without the prior written consent of the City.

9. Bankruptcy Limitation. All of the limitations contained in this Service Plan, including, but not limited to, those pertaining to the Maximum Debt Mill Levy, have been established under the authority of the City to approve a Service Plan with conditions, pursuant to Section 32-1-204.5, C.R.S. It is expressly intended that such limitations:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Service Plan Amendment; and

(b) Are, together with all other requirements of Colorado law, included in the "political or governmental powers" reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the "regulatory or electoral approval necessary under applicable nonbankruptcy law" as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

Any Debt, issued with a pledge or which results in a pledge, that exceeds the Maximum Debt Mill Levy, shall be deemed a material modification of this Service Plan pursuant to Section 32-1-207, C.R.S., and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the City as part of a Service Plan Amendment.

10. Service Plan Amendment Requirement. This Service Plan has been designed with sufficient flexibility to enable the District to provide required services and facilities under evolving circumstances without the need for numerous amendments. Actions of the District which violate the limitations set forth in this Service Plan or an intergovernmental agreement shall be deemed to be material modifications to this Service Plan and breaches of such intergovernmental agreement, and the City shall be entitled to all remedies available at law or in equity under State and local law.

B. Preliminary Engineering Survey.

The District shall have authority to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment, maintenance, and financing of the Public Improvements within and without the boundaries of the District, to be more specifically defined in an Approved Development Plan. An estimate of the costs of the Public Improvements which may be planned for, designed, acquired, constructed, installed, relocated, redeveloped, maintained or financed was prepared based upon a preliminary engineering survey and estimates derived from the zoning on the property in the Service Area and is approximately \$10,000,000.

All of the Public Improvements will be designed in such a way as to assure that the Public Improvements standards will be compatible with those of the City and shall be in accordance with the requirements of the Approved Development Plan. All construction cost estimates are based on the assumption that construction conforms to applicable local, State or Federal requirements.

VI. REGIONAL IMPROVEMENTS

The District shall be authorized to coordinate with the City for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of the Regional Improvements. The District shall also be authorized to contribute a portion of the capital costs and/or operation and maintenance costs of the Regional Improvements, in amounts as will be agreed upon and set forth in an intergovernmental agreement to be entered into between the District and the City. Such intergovernmental agreement will be separate and distinct from the intergovernmental agreement which is attached hereto as **Exhibit D**. The District shall fund its contribution to the Regional Improvements from Bond proceeds.

VII. FINANCIAL PLAN

A. General.

The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of the Public Improvements from its revenues and by and through the proceeds of Debt to be issued by the District. The Financial Plan for the District shall be to issue such Debt as the District can reasonably pay from revenues derived from the Maximum Debt Mill Levy and other legally available revenues. The total Debt that the District shall be permitted to issue shall not exceed \$10,000,000 and shall be permitted to be issued on a schedule and in such year or years as the District determines shall meet the needs of the Financial Plan referenced above and phased to serve development as it occurs. All bonds and other Debt issued by the District may be payable from any and all legally available revenues

of the District, including general *ad valorem* taxes to be imposed upon all taxable property within the District. The District will also rely upon various other revenue sources authorized by law. These will include the power to assess fees, rates, tolls, penalties, or charges as provided in Section 32-1-1001(1), C.R.S., as amended from time to time.

B. Maximum Voted Interest Rate and Maximum Underwriting Discount.

The interest rate on any Debt is expected to be the market rate at the time the Debt is issued. In the event of a default, the proposed maximum interest rate on any Debt is not expected to exceed eighteen percent (18%). The proposed maximum underwriting discount will be five percent (5%). Debt, when issued, will comply with all relevant requirements of this Service Plan, State law and Federal law as then applicable to the issuance of public securities.

C. Maximum Debt Mill Levy.

The “Maximum Debt Mill Levy” shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District for payment of Debt, and shall be determined as follows:

1. For any portion of the District’s aggregate Debt which exceeds fifty percent (50%) of the District’s assessed valuation, the Maximum Debt Mill Levy for such portion of Debt shall be fifty (50) mills less the number of mills necessary to pay unlimited mill levy Debt described in Section VII.C.2 below; adjusted to account for changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement. The mill levy limitation applicable to such Debt may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that, to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after January 1, 2008, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

2. For any portion of the District’s aggregate Debt which is equal to or less than fifty percent (50%) of the District’s assessed valuation, either on the date of issuance or at any time thereafter, the mill levy to be imposed to repay such portion of Debt shall not be subject to the Maximum Debt Mill Levy and, as a result, the mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation of rate.

3. For purposes of the foregoing, once Debt has been determined to be within Section VII.C.2 above, so that the District is entitled to pledge to its payment an unlimited *ad valorem* mill levy, the District may provide that such Debt shall remain secured by such unlimited mill levy, notwithstanding any subsequent change in the District’s Debt to assessed ratio. All Debt issued by the District must be issued in compliance with the requirements of Section 32-1-1101, C.R.S., and all other requirements of State law.

D. Debt Repayment Sources.

The District may impose a mill levy on taxable property within its boundaries as a primary source of revenue for repayment of debt service and for operations and maintenance. The District may also rely upon various other revenue sources authorized by law. At the District's discretion, these may include the power to assess fees, rates, tolls, penalties, or charges as provided in Section 32-1-1001(1), C.R.S., as amended from time to time. In no event shall the debt service mill levy in the District exceed the Maximum Debt Mill Levy.

E. Debt Instrument Disclosure Requirement.

In the text of each Bond and any other instrument representing and constituting Debt, the District shall set forth a statement in substantially the following form:

By acceptance of this instrument, the owner of this Bond agrees and consents to all of the limitations in respect of the payment of the principal of and interest on this Bond contained herein, in the resolution of the District authorizing the issuance of this Bond and in the Service Plan for creation of the District. Similar language describing the limitations in respect of the payment of the principal of and interest on Debt set forth in this Service Plan shall be included in any document used for the offering of the Debt for sale to persons, including, but not limited to, a developer of property within the boundaries of the District.

F. Security for Debt.

The District shall not pledge any revenue or property of the City as security for the indebtedness set forth in this Service Plan. Approval of this Service Plan shall not be construed as a guarantee by the City of payment of any of the District's obligations; nor shall anything in the Service Plan be construed so as to create any responsibility or liability on the part of the City in the event of default by the District in the payment of any such obligation.

G. TABOR Compliance.

The District will comply with the provisions of TABOR. In the discretion of the Board, the District may set up other qualifying entities to manage, fund, construct and operate facilities, services, and programs. To the extent allowed by law, any entity created by the District will remain under the control of the District's Board.

H. District's Operating Costs.

The estimated cost of acquiring land, engineering services, legal services and administrative services, together with the estimated costs of the District's organization and initial operations, is part of the estimated cost of Public Improvements, which will be eligible for reimbursement from Debt proceeds.

In addition to the capital costs of the Public Improvements, the District will require operating funds for administration and to plan and cause the Public Improvements to be constructed and maintained. The first year's operating budget for the District is anticipated to be approximately \$60,000 and will be derived from property taxes, developer advances and other revenues.

The Maximum Debt Mill Levy for the repayment of Debt shall not apply to the District's ability to increase its mill levy as necessary for provision of operation and maintenance services to its taxpayers and service users.

VIII. ANNUAL REPORT

A. General.

The District shall be responsible for submitting an annual report to the City Attorney's office no later than August 1st of each year.

B. Report Contents.

The annual report shall include information as to any of the following:

1. Boundary changes made or proposed to the District's boundary as of December 31st of the prior year.
2. Agreements with other governmental entities, either entered into or proposed as of December 31st of the prior year.
3. A list of all facilities and improvements constructed or acquired by the District and those that have been dedicated to and accepted by the City as of December 31st of the prior year.
4. Audit of the District's financial statements, for the year ending December 31st of the previous year, prepared in accordance with generally accepted accounting principles or audit exemptions, if applicable.
5. Notice of continuing disclosure undertaking for events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument.
6. Any inability of the District to pay its obligations as they come due in accordance with the terms of and Debt instruments, which continue beyond a ninety (90) day period.

IX. DISSOLUTION

Upon an independent determination of the City Council that the purposes for which the District was created have been accomplished, the District agrees to file a petition in the appropriate District Court for dissolution, pursuant to the applicable State statutes. In no event

shall a dissolution occur until the District has provided for the payment or discharge of all its outstanding indebtedness and other financial obligations as required pursuant to State statutes.

X. DISCLOSURE TO PURCHASERS

The District will use reasonable efforts to assure that all developers of the property located within the District provide written notice to all purchasers of property in the District regarding the Maximum Debt Mill Levy, as well as a general description of the District's authority to impose and collect rates, fees, tolls and charges.

XI. INTERGOVERNMENTAL AGREEMENT

The form of the intergovernmental agreement is attached hereto as **Exhibit D**. The District shall approve the intergovernmental agreement in the form attached as **Exhibit D** within ninety (90) days of the date of organization. Failure of the District to execute the intergovernmental agreement as required herein shall constitute a material modification and shall require a Service Plan Amendment. The City Council shall approve the intergovernmental agreement in the form attached as **Exhibit D** at the public hearing approving the Service Plan. The intergovernmental agreement may be amended by mutual agreement of the City and District, which amendment shall not require this Service Plan to be amended. In the event of conflict between the intergovernmental agreement and this Service Plan, the intergovernmental agreement shall govern.

XII. CONCLUSION

It is submitted that this Service Plan for the District, as required by Section 32-1-203(2), C.R.S., establishes that:

1. There is sufficient existing and projected need for organized service in the area to be serviced by the District;
2. The existing service in the area to be served by the District is inadequate for present and projected needs;
3. The District is capable of providing economical and sufficient service to the area within its proposed boundaries;
4. The area to be included in the District does have, and will have, the financial ability to discharge the proposed indebtedness on a reasonable basis; and
5. Adequate service is not, and will not be, available to the area through the City or county or other existing municipal or quasi-municipal corporations, including existing special districts, within a reasonable time and on a comparable basis;
6. The facility and service standards of the District are compatible with the facility and service standards of the City within which the special district is to be located and each municipality which is an interested party under Section 32-1-204(1), C.R.S.;

7. The proposal is in substantial compliance with a comprehensive plan adopted pursuant to the City Code;

8. The proposal is in compliance with any duly adopted City, regional or state long-range water quality management plan for the area; and

9. The creation of the District is in the best interests of the area proposed to be served.

EXHIBIT A
Legal Description

EXHIBIT A

PROPERTY DESCRIPTION

Block 8 of Redlands Mesa Filing 1, according to the plat recorded at Reception No. 1957570, County of Mesa, Colorado.

Block 9 of Redlands Mesa Filing 1, according to the plat recorded at Reception No. 1957570, County of Mesa, Colorado.

Block 3 of Redlands Mesa Filing 1 Replat according to the plat recorded at Reception No. 2103247, County of Mesa, Colorado,
EXCEPT that parcel conveyed to the City of Grand Junction in Book 2823 at Page 961 of the Mesa County records.

Block 2, Redlands Mesa Filing 7, according to the Final Plat thereof recorded February 23, 2006 at Reception No. 2303274 in the Office of the Clerk and Recorder of Mesa County, Colorado.

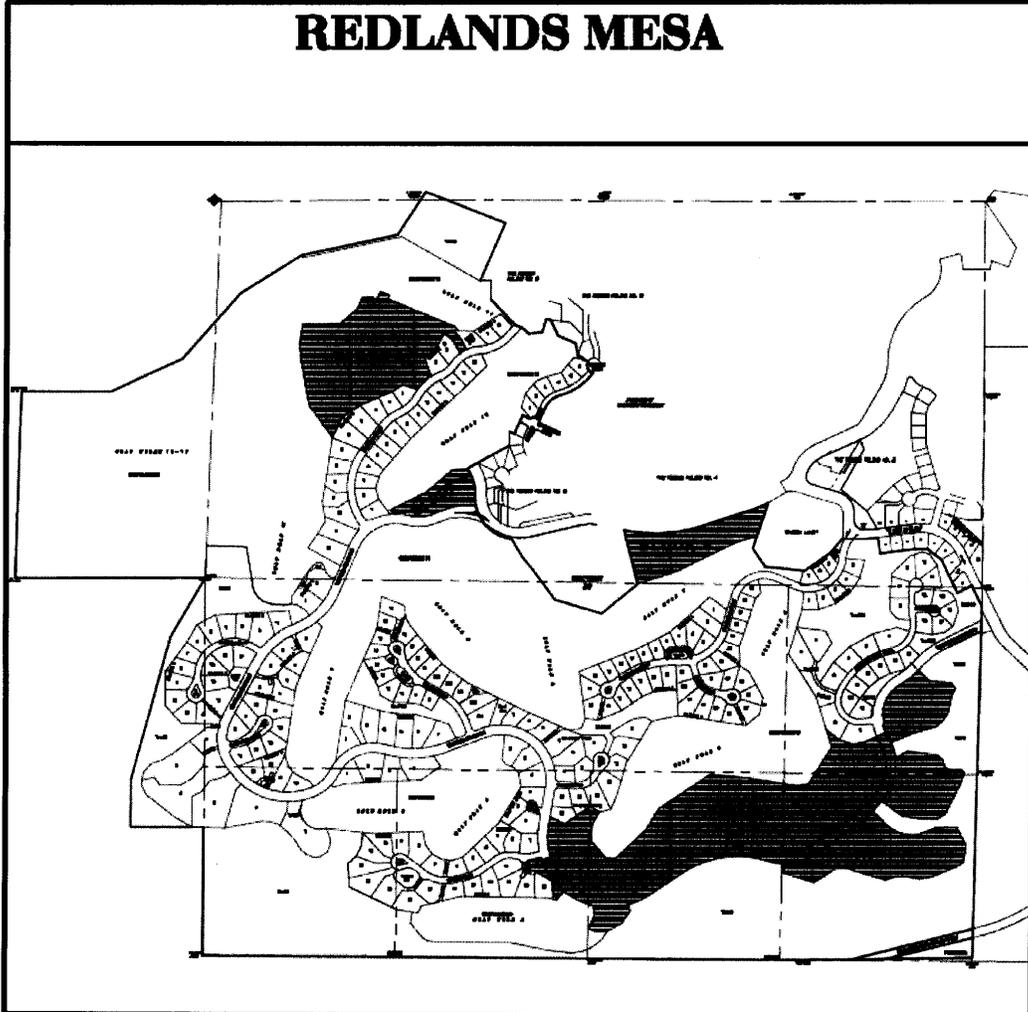
EXHIBIT B

Vicinity Map

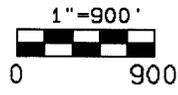
EXHIBIT C
District Boundary Map

EXHIBIT C

REDLANDS MESA



 METRO DISTRICT



THIS EXHIBIT IS FOR THE PURPOSE OF GRAPHICALLY REPRESENTING A WRITTEN DESCRIPTION - IT DOES NOT REPRESENT A MONUMENTED BOUNDARY SURVEY

	RIVERCITY	744 Horizon Ct.
	CONSULTANTS	Suite 110
		Grand Junction
		CO 81506
		970-241-4722
Drawn: ket	Checked: drs	May 13, 2008
S:\PROJECTS\0356 Redlands Mesa\010 Planning\RMall.pro		

EXHIBIT D

Intergovernmental Agreement

EXHIBIT D

Intergovernmental Agreement Between the District and Grand Junction

**INTERGOVERNMENTAL AGREEMENT BETWEEN
THE CITY OF GRAND JUNCTION, COLORADO
AND
REDLANDS MESA METROPOLITAN DISTRICT**

THIS AGREEMENT is made and entered into as of this ____ day of _____, _____, by and between the CITY OF GRAND JUNCTION, a home-rule municipal corporation of the State of Colorado (“City”), and REDLANDS MESA METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”). The City and the District are collectively referred to as the Parties.

RECITALS

WHEREAS, the District was organized to provide those services and to exercise powers as are more specifically set forth in the District’s Service Plan approved by the City on _____ (“Service Plan”); and

WHEREAS, the Service Plan makes reference to the execution of an intergovernmental agreement between the City and the District; and

WHEREAS, the City and the District have determined it to be in the best interests of their respective taxpayers, residents and property owners to enter into this Intergovernmental Agreement (“Agreement”).

NOW, THEREFORE, in consideration of the covenants and mutual agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

COVENANTS AND AGREEMENTS

1. **Operations and Maintenance.** The District shall dedicate the Public Improvements (as defined in the Service Plan) to the City or other appropriate jurisdiction or owners association in a manner consistent with the Approved Development Plan and other rules and regulations of the City and applicable provisions of the City Code.

The District is expected to undertake all ownership, operations and maintenance responsibilities for the Public Improvements that are not conveyed to the City or other governmental entities as appropriate, and will do so either itself or by contract with owner associations as noted above. If the District operates the facilities, revenue to pay the expenses of operations may be obtained from fees legally imposed by the District or other legally available revenues of the District. Whether the facilities are operated directly by District, or are operated by the associations, user fees may be obtained by the District to offset the expenses. User fees for use of recreational facilities may be different for residents of the District than for outside

users. Approval of the Service Plan by the City constitutes the City's agreement that the District may perform these functions.

2. Acquisition of Land for Public Improvements and Easements. The District agrees to acquire by easement or plat dedication, or cause the dedication to the City of, all land required by the City for construction of public improvements being provided by the District that will be conveyed to the City. Exceptions must be approved by the City in writing. Failure to comply with this provision shall be deemed to be a material modification of the Service Plan. The District agrees to acquire all land needed by the City for construction of normal street improvements required by the City through dedication by the District's developers. Exceptions must be approved by the City in writing. Failure to acquire all land needed by the City for such construction of street improvements shall be deemed to be a material modification of the Service Plan.

3. Construction Standards. The District will ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the City and of other governmental entities having proper jurisdiction and in accordance with the requirements of the Approved Development Plan. The District will obtain the City's approval of civil engineering plans and will obtain applicable permits for construction and installation of Public Improvements prior to performing such work. All construction cost estimates are based on the assumption that construction conforms to applicable local, State or Federal requirements.

4. Issuance of Privately Placed Debt. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of an External Financial Advisor substantially as follows:

We are [I am] an External Financial Advisor within the meaning of the District's Service Plan.

We [I] certify that (1) the net effective interest rate (calculated as defined in Section 32-1-103(12), C.R.S.) to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District.

5. Inclusion. The District shall not include within its boundaries any property outside the Service Area (as defined in the Service Plan) without the prior written consent of the City Council.

6. Monies from Other Governments/Sources. The District shall not apply for or accept Conservation Trust Funds, Great Outdoors Colorado Funds, or other funds available from or through governmental or non-profit entities that the City is eligible to apply for, except pursuant to an intergovernmental agreement with the City. This section shall not apply to

specific ownership taxes which shall be distributed to and a revenue source for the District without any limitation.

7. Total Debt Issuance. The District shall not issue Debt in excess of \$10,000,000.

8. Consolidation. The District shall not file a request with any Court to consolidate with another Title 32 district without the prior written consent of the City.

9. Bankruptcy Limitation. All of the limitations contained in this Service Plan, including, but not limited to, those pertaining to the Maximum Debt Mill Levy have been established under the authority of the City to approve a Service Plan with conditions pursuant to Section 32-1-204.5, C.R.S. It is expressly intended that such limitations:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent a Service Plan Amendment; and

(b) Are, together with all other requirements of Colorado law, included in the “political or governmental powers” reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the “regulatory or electoral approval necessary under applicable nonbankruptcy law” as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

Any Debt issued with a pledge or which results in a pledge that exceeds the Maximum Debt Mill Levy shall be deemed a material modification of this Service Plan pursuant to Section 32-1-207, C.R.S., and shall not be an authorized issuance of Debt unless and until such material modification has been approved by the City as part of a Service Plan Amendment.

10. Dissolution. Upon an independent determination of the City Council that the purposes for which the District was created have been accomplished, the District agrees to file a petition in the appropriate District Court for dissolution pursuant to the applicable State statutes. In no event shall a dissolution occur until the District has provided for the payment or discharge of all of its outstanding indebtedness and other financial obligations as required pursuant to State statutes.

11. Disclosure to Purchasers. The District will use reasonable efforts to assure that all developers of property located within the District provide written notice to all purchasers of property in the District regarding the Maximum Debt Mill Levy, as well as a general description of the District’s authority to impose and collect rates, fees, tolls and charges.

12. Service Plan Amendment Requirement. Actions of the District which violate the limitations set forth in the Service Plan or this Agreement shall be deemed to be material modifications to the Service Plan and breaches of this Agreement and the City shall be entitled to all remedies available at law or in equity under State and local law.

13. Annual Report. The District shall be responsible for submitting an annual report to the City Attorney’s office no later than August 1st of each year.

(a.) Report Contents.

The annual report shall include information as to any of the following:

- (i) Boundary changes made or proposed to the District's boundary as of December 31st of the prior year;
- (ii) Agreements with other governmental entities, either entered into or proposed as of December 31st of the prior year;
- (iii) A list of all facilities and improvements constructed or acquired by the District and those that have been dedicated to and accepted by the City as of December 31st of the prior year;
- (iv) Audit of the District's financial statements for the year ending December 31st of the previous year prepared in accordance with generally accepted accounting principles or audit exemptions, if applicable;
- (v) Notice of continuing disclosure undertaking for events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument; and
- (vi) Any inability of the District to pay its obligations as they come due in accordance with the term of any Debt instruments, which continue beyond a ninety (90) day period.

14. **Regional Improvements.** The District shall be authorized to coordinate with the City for the planning, design, acquisition, construction, installation, relocation and/or redevelopment of the Regional Improvements. The District shall also be authorized to contribute a portion of the capital costs and/or operation and maintenance costs of the Regional Improvements, in amounts as will be agreed upon and set forth in an intergovernmental agreement to be entered into between the District and the City.

15. **Maximum Debt Mill Levy.** The "Maximum Debt Mill Levy" shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District for payment of Debt, and shall be determined as follows:

- (a) For any portion of the District's aggregate Debt which exceeds fifty percent (50%) of the District's assessed valuation, the Maximum Debt Mill Levy for such portion of Debt shall be fifty (50) mills less the number of mills necessary to pay unlimited mill levy Debt described in Section VII.C.2 of the Service Plan; provided that if, on or after January 1, 2008, there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement; the mill levy limitation applicable to such Debt may be increased or decreased to reflect such changes. Such increases or decreases are to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after January 1, 2008, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

(b) For any portion the District's aggregate Debt which is equal to or less than fifty percent (50%) of the District's assessed valuation, either on the date of issuance or at any time thereafter, the mill levy to be imposed to repay such portion of Debt shall not be subject to the Maximum Debt Mill Levy and, as a result, the mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation of rate.

(c) For purposes of the foregoing, once Debt has been determined to be within Section VII.C.2 of the Service Plan, so that the District is entitled to pledge to its payment an unlimited *ad valorem* mill levy, the District may provide that such Debt shall remain secured by such unlimited mill levy, notwithstanding any subsequent change in the District's Debt to assessed ratio. All Debt issued by the District must be issued in compliance with the requirements of Section 32-1-1101, C.R.S., and all other requirements of State law.

To the extent that the District is composed of or subsequently organized into one or more subdistricts as permitted under Section 32-1-1101, C.R.S., the term "District" as used herein shall be deemed to refer to the District and to each such subdistrict separately, so that each of the subdistricts shall be treated as a separate, independent district for purposes of the application of this definition.

16. Debt Instrument Disclosure Requirement. In the text of each Bond and any other instrument representing and constituting Debt, the District shall set forth a statement in substantially the following form:

By acceptance of this instrument, the owner of this Bond agrees and consents to all of the limitations in respect of the payment of the principal of and interest on this Bond contained herein, in the resolution of the District authorizing the issuance of this Bond and in the Service Plan for creation of the District. Similar language describing the limitations in respect to the payment of the principal of and interest on Debt set forth in this Service Plan shall be included in any document used for the offering of the Debt for sale to persons, including, but not limited to, a developer of property within the boundaries of the District.

17. Security for Debt. The District shall not pledge any revenue or property of the City as security for the indebtedness set forth in the Service Plan. Approval of the Service Plan and this Agreement shall not be construed as a guarantee by the City of payment of any of the District's obligations, nor shall anything in the Service Plan or this Agreement be construed so as to create any responsibility or liability on the part of the City in the event of default by the District in the payment of any such obligation.

18. Notices. All notices, demands, requests or other communications to be sent by one party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the address or by courier delivery, via Federal Express or other nationally recognized overnight air courier service, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To the District: Redlands Mesa Metropolitan District

To the City: City of Grand Junction

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with Federal Express or other nationally recognized overnight air courier service or three (3) business days after deposit in the United States mail. By giving the other party hereto at least ten (10) days written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

19. Amendment. This Agreement may be amended, modified, changed, or terminated in whole or in part only by a written agreement duly authorized and executed by the Parties hereto and without amendment to the Service Plan.

20. Assignment. Neither Party hereto shall assign any of its rights nor delegate any of its duties hereunder to any person or entity without having first obtained the prior written consent of the other Party, which consent will not be unreasonably withheld. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

21. Default/Remedies. In the event of a breach or default of this Agreement by any Party, the non-defaulting Party shall be entitled to exercise all remedies available at law or in equity, specifically including suits for specific performance and/or monetary damages. In the event of any proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party in such proceeding shall be entitled to obtain as part of its judgment or award its reasonable attorneys' fees.

22. Governing Law and Venue. This Agreement shall be governed and construed under the laws of the State of Colorado.

23. Inurement. Each of the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

24. Integration. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

25. Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the District and the City any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the District and the City shall be for the sole and exclusive benefit of the District and the City.

26. Severability. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

27. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.

28. Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

29. Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Service Plan.

REDLANDS MESA
METROPOLITAN DISTRICT

By: _____
President

Attest:

Secretary

CITY OF GRAND JUNCTION, COLORADO

By: _____
Mayor

Attest:

By: _____
Its: _____

APPROVED AS TO FORM: _____

SUBMITTAL OF ADDITIONAL INFORMATION

To: Stephanie Tuin and Jamie Beard

From: McGeady Sisneros, P.C.

Date: July 24, 2008

Re: Submittal of Additional Information – Redlands Mesa Metropolitan District

Enclosed herewith is additional information for your consideration in connection with the Service Plan for the Redlands Mesa Metropolitan District:

1. Capital Improvements Cost Estimate; and
2. Financial Plan.

Please contact MaryAnn McGeady or Angela Rathbun of our office should you have any questions about these documents. Thank you.

CAPITAL IMPROVEMENTS COST ESTIMATE

CAPITAL IMPROVEMENTS COST ESTIMATE

Date: May 13, 2008
Redlands Mesa

Parcel #	1	3	4	13A	13B	14	15A	15B
Lots	39	12	20	56	1	31	14	14
Item Description								
1	\$ 175,500	\$ 72,000	\$ 120,000	\$ 280,000	\$ 3,000	\$ 186,000	\$ 119,000	\$ 119,000
2	\$ 175,500	\$ 72,000	\$ 120,000	\$ 280,000	\$ 3,000	\$ 186,000	\$ 119,000	\$ 119,000
3	\$ 877,500	\$ 360,000	\$ 600,000	\$ 1,400,000	\$ 15,000	\$ 930,000	\$ 595,000	\$ 595,000
4	\$ 263,250	\$ 108,000	\$ 180,000	\$ 420,000	\$ 4,500	\$ 279,000	\$ 178,500	\$ 178,500
5	\$ 263,250	\$ 108,000	\$ 180,000	\$ 420,000	\$ 4,500	\$ 279,000	\$ 178,500	\$ 178,500
Subtotal Infrastructure	\$ 1,755,000	\$ 720,000	\$ 1,200,000	\$ 2,800,000	\$ 30,000	\$ 1,880,000	\$ 1,190,000	\$ 1,190,000
6	\$ 280,800	\$ 115,200	\$ 192,000	\$ 448,000	\$ 4,800	\$ 287,600	\$ 190,400	\$ 190,400
7	\$ 35,100	\$ 14,400	\$ 24,000	\$ 56,000	\$ 600	\$ 37,200	\$ 23,800	\$ 23,800
8	\$ 87,750	\$ 36,000	\$ 60,000	\$ 140,000	\$ 1,500	\$ 93,000	\$ 59,500	\$ 59,500
9	\$ 351,000	\$ 144,000	\$ 240,000	\$ 560,000	\$ 6,000	\$ 372,000	\$ 238,000	\$ 238,000
10	\$ 175,500	\$ 72,000	\$ 120,000	\$ 280,000	\$ 3,000	\$ 186,000	\$ 119,000	\$ 119,000
Subtotal Other	\$ 930,150	\$ 381,600	\$ 516,000	\$ 1,204,000	\$ 12,900	\$ 789,800	\$ 511,700	\$ 511,700
GRAND TOTALS								
	\$ 2,685,150	\$ 1,101,600	\$ 1,716,000	\$ 4,004,000	\$ 42,900	\$ 2,669,800	\$ 1,701,700	\$ 1,701,700

FINANCIAL PLAN

(00125131.DOC v.1)

REDLANDS MESA METROPOLITAN DISTRICT
 Development Projection at 40.00 Debt Service Mills plus Facility Fees
 Series 2012 Non-Rated Bonds, 30-year maturity

YEAR	Total Resale Units	Blennial Reassessmt @ 2.0%	Cumulative Market Value @ 7.5% (2-yr lag)	Aced Value @ 7.5% of Market (2-yr lag)	Cumulative Market Value @ 20.0% of Market (2-yr lag)	Aced Value @ 20.0% of Market (2-yr lag)	Total Collected Assessed Value	Debt Svc Mill Levy	Total Collections @ 94.0%	S.O. Taxes Collected @ 8%	Facility Fees Collected	Total Available Revenue
2008	0	0	0	0	0	0	\$0	40.000	\$0	\$0	\$0	0
2009	0	0	0	0	1,742,807	1,742,807	\$0	40.000	\$0	\$0	\$0	0
2010	21	0	17,447,100	0	4,325,700	0	\$0	40.000	0	0	65,545	65,545
2011	64	0	61,622,484	0	5,622,949	505,356	505,356	40.000	19,810	1,595	203,752	225,147
2012	83	1,232,450	121,425,656	1,388,789	1,708,988	1,254,453	2,643,242	40.000	103,615	8,289	269,526	381,430
2013	21	139,583,456	4,905,150	898,170	1,630,626	6,535,776	40,000	256,202	20,496	69,557	348,256	348,256
2014	11	2,791,669	153,062,627	9,665,482	0	405,606	10,161,089	40.000	398,315	31,965	37,163	467,343
2015	0	153,062,627	11,110,843	0	285,989	11,396,632	40,000	446,756	35,740	0	482,496	482,496
2016	0	3,061,253	196,123,880	12,183,785	0	12,183,785	477,604	40.000	477,604	38,208	0	515,813
2017	0	156,123,880	12,183,785	0	0	12,183,785	477,604	40.000	477,604	38,208	0	515,813
2018	0	3,122,478	159,246,357	12,427,461	0	12,427,461	487,156	40.000	487,156	38,973	0	526,129
2019	0	159,246,357	12,427,461	0	0	12,427,461	487,156	40.000	487,156	38,973	0	526,129
2020	0	3,184,927	162,431,284	12,676,010	0	12,676,010	496,900	40.000	496,900	39,752	0	536,652
2021	0	162,431,284	12,676,010	0	0	12,676,010	496,900	40.000	496,900	39,752	0	536,652
2022	3,248,626	165,679,910	12,929,530	0	0	12,929,530	506,638	40.000	506,638	40,547	0	547,385
2023	0	165,679,910	12,929,530	0	0	12,929,530	506,638	40.000	506,638	40,547	0	547,385
2024	3,313,698	168,993,508	13,188,121	0	0	13,188,121	516,974	40.000	516,974	41,358	0	558,332
2025	0	168,993,508	13,188,121	0	0	13,188,121	516,974	40.000	516,974	41,358	0	558,332
2026	3,379,870	172,373,378	13,451,883	0	0	13,451,883	527,314	40.000	527,314	42,185	0	569,499
2027	0	172,373,378	13,451,883	0	0	13,451,883	527,314	40.000	527,314	42,185	0	569,499
2028	3,447,468	175,820,846	13,720,921	0	0	13,720,921	537,860	40.000	537,860	43,029	0	580,889
2029	0	175,820,846	13,720,921	0	0	13,720,921	537,860	40.000	537,860	43,029	0	580,889
2030	3,516,417	179,337,263	13,985,339	0	0	13,985,339	548,617	40.000	548,617	43,889	0	592,507
2031	0	179,337,263	13,985,339	0	0	13,985,339	548,617	40.000	548,617	43,889	0	592,507
2032	3,586,745	182,924,008	14,275,246	0	0	14,275,246	559,590	40.000	559,590	44,767	0	604,357
2033	0	182,924,008	14,275,246	0	0	14,275,246	559,590	40.000	559,590	44,767	0	604,357
2034	3,658,480	186,582,488	14,560,751	0	0	14,560,751	570,781	40.000	570,781	45,663	0	616,444
2035	0	186,582,488	14,560,751	0	0	14,560,751	570,781	40.000	570,781	45,663	0	616,444
2036	3,731,650	190,314,138	14,851,966	0	0	14,851,966	582,197	40.000	582,197	46,576	0	628,773
2037	0	190,314,138	14,851,966	0	0	14,851,966	582,197	40.000	582,197	46,576	0	628,773
2038	3,806,263	194,120,421	15,149,005	0	0	15,149,005	593,841	40.000	593,841	47,507	0	641,348
2039	0	194,120,421	15,149,005	0	0	15,149,005	593,841	40.000	593,841	47,507	0	641,348
2040	3,882,408	198,002,829	15,451,985	0	0	15,451,985	605,718	40.000	605,718	48,457	0	654,175
2041	0	198,002,829	15,451,985	0	0	15,451,985	605,718	40.000	605,718	48,457	0	654,175
2042	3,960,057	201,962,886	15,761,025	0	0	15,761,025	617,632	40.000	617,632	49,427	0	667,259
200	52,924,378								15,865,311	1,269,225	645,543	17,780,079

REDLANDS MESA METROPOLITAN DISTRICT
 Development Projection at 40.00 Debt Service Mills plus Facility Fees
 Series 2012 Non-Rated Bonds, 30-year maturity

YEAR	Net Available for Debt Svc	Series 2012 \$4,976,000 Per (Net \$5,270 MM) Net Debt Service	Annual Surplus	Surplus Release @ 50% DIA to \$200,000	Cum. Surplus \$487,500 Target	Senior Debt/ Assessed Ratio	Senior Debt/ Act'l Value Ratio
2008	0	0	0	0	0	n/a	0%
2009	0	0	0	0	0	n/a	0%
2010	65,545	65,545	65,545	65,545	65,545	n/a	23%
2011	225,147	225,147	225,147	225,147	280,692	1004%	8%
2012	381,430	\$0	381,430	381,430	672,122	192%	4%
2013	346,256	367,125	(20,869)	346,256	651,262	102%	5%
2014	467,343	483,638	(16,594)	467,343	634,658	96%	4%
2015	482,488	483,638	(1,441)	482,488	633,217	59%	4%
2016	515,813	513,938	1,875	515,813	635,092	55%	4%
2017	515,813	511,688	4,125	515,813	639,217	55%	4%
2018	526,129	524,638	1,691	526,129	640,909	53%	4%
2019	526,129	521,063	5,066	526,129	645,975	53%	4%
2020	536,652	532,686	3,964	536,652	649,939	51%	4%
2021	547,365	533,188	3,464	547,365	653,404	51%	4%
2022	547,365	543,313	4,072	547,365	657,476	49%	4%
2023	556,332	542,313	5,072	556,332	662,548	49%	4%
2024	556,332	555,938	2,395	556,332	667,620	47%	4%
2025	556,332	553,063	5,270	556,332	672,692	46%	4%
2026	568,499	564,813	4,686	568,499	677,764	45%	3%
2027	568,499	565,063	4,436	568,499	682,836	44%	3%
2028	580,869	579,563	1,326	580,869	687,908	42%	3%
2029	580,869	577,188	3,701	580,869	692,980	41%	3%
2030	592,507	589,063	3,444	592,507	698,052	39%	3%
2031	592,507	589,063	3,444	592,507	703,124	37%	3%
2032	604,357	602,938	1,419	604,357	708,196	35%	3%
2033	604,357	599,563	4,794	604,357	713,268	33%	3%
2034	616,444	615,063	1,381	616,444	718,340	31%	2%
2035	616,444	612,938	3,506	616,444	723,412	29%	2%
2036	628,773	624,313	4,460	628,773	728,484	26%	2%
2037	628,773	623,063	5,710	628,773	733,556	24%	2%
2038	641,348	639,938	1,411	641,348	738,628	21%	2%
2039	641,348	638,438	2,911	641,348	743,700	18%	1%
2040	654,175	648,688	4,488	654,175	748,772	15%	1%
2041	654,175	652,563	1,613	654,175	753,844	12%	1%
2042	667,259	664,938	2,321	667,259	758,916	8%	1%
	17,780,079	17,054,813	725,267	725,267	725,267		

[B:\mry1008 (2nd498)]

REDLANDS MESA METROPOLITAN DISTRICT
Operations Revenue and Expense Projection

YEAR	Total Assessed Value	Oper'n/s Mill Levy	Total Collections @ 3.8%	S.O. Taxes Collected @ 8%	Total Available For O&M	Less District Operations @ of \$40,000		Developer Advances for Operations	Developer Payment for Operations	Annual Surplus
						Inf. @ 1% or max 10.0 mills	max 10.0 mills			
2008	0	10,000	0	0	0	0	60,000	60,000	0	0
2009	0	10,000	0	0	0	0	60,000	60,000	0	0
2010	0	10,000	0	0	0	0	61,206	55,857	0	0
2011	505,356	10,000	4,952	386	5,348	27,976	61,818	33,842	0	0
2012	2,643,242	10,000	25,904	2,072	27,976	68,175	62,436	0	6,738	0
2013	6,535,776	10,000	64,051	5,124	69,175	107,545	63,061	0	44,484	0
2014	10,161,069	10,000	98,579	7,966	106,545	120,624	63,891	0	56,933	0
2015	11,396,832	10,000	111,669	8,935	120,604	128,953	64,328	0	64,625	0
2016	12,183,785	10,000	119,401	9,552	128,953	128,953	64,328	0	37,519	26,463
2017	12,427,461	10,000	119,401	9,552	128,953	65,621	64,328	0	0	0
2018	12,427,461	4,989	61,368	4,861	66,227	65,621	65,621	0	0	0
2019	12,427,461	5,039	61,368	4,909	66,277	66,277	66,277	0	0	0
2020	12,676,010	4,989	61,892	4,959	66,851	66,940	66,940	0	0	0
2021	12,676,010	5,039	62,901	5,008	67,909	67,909	67,909	0	0	0
2022	12,929,530	4,990	63,227	5,058	68,285	68,286	68,286	0	0	0
2023	12,929,530	5,040	63,860	5,109	68,969	68,968	68,968	0	0	0
2024	13,188,121	4,990	64,488	5,160	69,658	69,658	69,658	0	0	0
2025	13,188,121	5,040	65,143	5,211	70,355	70,355	70,355	0	0	0
2026	13,451,863	4,991	65,795	5,264	71,056	71,056	71,056	0	0	0
2027	13,451,863	5,041	66,453	5,316	71,769	71,769	71,769	0	0	0
2028	13,720,921	4,991	67,117	5,369	72,487	72,487	72,487	0	0	0
2029	13,720,921	5,041	67,788	5,423	73,211	73,211	73,211	0	0	0
2030	13,995,339	4,992	68,466	5,477	73,944	73,944	73,944	0	0	0
2031	13,995,339	5,042	69,151	5,532	74,683	74,683	74,683	0	0	0
2032	14,275,246	4,992	69,842	5,587	75,430	75,430	75,430	0	0	0
2033	14,275,246	5,042	70,541	5,643	76,184	76,184	76,184	0	0	0
2034	14,560,751	4,993	71,246	5,700	76,946	76,946	76,946	0	0	0
2035	14,560,751	5,043	71,959	5,757	77,715	77,715	77,715	0	0	0
2036	14,851,966	4,993	72,678	5,814	78,493	78,493	78,493	0	0	0
2037	14,851,966	5,043	73,405	5,872	79,277	79,277	79,277	0	0	0
2038	15,149,005	4,994	74,139	5,931	80,070	80,070	80,070	0	0	0
2039	15,149,005	5,044	74,890	5,990	80,871	80,871	80,871	0	0	0
2040	15,451,985	4,994	75,629	6,050	81,680	81,680	81,680	0	0	0
2041	15,451,985	5,044	76,386	6,111	82,496	82,496	82,496	0	0	0
2042	15,761,025	4,995	77,149	6,172	83,321	83,321	83,321	0	0	0
			2,261,042	180,883	2,441,925	2,441,925	2,415,462	210,296	210,289	26,463

REDLANDS MESA METROPOLITAN DISTRICT
 Development Projection - Buildout (updated 05/14/2008)

Product Type	Parcel 1 - Townhomes \$495,000	Parcel 3 - Duplex/Triplex \$605,000	Parcel 4 - Duplex/Triplex \$605,000	Parcel 13A - SFDs \$880,000	Parcel 13B - SFDs \$880,000	Parcel 14 - Patio Homes \$742,500	Parcel 15A - Patio Homes \$742,500	Parcel 15B - Patio Homes \$742,500	Annual Totals
2008	0	0	0	0	0	0	0	0	0
2009	0	0	0	0	0	0	0	0	0
2010	0	0	0	10	1	10	0	0	21
2011	21	0	14	14	1	14	0	0	64
2012	21	14	9	14	0	5	10	10	83
2013	3	0	0	14	0	0	4	0	21
2014	0	0	0	11	0	0	0	0	11
2015	0	0	0	0	0	0	0	0	0
2016	0	0	0	0	0	0	0	0	0
2017	0	0	0	0	0	0	0	0	0
2018	0	0	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	0	0	0
2020	0	0	0	0	0	0	0	0	0
	45	14	23	63	2	29	14	10	200

Notes: MV of Platted/Developed Lots = 10%; one-yr prior to completion
 Facility Fees = \$30/unit, Initiated @ 2% annually
 Completion dates assumed 6mos after "Sales Commencement"

SOURCES AND USES OF FUNDS

**REDLANDS MESA METROPOLITAN DISTRICT
SERIES 2012 G.O. BONDS
Non-Rated, 30-yr maturity**

Dated Date 03/01/2012
Delivery Date 03/01/2012

Sources:

Bond Proceeds:	
Par Amount	6,675,000.00
	<hr/>
	6,675,000.00

Uses:

Project Fund Deposits:	
Project Fund	5,269,531.65
Other Fund Deposits:	
Capitalized Interest Fund	470,968.35
Debt Service Reserve	<hr/>
	667,500.00
	1,138,468.35
Delivery Date Expenses:	
Cost of Issuance (est.)	267,000.00
	<hr/>
	267,000.00
	<hr/>
	6,675,000.00

BOND DEBT SERVICE

**REDLANDS MESA METROPOLITAN DISTRICT
SERIES 2012 G.O. BONDS
Non-Rated, 30-yr maturity**

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2012			125,156.25	125,156.25	
12/01/2012			250,312.50	250,312.50	375,468.75
06/01/2013			250,312.50	250,312.50	
12/01/2013			250,312.50	250,312.50	500,625.00
06/01/2014			250,312.50	250,312.50	
12/01/2014			250,312.50	250,312.50	500,625.00
06/01/2015			250,312.50	250,312.50	
12/01/2015			250,312.50	250,312.50	500,625.00
06/01/2016			250,312.50	250,312.50	
12/01/2016	30,000	7.500%	250,312.50	280,312.50	530,625.00
06/01/2017			249,187.50	249,187.50	
12/01/2017	30,000	7.500%	249,187.50	279,187.50	528,375.00
06/01/2018			248,062.50	248,062.50	
12/01/2018	45,000	7.500%	248,062.50	293,062.50	541,125.00
06/01/2019			246,375.00	246,375.00	
12/01/2019	45,000	7.500%	246,375.00	291,375.00	537,750.00
06/01/2020			244,687.50	244,687.50	
12/01/2020	60,000	7.500%	244,687.50	304,687.50	549,375.00
06/01/2021			242,437.50	242,437.50	
12/01/2021	65,000	7.500%	242,437.50	307,437.50	549,875.00
06/01/2022			240,000.00	240,000.00	
12/01/2022	80,000	7.500%	240,000.00	320,000.00	560,000.00
06/01/2023			237,000.00	237,000.00	
12/01/2023	85,000	7.500%	237,000.00	322,000.00	559,000.00
06/01/2024			233,812.50	233,812.50	
12/01/2024	105,000	7.500%	233,812.50	338,812.50	572,625.00
06/01/2025			229,875.00	229,875.00	
12/01/2025	110,000	7.500%	229,875.00	339,875.00	569,750.00
06/01/2026			225,750.00	225,750.00	
12/01/2026	130,000	7.500%	225,750.00	355,750.00	581,500.00
06/01/2027			220,875.00	220,875.00	
12/01/2027	140,000	7.500%	220,875.00	360,875.00	581,750.00
06/01/2028			215,625.00	215,625.00	
12/01/2028	165,000	7.500%	215,625.00	380,625.00	596,250.00
06/01/2029			209,437.50	209,437.50	
12/01/2029	175,000	7.500%	209,437.50	384,437.50	593,875.00
06/01/2030			202,875.00	202,875.00	
12/01/2030	200,000	7.500%	202,875.00	402,875.00	605,750.00
06/01/2031			195,375.00	195,375.00	
12/01/2031	215,000	7.500%	195,375.00	410,375.00	605,750.00
06/01/2032			187,312.50	187,312.50	
12/01/2032	245,000	7.500%	187,312.50	432,312.50	619,625.00
06/01/2033			178,125.00	178,125.00	
12/01/2033	260,000	7.500%	178,125.00	438,125.00	616,250.00
06/01/2034			168,375.00	168,375.00	
12/01/2034	295,000	7.500%	168,375.00	463,375.00	631,750.00
06/01/2035			157,312.50	157,312.50	
12/01/2035	315,000	7.500%	157,312.50	472,312.50	629,625.00
06/01/2036			145,500.00	145,500.00	
12/01/2036	350,000	7.500%	145,500.00	495,500.00	641,000.00
06/01/2037			132,375.00	132,375.00	
12/01/2037	375,000	7.500%	132,375.00	507,375.00	639,750.00
06/01/2038			118,312.50	118,312.50	
12/01/2038	420,000	7.500%	118,312.50	538,312.50	656,625.00
06/01/2039			102,562.50	102,562.50	
12/01/2039	450,000	7.500%	102,562.50	552,562.50	655,125.00
06/01/2040			85,687.50	85,687.50	
12/01/2040	495,000	7.500%	85,687.50	580,687.50	666,375.00
06/01/2041			67,125.00	67,125.00	
12/01/2041	535,000	7.500%	67,125.00	602,125.00	669,250.00
06/01/2042			47,062.50	47,062.50	
12/01/2042	1,255,000	7.500%	47,062.50	1,302,062.50	1,349,125.00
	6,675,000		12,040,218.75	18,715,218.75	18,715,218.75

NET DEBT SERVICE
REDLANDS MESA METROPOLITAN DISTRICT
SERIES 2012 G.O. BONDS
Non-Rated, 30-yr maturity

Date	Principal	Interest	Debt Service	Total Debt Service	Debt Service Reserve	Capitalized Interest Fund	Net Debt Service	Annual Net Dis
06/01/2012		125,156.25	125,156.25	125,156.25		125,156.25		
12/01/2012		250,312.50	250,312.50	250,312.50	8,343.75	250,312.50	125,156.25	387,125.00
06/01/2013		250,312.50	250,312.50	250,312.50	8,343.75	250,312.50	125,156.25	483,937.50
12/01/2013		250,312.50	250,312.50	250,312.50	8,343.75	250,312.50	125,156.25	483,937.50
06/01/2014		250,312.50	250,312.50	250,312.50	8,343.75	250,312.50	125,156.25	513,937.50
12/01/2014		250,312.50	250,312.50	250,312.50	8,343.75	250,312.50	125,156.25	511,687.50
06/01/2015		250,312.50	250,312.50	250,312.50	8,343.75	250,312.50	125,156.25	524,437.50
12/01/2015	30,000	250,312.50	280,312.50	280,312.50	8,343.75	250,312.50	125,156.25	521,062.50
06/01/2016		249,187.50	249,187.50	249,187.50	8,343.75	249,187.50	125,156.25	524,437.50
12/01/2016	30,000	249,187.50	279,187.50	279,187.50	8,343.75	249,187.50	125,156.25	521,062.50
06/01/2017		248,062.50	248,062.50	248,062.50	8,343.75	248,062.50	125,156.25	532,687.50
12/01/2017	45,000	248,062.50	293,062.50	293,062.50	8,343.75	248,062.50	125,156.25	533,187.50
06/01/2018		246,937.50	246,937.50	246,937.50	8,343.75	246,937.50	125,156.25	543,312.50
12/01/2018	45,000	246,937.50	291,937.50	291,937.50	8,343.75	246,937.50	125,156.25	542,312.50
06/01/2019		244,812.50	244,812.50	244,812.50	8,343.75	244,812.50	125,156.25	555,937.50
12/01/2019	60,000	244,812.50	304,812.50	304,812.50	8,343.75	244,812.50	125,156.25	553,062.50
06/01/2020		242,687.50	242,687.50	242,687.50	8,343.75	242,687.50	125,156.25	543,312.50
12/01/2020	65,000	242,687.50	307,687.50	307,687.50	8,343.75	242,687.50	125,156.25	542,312.50
06/01/2021		240,562.50	240,562.50	240,562.50	8,343.75	240,562.50	125,156.25	555,937.50
12/01/2021	80,000	240,562.50	320,562.50	320,562.50	8,343.75	240,562.50	125,156.25	553,062.50
06/01/2022		237,437.50	237,437.50	237,437.50	8,343.75	237,437.50	125,156.25	543,312.50
12/01/2022	85,000	237,437.50	322,437.50	322,437.50	8,343.75	237,437.50	125,156.25	542,312.50
06/01/2023		235,312.50	235,312.50	235,312.50	8,343.75	235,312.50	125,156.25	555,937.50
12/01/2023	105,000	235,312.50	338,312.50	338,312.50	8,343.75	235,312.50	125,156.25	553,062.50
06/01/2024		229,187.50	229,187.50	229,187.50	8,343.75	229,187.50	125,156.25	564,812.50
12/01/2024	110,000	229,187.50	339,187.50	339,187.50	8,343.75	229,187.50	125,156.25	565,062.50
06/01/2025		225,062.50	225,062.50	225,062.50	8,343.75	225,062.50	125,156.25	579,562.50
12/01/2025	130,000	225,062.50	355,062.50	355,062.50	8,343.75	225,062.50	125,156.25	577,187.50
06/01/2026		220,937.50	220,937.50	220,937.50	8,343.75	220,937.50	125,156.25	589,062.50
12/01/2026	140,000	220,937.50	360,937.50	360,937.50	8,343.75	220,937.50	125,156.25	589,062.50
06/01/2027		215,812.50	215,812.50	215,812.50	8,343.75	215,812.50	125,156.25	602,937.50
12/01/2027	165,000	215,812.50	380,812.50	380,812.50	8,343.75	215,812.50	125,156.25	599,562.50
06/01/2028		209,687.50	209,687.50	209,687.50	8,343.75	209,687.50	125,156.25	615,062.50
12/01/2028	175,000	209,687.50	384,687.50	384,687.50	8,343.75	209,687.50	125,156.25	612,937.50
06/01/2029		202,562.50	202,562.50	202,562.50	8,343.75	202,562.50	125,156.25	624,312.50
12/01/2029	200,000	202,562.50	402,562.50	402,562.50	8,343.75	202,562.50	125,156.25	623,062.50
06/01/2030		195,437.50	195,437.50	195,437.50	8,343.75	195,437.50	125,156.25	
12/01/2030	215,000	195,437.50	410,437.50	410,437.50	8,343.75	195,437.50	125,156.25	
06/01/2031		187,312.50	187,312.50	187,312.50	8,343.75	187,312.50	125,156.25	
12/01/2031	245,000	187,312.50	432,312.50	432,312.50	8,343.75	187,312.50	125,156.25	
06/01/2032		179,187.50	179,187.50	179,187.50	8,343.75	179,187.50	125,156.25	
12/01/2032	260,000	179,187.50	453,187.50	453,187.50	8,343.75	179,187.50	125,156.25	
06/01/2033		169,062.50	169,062.50	169,062.50	8,343.75	169,062.50	125,156.25	
12/01/2033	285,000	169,062.50	483,062.50	483,062.50	8,343.75	169,062.50	125,156.25	
06/01/2034		157,937.50	157,937.50	157,937.50	8,343.75	157,937.50	125,156.25	
12/01/2034	315,000	157,937.50	472,937.50	472,937.50	8,343.75	157,937.50	125,156.25	
06/01/2035		145,812.50	145,812.50	145,812.50	8,343.75	145,812.50	125,156.25	
12/01/2035	350,000	145,812.50	495,812.50	495,812.50	8,343.75	145,812.50	125,156.25	
06/01/2036		132,687.50	132,687.50	132,687.50	8,343.75	132,687.50	125,156.25	
12/01/2036	375,000	132,687.50	507,687.50	507,687.50	8,343.75	132,687.50	125,156.25	
06/01/2037		118,562.50	118,562.50	118,562.50	8,343.75	118,562.50	125,156.25	
12/01/2037		118,562.50	118,562.50	118,562.50	8,343.75	118,562.50	125,156.25	
06/01/2038					8,343.75			

NET DEBT SERVICE
REDLANDS MESA METROPOLITAN DISTRICT
SERIES 2012 G.O. BONDS
Non-Rated, 30-yr maturity

Date	Principal	Interest	Total Debt Service	Debt Service Reserve	Capitalized Interest Fund	Net Debt Service	Annual Net DYS
12/01/2038	420,000	118,312.50	538,312.50	8,343.75		529,968.75	639,937.50
06/01/2039		102,862.50	102,862.50	8,343.75		94,218.75	
12/01/2039	450,000	102,862.50	522,862.50	8,343.75		544,218.75	638,437.50
06/01/2040		85,687.50	85,687.50	8,343.75		77,343.75	
12/01/2040	495,000	85,687.50	580,687.50	8,343.75		572,343.75	649,687.50
06/01/2041		67,125.00	67,125.00	8,343.75		58,781.25	
12/01/2041	535,000	67,125.00	602,125.00	8,343.75		593,781.25	652,562.50
06/01/2042		47,062.50	47,062.50	8,343.75		38,718.75	
12/01/2042	1,255,000	47,062.50	1,302,062.50	675,843.75		626,218.75	664,937.50
	6,675,000	12,040,218.75	18,715,218.75	1,159,781.25	500,625.00	17,054,812.50	17,054,812.50

CAPITALIZED INTEREST FUND
REDLANDS MESA METROPOLITAN DISTRICT
SERIES 2012 G.O. BONDS
Non-Rated, 30-yr maturity
Capitalized Interest Fund

Date	Deposit	Interest @ 2.5%	Principal	Debt Service Reserve	Scheduled Draws	Balance
03/01/2012	470,968.35					470,968.35
06/01/2012		2,943.55	118,040.82	4,171.88	125,156.25	352,927.53
12/01/2012		4,411.59	237,557.16	8,343.75	250,312.50	115,370.37
06/01/2013		1,442.13	115,370.37	8,343.75	125,156.25	
	470,968.35	8,797.27	470,968.35	20,859.38	500,625.00	

Average Life (years): 0.7472

DEBT SERVICE RESERVE FUND
REDLANDS MESA METROPOLITAN DISTRICT
SERIES 2012 G.O. BONDS
Non-Rated, 30-yr maturity

Debt Service Reserve

Date	Deposit	Interest @ 2.5%	Principal	Capitalized Interest Fund	Debt Service	Balance
03/01/2012	667,500					667,500
06/01/2012		4,171.88		-4,171.88		667,500
12/01/2012		8,343.75		-8,343.75		667,500
06/01/2013		8,343.75		-8,343.75		667,500
12/01/2013		8,343.75			-8,343.75	667,500
06/01/2014		8,343.75			-8,343.75	667,500
12/01/2014		8,343.75			-8,343.75	667,500
06/01/2015		8,343.75			-8,343.75	667,500
12/01/2015		8,343.75			-8,343.75	667,500
06/01/2016		8,343.75			-8,343.75	667,500
12/01/2016		8,343.75			-8,343.75	667,500
06/01/2017		8,343.75			-8,343.75	667,500
12/01/2017		8,343.75			-8,343.75	667,500
06/01/2018		8,343.75			-8,343.75	667,500
12/01/2018		8,343.75			-8,343.75	667,500
06/01/2019		8,343.75			-8,343.75	667,500
12/01/2019		8,343.75			-8,343.75	667,500
06/01/2020		8,343.75			-8,343.75	667,500
12/01/2020		8,343.75			-8,343.75	667,500
06/01/2021		8,343.75			-8,343.75	667,500
12/01/2021		8,343.75			-8,343.75	667,500
06/01/2022		8,343.75			-8,343.75	667,500
12/01/2022		8,343.75			-8,343.75	667,500
06/01/2023		8,343.75			-8,343.75	667,500
12/01/2023		8,343.75			-8,343.75	667,500
06/01/2024		8,343.75			-8,343.75	667,500
12/01/2024		8,343.75			-8,343.75	667,500
06/01/2025		8,343.75			-8,343.75	667,500
12/01/2025		8,343.75			-8,343.75	667,500
06/01/2026		8,343.75			-8,343.75	667,500
12/01/2026		8,343.75			-8,343.75	667,500
06/01/2027		8,343.75			-8,343.75	667,500
12/01/2027		8,343.75			-8,343.75	667,500
06/01/2028		8,343.75			-8,343.75	667,500
12/01/2028		8,343.75			-8,343.75	667,500
06/01/2029		8,343.75			-8,343.75	667,500
12/01/2029		8,343.75			-8,343.75	667,500
06/01/2030		8,343.75			-8,343.75	667,500
12/01/2030		8,343.75			-8,343.75	667,500
06/01/2031		8,343.75			-8,343.75	667,500
12/01/2031		8,343.75			-8,343.75	667,500
06/01/2032		8,343.75			-8,343.75	667,500
12/01/2032		8,343.75			-8,343.75	667,500
06/01/2033		8,343.75			-8,343.75	667,500
12/01/2033		8,343.75			-8,343.75	667,500
06/01/2034		8,343.75			-8,343.75	667,500
12/01/2034		8,343.75			-8,343.75	667,500
06/01/2035		8,343.75			-8,343.75	667,500
12/01/2035		8,343.75			-8,343.75	667,500
06/01/2036		8,343.75			-8,343.75	667,500
12/01/2036		8,343.75			-8,343.75	667,500
06/01/2037		8,343.75			-8,343.75	667,500
12/01/2037		8,343.75			-8,343.75	667,500
06/01/2038		8,343.75			-8,343.75	667,500
12/01/2038		8,343.75			-8,343.75	667,500
06/01/2039		8,343.75			-8,343.75	667,500
12/01/2039		8,343.75			-8,343.75	667,500
06/01/2040		8,343.75			-8,343.75	667,500
12/01/2040		8,343.75			-8,343.75	667,500
06/01/2041		8,343.75			-8,343.75	667,500
12/01/2041		8,343.75			-8,343.75	667,500
06/01/2042		8,343.75			-8,343.75	667,500
12/01/2042		8,343.75	667,500		-675,843.75	667,500
	667,500	513,140.63	667,500	-20,859.38	-1,159,781.25	

Average Life (years): 30.7500

RESOLUTION NO. _____

A RESOLUTION APPROVING THE SERVICE PLAN AND INTERGOVERNMENTAL AGREEMENT FOR THE REDLANDS MESA METROPOLITAN DISTRICT

Recitals:

On July 24, 2008, a service plan was filed with the City of Grand Junction with a request to approve the plan for the Redlands Mesa Metropolitan District.

Upon review of the service plan and after public hearing, it appears that it meets the requirements of the *Special District Act*, Part 2 of Article 1 of Title 32, of the Colorado Revised Statutes ("Act").

The service plan with the formation of the district will provide for the financing of construction and installation of public improvements within the service plan area.

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

Upon consideration of the service plan for the Redlands Mesa Metropolitan District (District"), the City Council finds:

- (a) That the terms of the service plan contain the information required pursuant to the Act;
- (b) That the City Council held a public hearing after proper notice was duly published and mailed in accordance with the Act;
- (c) That there is sufficient existing and projected need for organized service in the area to be serviced under the service plan;
- (d) The existing service in the area to be served is inadequate for present and projected needs;
- (e) The special district is capable of providing economical and sufficient service to the area within its proposed boundaries;
- (f) The area included in the special district has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis;
- (g) The District is wholly located within the boundaries of the City of Grand Junction and a general description of the boundaries of its area is:

See the attached Exhibit "A" incorporated herein.

The service plan and intergovernmental agreement for the District is hereby approved.

PASSED and ADOPTED this _____ day of August, 2008.

Attest:

President of the Council

City Clerk

EXHIBIT A

PROPERTY DESCRIPTION

Block 8 of Redlands Mesa Filing 1, according to the plat recorded at Reception No. 1957570, County of Mesa, Colorado.

Block 9 of Redlands Mesa Filing 1, according to the plat recorded at Reception No. 1957570, County of Mesa, Colorado.

Block 3 of Redlands Mesa Filing 1 Replat according to the plat recorded at Reception No. 2103247, County of Mesa, Colorado,
EXCEPT that parcel conveyed to the City of Grand Junction in Book 2823 at Page 961 of the Mesa County records.

Block 2, Redlands Mesa Filing 7, according to the Final Plat thereof recorded February 23, 2006 at Reception No. 2303274 in the Office of the Clerk and Recorder of Mesa County, Colorado.

Attach 9
Set Ballot Titles for the Public Safety Initiative
CITY OF GRAND JUNCTION

CITY COUNCIL AGENDA			
Subject	Public Safety Initiative ballot Issues		
File #			
Meeting Day, Date	Monday, August 18, 2008		
Placement on the Agenda	Consent		Individual X
Date Prepared	August 14, 2008		
Author Name & Title	John Shaver, City Attorney		
Presenter Name & Title	Laurie Kadrich, City Manager Bill Gardner, Police Chief Jodi Romero, Financial Operations Manager John Shaver, City Attorney Ken Watkins, Fire Chief		

Summary: The City Council will be considering possible ballot language to raise the City's sales and use tax by ¼% for the construction and operation of public safety facilities in the City. The City Council will also consider whether to approve a ballot question regarding the TABOR Amendment revenue limitation. If the City Council authorizes the ballot questions the ¼% tax will be repealed upon repayment of the Riverside Parkway debt.

Budget: The Public Safety Project, which includes a main police department, including administrative offices for the fire department, a municipal court, parking, evidence and equipment storage, a main downtown fire station and three neighborhood stations is anticipated to cost \$98 million.

Action Requested: Consideration of ballot questions and adoption of a resolution setting a ballot title and questions.

Attachments: No attachments are provided at this time. Following City Council discussion and direction a draft Resolution and ballot title and question(s) will be provided to the City Council.

RESOLUTION NO. ____-08

A RESOLUTION SETTING TITLES AND SUBMITTING TO THE ELECTORATE ON NOVEMBER 4, 2008 MEASURES TO INCREASE THE SALES AND USE TAX FROM 2.75% TO 3.00% AND TO RETAIN AND SPEND REVENUES AS A VOTER APPROVED REVENUE CHANGE AS DEFINED BY ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION

RECITALS

The City Council of the City of Grand Junction at its August 18, 2008 meeting considered placing a question on the November ballot asking the City electors to approve a ¼% sales tax increase for the construction and operation of seven new public safety buildings in the City known as the Public Safety Initiative.

The hallmark of the proposed Public Safety Initiative will be a new Fire Station #1, a new Police Building, Municipal Court and three neighborhood fire stations. The City Council supports the Public Safety Initiative and believes that the Public Safety Initiative is critical to the continued safety and security of our growing and vibrant community. The ¼% sales tax increase is a reasonable means of furthering the safety and well being of the community.

The City Council also considered at the same meeting a ballot question for the November 4, 2008 election, which if approved, would remove the revenue limitation imposed on the City by the 1992 "Taxpayers Bill of Rights" (TABOR Amendment).

In 1992, the Colorado electorate amended the Colorado Constitution by the passage of TABOR, which requires, among other things that any time fiscal year revenues exceed the limitation imposed by the Amendment for the fiscal year, then the local government must refund the excess revenues unless the voters approve otherwise.

It has been shown in recent studies that a significant portion of the City's general government revenue is derived from sales tax paid by visitors, shoppers and tourists. Because the City is principally funded by sales tax, the tax burden on City residents is reduced. Sales tax funding of municipal services provides a means of sharing the cost of services among all users. Sales tax will be the primary source of excess revenues under the revenue limits imposed by the TABOR Amendment. As a result, approval of the ballot question would allow the City of Grand Junction to retain this important tax revenue to use and pay for the construction, equipment and operation of the Public Safety Initiative and to build other needed City infrastructure and deliver City services.

While the City Council endorses those aspects of TABOR which secure the right of citizens to vote on tax increases and/or for the issuance of debt, the City Council does

find and determine that the revenue cap contained in the amendment, which is tied to the Denver Boulder CPI, should no longer be applied to the City of Grand Junction.

The ballot questions do not repeal TABOR, especially those that require voter approval of any future government debt or tax increases. While one ballot question asks to increase taxes if the second question passes as well, the new tax will terminate.

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

1. Ballot question 2A will provide for the financial resources necessary for the construction, equipment and operation of the City public safety facilities.
2. Following the passage of Question 2B all retained and so called TABOR excess revenues will be used to pay the debt for the Riverside Parkway and no later than 90 days after funds are accumulated to pay the Riverside Parkway debt in full the ¼% sales tax imposed by Question 2A shall terminate. The TABOR excess revenues will then be used to build City infrastructure and deliver City services.

The following questions be submitted to the registered electors on Tuesday, November 4, 2008

QUESTION 2A

SHALL CITY OF GRAND JUNCTION TAXES BE INCREASED \$5,129,091 IN 2009 AND ANNUALLY THEREAFTER BY SUCH ADDITIONAL AMOUNT AS IS GENERATED BY INCREASING THE CITY'S SALES AND USE TAX FROM 2.75% TO 3.00% FOR THE PURPOSE OF FINANCING THE COSTS OF CONSTRUCTING AND OPERATING PUBLIC SAFETY FACILITIES AND ACQUIRING EQUIPMENT FOR THE FACILITIES PROVIDED THAT SUCH TAX INCREASE SHALL TERMINATE IF QUESTION 2B PASSES AT THIS ELECTION AND WHEN THE RIVERSIDE PARKWAY BONDS HAVE BEEN DEFEASED OR ARE OTHERWISE LEGALLY PAID IN FULL; AND SHALL THE CITY BE AUTHORIZED TO COLLECT, RETAIN AND SPEND SUCH REVENUES AND ANY INVESTMENT EARNINGS AND INTEREST ON SUCH REVENUES, AS A VOTER APPROVED REVENUE CHANGE UNDER ARTICLE X, SECTION 20, OF THE COLORADO CONSTITUTION?

_____ Yes
_____ No

QUESTION 2B

COMMENCING NO LATER THAN THE 90TH DAY AFTER THE CITY HAS DEFEASED OR OTHERWISE LEGALLY PAID IN FULL ALL CITY DEBT ISSUED FOR RIVERSIDE PARKWAY SHALL THE CITY OF GRAND JUNCTION BE AUTHORIZED TO COLLECT, RETAIN AND SPEND ALL CITY REVENUES FROM WHATEVER SOURCE, AS A VOTER APPROVED REVENUE CHANGE UNDER ARTICLE X, SECTION 20, OF THE COLORADO CONSTITUTION?

Yes
 No

Adopted this 18th day of August 2008.

Gregg Palmer
President of the Council

ATTEST:

Stephanie Tuin
City Clerk