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**CITY COUNCIL AGENDA
WEDNESDAY, NOVEMBER 2, 2016
250 NORTH 5TH STREET
6:15 P.M. – PRE-MEETING – ADMINISTRATION CONFERENCE ROOM
7:00 P.M. – REGULAR MEETING – CITY HALL AUDITORIUM**

To become the most livable community west of the Rockies by 2025

Call to Order, Pledge of Allegiance, Moment of Silence

Proclamations

[Proclaiming November 11, 2016 as “A Salute to All Veterans 2016” in the City of Grand Junction](#) [Supplemental Documents](#)

[Proclaiming November as “Homeless Teen and Runaway Youth Awareness Month” in the City of Grand Junction](#)

Citizen Comments

[Supplemental Document](#)

Council Reports

Consent Agenda

1. Approval of Minutes

- a. [Minutes of the October 12, 2016 Special Meeting](#)
- b. [Summary of the October 17, 2016 Workshop](#)
- c. [Minutes of the October 19, 2016 Special Session](#)

2. Contracts

- a. [2016 Community Development Block Grant Program Year Subrecipient Contracts](#)

3. Resolutions

- a. [Resolution No. 45-16 – A Resolution Vacating an Irrigation Easement Located within Lot 2, Retherford Subdivision, Located at 2089 Broadway](#)
- b. [Resolution No. 46-16 – A Resolution Authorizing the City Manager to Execute a Contract for the Purchase of the Property at 225 S. 2nd Street in Grand Junction, Colorado](#)

4. Set Public Hearing

- a. Legislative
 - i. [An Ordinance Making Supplemental Appropriations to the 2016 Budget of the City of Grand Junction, Colorado \(Set Hearing for November 16, 2016\)](#)

Regular Agenda

If any item is removed from the Consent Agenda, it will be heard here

5. Public Hearing

- a. Legislative
 - i. [Ordinance No. 4724 – An Ordinance Adopting Amendments to the 2012 Edition of the International Fire Code and Prescribing Regulations Governing Outdoor Burning, Restricted, and Unrestricted Burning; Providing for the Issuance of Permits for Certain Burning Activities and Defining Extinguishment Authority](#) [Supplemental Documents](#)

6. Other Action Item

- a. [Consideration of Additional Funding for Street Maintenance](#)

7. Non-Scheduled Citizens & Visitors

8. Other Business

9. Adjournment

Grand Junction

State of Colorado

PROCLAMATION

WHEREAS, our Veterans have made sacrifices and worked diligently to keep our nation free; and

WHEREAS, it is right for our community and our Nation to seek ways in which to recognize and show our appreciation for those men and women who have faithfully served our country; and

WHEREAS, the citizens across the United States will be celebrating Veteran's Day on November 11, 2016; and

WHEREAS, it is proper for citizens to honor our Veteran's service to our country and there will be a Veterans Day parade on Saturday, November 12, 2016 in Grand Junction beginning at 2:00 p.m. on Main Street; and

WHEREAS, this event will be the 24th annual local parade and salute to our Veterans.

NOW, THEREFORE, I, Phyllis Norris, by the power vested in me as Mayor of the City of Grand Junction, do hereby proclaim November 11, 2016 as

"A SALUTE TO ALL VETERANS 2016"

in the City of Grand Junction.

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the official Seal of the City of Grand Junction this 2nd day of November, 2016.

Mayor



Grand Junction

State of Colorado

PROCLAMATION

WHEREAS, *on any given night over 1,500 youth in Colorado are living in shelters, staying with family or friends, or sleeping without a roof over their heads; and*

WHEREAS, *approximately 20% of youth exiting foster care in Colorado experience homelessness after age 18; and*

WHEREAS, *homeless youth lack the resources necessary to secure basic needs, including access to housing, food, clothing, and adequate and appropriate medical or behavioral health care and face great difficulty in accessing, stabilizing, and succeeding in school, reducing the likelihood of successful graduation; and*

WHEREAS, *homeless youth who drop out of high school are at a higher risk of poverty, and are more likely to be unemployed, turn to crime, need state-funded medical care, get welfare, and pay no taxes; and*

WHEREAS, *awareness of the tragedy of youth homelessness and its causes must be heightened to ensure greater support for effective programs aimed at preventing homelessness and help youth remain off the streets; and*

WHEREAS, *the City of Grand Junction recognizes the potential of these young people and has provided support through Community Development Block Grants made to The House – A Safe Place for Western Slope Teens - and through staff cooperation with the homeless service provider community.*

NOW, THEREFORE, I, Phyllis Norris, by the power vested in me as Mayor of the City of Grand Junction, do hereby proclaim the month of November, 2016 as

“GRAND JUNCTION HOMELESS AND RUNAWAY YOUTH AWARENESS MONTH”

in the City of Grand Junction and urge all citizens to recognize and support the needs of homeless and runaway youth in our community.

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the official Seal of the City of Grand Junction this 2nd day of November, 2016.

Mayor



**GRAND JUNCTION CITY COUNCIL
MINUTES OF SPECIAL MEETING**

October 12, 2016

The City Council of the City of Grand Junction convened into special session on the 12th day of October, 2016 at 7:00 p.m. Those present were Councilmembers Bennett Boeschstein, Chris Kennedy, Duncan McArthur, Rick Taggart, Barbara Traylor Smith, Martin Chazen, and Council President Phyllis Norris. Also present were City Manager Greg Caton, City Attorney John Shaver, and City Clerk Stephanie Tuin.

Council President Norris called the meeting to order. Councilmember Kennedy led the Pledge of Allegiance followed by a moment of silence.

Regular Agenda

Contracts - Three contracts for the construction of the Las Colonias Amphitheater to include: slough excavation, trail work and access, and site, building, and civil work

Rob Schoeber, Parks and Recreation (P&R) Director, introduced the item and explained each contract and the grant funding. Mr. Schoeber said the item is divided into three contracts for slough excavation, Riverfront Trail access, and amphitheater construction which gave contractors the ability to bid on one or more of these elements. Mr. Schoeber then deferred to Traci Wieland, Las Colonias Amphitheater Project Coordinator.

Ms. Wieland explained the process of how the Las Colonias Amphitheater Project had been value-engineered in anticipation of possible funding shortfalls and provided a list of cost saving alternatives that will be implemented to offset deficits. Ms. Wieland said this will allow construction of a functional facility with additions that can be made in the future.

Mr. Schoeber stated the proposed contracts total \$3.3 million and noted items that could be added later and/or installed by City Staff for a total projected cost of \$3.6 million. The timeline, if approved, is to complete the slough this fall and total completion of the project within one year.

Councilmember Kennedy expressed appreciation to the community organizations for their support, to staff for keeping the Las Colonias Project close to the estimated amount, and the flexibility of the contractors. He noted that over a period of time, it is

not unusual for bids to come in higher and to have value-engineering implemented. He asked if there is a contingency built into each contract and if contractors have confidence in their bids. Councilmember Kennedy asked if the Las Colonias Project has the potential to use less materials. He said, in a slowing economy, the Council still needs to move forward with the Las Colonias Project for the betterment of the community.

Ms. Wieland said the contract for the trail portion has a \$12,000 contingency, the amphitheater portion has a \$50,000 contingency, but the slough excavation does not have any contingency however, the contractor is confident in their bid. Ms. Wieland stated that there is potential for the Las Colonias Project to come in under budget regarding items and materials.

Councilmember Taggart stated that in July 2016, the estimated Las Colonias Project budget was \$3.892 million but was reduced to \$3.796 before value-engineering options were implemented. Councilmember Taggart asked for clarification regarding the compliance with the Americans with Disability Act (ADA) for the front stage platform lift, the stage scissor lift, and basic Audio-Visual (AV) equipment being taken out of the budget and the East Wing phasing.

Ms. Wieland addressed each of Councilmember Taggart's concerns: there is an ADA accessible ramp in the backstage area; P&R has a scissor lift that could be shared with this facility; basic AV equipment could be rented as needed (she noted most big acts will have their own equipment); and the East Wing phasing is for a restroom which was added back into the Project at Council's request.

Councilmember Boeschstein asked if the mill tailings have been removed from the site and if the Department of Energy (DOE) and the Department of Public Health and Environment (DOPHE) have certified that the project site is clean and suitable for park development.

Ms. Wieland said it was decided to treat the entire site as contaminated and above the acceptable limit, which provides a framework for the project to move forward by adding clean fill to the level required by the DOE and DOPHE. Ms. Wieland said the DOE and DOPHE have been informed of all changes and improvements to the project for the past 3 years and a letter has been received from the DOE stating the fill level proposed is acceptable.

City Attorney Shaver added that the project is not an enclosed space so contamination and radon are not an issue.

Councilmember McArthur asked Mr. Wieland to indicate on the project diagram where the restrooms will be located and asked for clarification under the fiscal impact and sources section of the budget regarding the line item for the figure of \$116,750.

Ms. Wieland showed the diagram, indicated the restrooms, and stated that the restrooms will be utilized at all times since they will also have trail access.

Mr. Schoeber said the \$116,750 are the additional Conservation Trust Fund (CTF) and Park Improvement funds which are included in the budget and itemized under sources of CTF and Park Land Expansion Fund.

Councilmember Chazen stated the cost of the Las Colonias Project has varied and asked if these are fixed price contracts and if there is any potential to go over budget.

Mr. Schoeber said the budget would not be increased unless approved by staff for unforeseen circumstances but he feels confident in all the material prices. Mr. Schoeber said that staff worked closely with contractors for the Lincoln Sports Complex and will approach this in the same fashion.

Councilmember Chazen noted that the November 2015 estimate was \$3.5 million and increased to almost \$3.9 within six months. He asked what the reason was for this budget increase.

Ms. Wieland said that budgets and cost estimating can change throughout a project however, the changes in the Las Colonias Project budget are most likely due to material costs; this is why value-engineering has been implemented throughout the project.

Councilmember Taggart noted that Council requested bathrooms be added to the project, which would account for some of the cost increase.

Mr. Schoeber said the bathroom addition was part of the increase along with changes to the traffic flow configuration.

Councilmember Chazen asked how much the financial request was to the Department of Local Affairs (DOLA) for this project and, within that budget, what was total project cost was at that time. He asked for confirmation of the total project request and recalled that the total DOLA budget amount was actually \$4.2 million, not \$3.8 million.

Councilmember Chazen also inquired about the payment of the Lions Club financial pledge of \$280,000 asking when this amount would be paid in full. He also asked how much additional expense the City is projected to absorb in the future due to cuts that

have been implemented in the current budget, and if the projected \$146,000 in operating expense has been accounted for in the 2017 budget.

Mr. Schoeber said that the total request for the project was for \$3.8 and the DOLA request was for half that amount, however, DOLA funding came in at \$1.6 which was \$300,000 short of the request. The original project included two wings on the Amphitheater however, the wings were removed due to the DOLA funding shortage. Mr. Schoeber said the Lions Club will complete their financial pledge in 2018. He said the value-engineering included suggestions made by the contractors to reduce costs but will still produce a fully functional facility. Mr. Schoeber said operating expenses for the amphitheater have not been budgeted for 2017; it will be absorbed into the P&R operating budget.

Councilmember Traylor Smith asked why the contract for the slough section of the project came in at about half of the other bids. Mr. Schoeber said that contractor is reputable and has done outstanding work on a past City project.

Councilmember Traylor Smith expressed concern about the operating budget being absorbed by the Grand Junction Parks and Recreation Department, the scaling back of the amphitheater equipment, and the City's overall budget in regards to Las Colonias. Mr. Schoeber responded to each of her concerns.

Council President Norris said she is glad to see local companies submitting bids for this project and asked for verification that the bathroom and sod were the items added back into the budget for \$117,000 and any items that have currently been removed from the project could be added at a future time. Mr. Schoeber confirmed.

Council President Norris said everything that Council asked for in the Spring has been completed and she supports this project.

Councilmember Taggart suggested that CTF be utilized on future purchases of chairs, roll carts, fixtures and that Las Colonias operating be expensed.

Councilmember Traylor Smith asked if the \$117,000 has been accounted for within the 2017 budget or if the amount was taken away from somewhere else within the budget. City Manager Caton stated originally some funds were used to purchase additional property for Mattchett Park. Due to stronger than anticipated development, more contributions to CTF and Open Space funds were received, and made available for this project.

Mr. Schoeber said within the budget, nothing was sacrificed or taken away for this \$117,000 to be added to the Las Colonias Project. Mr. Schoeber stated, if the contracts are approved, the anticipated CTF balance will be \$52,000 in 2017.

Councilmember McArthur stated that the original design for the Las Colonias Project was pared down due to budget constraints, however, the City can request additional grant monies for future upgrades. Mr. Schoeber agreed.

Councilmember Boeschstein asked what percent is funded by grants and other non-city sources. Councilmember Boeschstein thanked the Lion's Cub and several other contributors for their support of the Riverfront area development and quoted a goal from the Economic Development Plans, "to move forward aggressively with Las Colonias Project to stimulate development along the river". Councilmember Boeschstein then commented on research regarding development of river walks and parks which improve the quality of life, and said he supports this project.

Mr. Schoeber said, for the funding of the Las Colonias Project, grants and donations totaled 74% and internal sources totaled 26%.

Councilmember Chazen asked if there was a change in the operating plan for the Las Colonias Project and asked what will be the annual net revenue figure for the Las Colonias Amphitheater. Councilmember Chazen stated that the total investment is \$3.89 million and asked if the City is going to recognize net revenue at the end of 2017. He said he would not support the Las Colonias Project and recommended the process for future park projects provide complete information and complete options from the beginning proposal with total transparency.

Mr. Schoeber used a projection on the economic impact for revenue projections for Las Colonias Project and stated there is no change in the operating plan. Mr. Schoeber said \$75,000 was the projected gross annual income starting in 2018.

Slough Excavation

Councilmember Boeschstein moved to authorize the Purchasing Division to enter into a contract with Con-Sy, Inc. for the excavation of the Slough Channel as part of the Las Colonias Amphitheater Project in the amount of \$214,767.20. Councilmember Kennedy seconded the motion. Motion carried by roll call vote with Councilmember Chazen voting NO.

Trail Work and Access

Councilmember Kennedy moved to authorize the Purchasing Division to enter into a contract with Mountain Valley Contracting for the construction of the trail and median access for the Las Colonias Amphitheater Project in the amount of \$181,025.75.

Councilmember Boeschenstein seconded the motion. Motion carried by roll call vote with Councilmember Chazen voting NO.

Amphitheater

Councilmember McArthur moved to authorize the Purchasing Division to enter into a contract with Asset Engineering Limited for the construction of the Las Colonias Amphitheater to include site, building, and civil work in the amount of \$2,957,599.96.

Councilmember Kennedy seconded the motion. Motion carried by roll call vote with Councilmember Chazen voting NO.

Municipal Court Resolution

Council President Norris proposed that the Council address the Municipal Court Resolution at a future meeting.

Councilmember Kennedy stated if the Municipal Court resolution is not complete, he would strongly recommend the resolution be on the Council meeting agenda on October 19, 2016.

Council President Norris said, even if only minor changes need to be made, she wants to see a complete Municipal Court Resolution before the next Council meeting.

Councilmember Taggart agreed with putting the Municipal Court Resolution on the October 19th agenda.

Councilmember Chazen asked if the Municipal Court Resolution can be completed within a week and be ready for the October 19th agenda.

City Attorney Shaver said he could present a variation to Judge McInnis's Municipal Court Resolution or it could be presented as Judge McInnis has presented it.

Council President Norris stated she saw notes from Judge McInnis and would like to have that version of the Municipal Court Resolution before the next meeting.

City Attorney Shaver said he would provide his version to Council if requested.

Council President Norris said she wants one version of the Municipal Court Resolution that is agreeable with both City Attorney Shaver and Judge McInnis.

Municipal Judge Care' McInnis said the Municipal Court Resolution was submitted on September 19th and she is prepared to proceed when Council puts it on the agenda. Judge McInnis said she would make a minor change to City Attorney Shaver's version of the Municipal Court Resolution.

Councilmember Chazen said he would like just one resolution that everyone is comfortable with, and asked if Council can see the current version from Judge McInnis.

Councilmember McArthur said it is critical that it be resolved before it comes before Council.

Council President Norris said it will go on the next Council meeting's agenda.

Other Business

There was none.

Adjournment

The meeting was adjourned at 8:25 p.m.

Stephanie Tuin, MMC
City Clerk

**GRAND JUNCTION CITY COUNCIL WORKSHOP SUMMARY
October 17, 2016 – Noticed Agenda Attached**

Meeting Convened: 5:35 p.m. in the City Hall Auditorium

Meeting Adjourned: 8:37 p.m.

City Council Members present: All except Councilmembers Boeschstein and Kennedy;
Councilmember Traylor Smith arrived at 6:35 p.m.

Staff present: Caton, Moore, Shaver, McInnis, Hazelhurst, Romero, White, Camper, Watkins, Lanning, Schoeber, Wieland, Vendegna, Mendelson, Valentine, Starr, Brinkman, Kovalik, Taylor, Machado, Bowman, Meyerann, and Tuin

Also: Amy Hamilton (Daily Sentinel), Dennis Simpson, Bruce Lohmiller, and Richard Swingle.

Council President Norris called the meeting to order.

Agenda Topic 1. Budget Overview, Departmental Presentations, Economic Development, and Capital

City Manager Caton noted this is a continuation of the October 3rd Workshop budget discussions and reviewed the agenda. He then introduced Greg Lanning, Public Works Director.

Water and Trash Overview

Mr. Lanning explained that different aspects of Public Works are in various funds. He then reviewed the divisions and positions within the Water Department and showed the physical area serviced by that Division. He noted there are no proposed changes; the 9.5% rate increase will follow the financial plan, but rates will remain lower than other providers.

Mr. Lanning next reviewed the current operations of the Solid Waste Division. He mentioned a rate increase is planned for 2017, but the amount will in part be determined by a proposed landfill increase by the County and therefore not be finalized until that amount is known. These rates will also remain lower than other local providers.

Councilmember Chazen asked if the reserves are sufficient. Mr. Lanning said yes.

Council President Norris asked if the City's lower rates are artificially low and causing issues with other businesses. Darren Starr, Streets and Solid Waste Manager, said the fund goal for Solid Waste is to maintain 15% of operating expenses in reserve to allow for unseen circumstances and at the end of 2016 the fund will have \$1.1 million. He explained City rates typically set the tone for other providers and he anticipates private rates to increase in response to the City's rate increase.

Councilmember Taggart felt the margins for the fund balance are too tight and suggested rates be competitive and not just based on reserve balance needs. He then suggested the Spring Clean-up and Leaf Pick-up programs be charged to the Solid Waste Fund.

City Manager Caton said these charges can be moved upon direction from Council and then explained government rates are typically based on operational costs and fund balance and capital needs; government doesn't depreciate assets or typically operate for profit. It was also noted that the two programs benefit the City at large, not just the ratepayers.

Councilmember Chazen suggested fully loading the Fund and then asked why the Internal Service Charge Funds are up 50%.

City Manager Caton said the increase reflects the increased Enterprise Fund charge back (based on a Colorado Municipal League allocation rate and a recommendation from Raftelis Financial Consultants, Inc.) for business services (discussed at the October 3rd Workshop) and are fair and competitive. Jodi Romero, Financial Operations Director, said best practices, including those from the Government Finance Officers Association, were used to help determine the increased rate.

Councilmember Chazen felt only an external analysis would show if these charges were competitive. City Manager Caton said for Persigo an RFP (request for proposal) could be issued for a study to determine appropriate charge backs which would also be a good comparison for the other Enterprise Funds.

Parks and Recreation

Rob Schoeber, Parks and Recreation (P&R) Director, introduced P&R Managers, reviewed their new mission statement and tag line, current staffing, operations, and Department functions. He noted Intergovernmental Agreements are in effect with the Town of Palisade (for pool operations) and for all trails within the City's jurisdiction, there are four Boards associated with P&R, the 2017 P&R budget decreased by 5%, and the Golf Fund (an Enterprise Fund) decreased by 2%. He then detailed changes to golf fees, new golf passes, and social media marketing. Major 2017 projects are Las Colonias (Phase II), Stocker Stadium turf replacement, Riverfront Trail Maintenance, tennis court improvements, and Lincoln Park Pool covers.

Councilmember Chazen asked what fees go into the Parks Development Fund. Ms. Romero said those are Open Space Fees. He then asked what fees go into Parkland Expansion Fund. Ms. Romero said animal control/dog park fees.

Councilmember Chazen asked if the balance in the Conservation Trust Fund could be moved to help pay for the Turf Replacement project. Mr. Schoeber explained those funds are being held in reserve since bids may come in higher than projected and if the partners are not able to contribute as much as anticipated. He said the finalized bid amount, partner contributions, and if grant funds will be awarded will not be known until 2017; there are two potential grants. City Manager Caton explained this project may not qualify for a grant and this amount may be needed to bridge that gap.

Councilmember Taggart asked if a contingency was budgeted in case the golf courses are not able to open in February. Mr. Schoeber said historically, the courses have opened in February. City Manager Caton explained labor reductions, staff adjustments for a late start, capital improvement changes, and marketing strategies that will provide flexibility noting these changes will position the courses for an increased market share in the coming years. Mr. Schoeber added adjustments to the golf loan payment would provide the most flexibility due to the other cuts.

Councilmember Chazen asked if there is any money in the budget for studies that could lead to a capital project. Mr. Schoeber said not in 2017.

Convention and Visitor Services

Convention and Visitor Services Director Debbie Kovalik gave the budget overview noting the Lodging Tax is projected to increase 5% and reduced staffing (due to a vacancy that won't be filled) will keep their budget flat. She provided additional information on tourism data, awards, and projections noting almost 90% of the budget goes toward operating expenses which includes marketing, advertising, website, sales, special events, and programs. She detailed the Avalon Theatre and Two Rivers Convention Center's (TRCC) 2016 and 2017 bookings.

City Manager Caton mentioned Grand Junction is a finalist for the 2020 Colorado Municipal League Conference.

Ms. Kovalik said since the RFP for TRCC is still in process they are included in the 2017 budget and includes increases for facility rental fees and service club meals and will keep the operating budget flat.

BREAK

Ms. Kovalik showed a short promotional video.

Councilmember Taggart asked why fee increases were not included in the revenue projection. City Manager Caton said since they have not been approved they were not included.

Councilmember Taggart requested the same approach be used for each presentation.

Councilmember Chazen asked why the liquor line item increased. Stuart Taylor, Convention Services Manager, said this had been calculated incorrectly in the past, but was corrected for 2017.

Councilmember Chazen then asked what the revenue projections are for the Avalon Theatre. Ms. Kovalik said 2015 was the Avalon's first full year and more events were held than projected, but fewer events were held and fewer people attended the movie nights in 2016 which is why a \$26,000 loss is projected for 2017. She noted the opportunity is in food and beverage service.

Councilmember McArthur asked where the amphitheater will be listed for budget purposes. City Manager Caton said for now it will be included in P&R, but it has been suggested to move all rental facilities together for centralized event booking.

Councilmember Chazen asked why the Avalon is not turning a profit. Mr. Taylor said the biggest decrease has been in wedding receptions, but four have already been booked for 2017.

Municipal Court

Municipal Court Judge Care McInnis reviewed the Court's mission and operations budget.

Councilmember McArthur asked where Animal Control funds pass through to. Judge McInnis said it goes to the County.

Judge McInnis noted budget reductions, cost savings, proposed fees, efficiencies, and that she is working with the County to implement self-sustaining probation and auto call reminders (both at no

cost). She requested the budget include an increase for judicial time, from .53 FTE (full time equivalent) to .9 FTE, in order to meet State standards.

Councilmember McArthur asked what the 16% increase over the City Managers budget covers. Judge McInnis said it covers the increase in paid time for the .9 FTE. Councilmember McArthur asked what accounted for the decrease in the number of cases. Judge McInnis felt it was due to tickets being processed through diversion and the School District's Pathways Program.

Council President Norris questioned since the proposed Court budget is \$73,000 more than the City Manager's budget which was balanced, how would the additional expense be covered.

Councilmember Chazen asked if any other fees will be implemented to help offset the additional cost. Judge McInnis noted the ACLU (American Civil Liberties Union) is reviewing fees to make sure they are appropriate; she suggested a surcharge for each case and designating Municipal Court as the court of record for traffic cases so fines are not capped at \$300.

City Attorney Shaver said a new designation for a court of record would require an ordinance to amend the Code.

Council President Norris suggested discussing all aspects the Court's budget to ensure appropriate fees are in place.

City Manager Caton said he recommends the City Manager's budget; he noted the bulk of these increases are additional compensation for Judge McInnis, however if Council feels there needs to be a correction in relation to hours worked, he has some strategies to cover the costs.

Councilmember Traylor Smith asked if Judge McInnis has documentation to justify the FTE increase. Judge McInnis said for the past two years she has informally tracked her time and the decreased case load has not reduced her work time.

There was discussion regarding exempt versus non-exempt status in the State. City Attorney Shaver said these categories are based on the Federal Fair Labor Standards Act.

Capital Budget

City Manager Caton mentioned most of Capital was reviewed in the Department overviews.

Councilmember Taggart asked that Road Maintenance Funding be discussed to see if there should be a ballot question in 2017. City Manager Caton said this is scheduled to be discussed during the November 2nd regular meeting. He noted that January 18th is the deadline to certify a question for the City's April 2017 election.

Councilmember Chazen asked if the \$2.2 million reserve in the 401 is earmarked for anything. Internal Services Manager Jay Valentine said it is being set aside for a 2018 Information Technology rewire in City Hall and the amount is sufficient.

Councilmember Chazen then asked if the Fleet replacement reserves are sufficient. Mr. Valentine said the \$1.7 million is sufficient for needed 2017 replacements.

Councilmember Chazen noted there is not a line item for Capital Improvements for buildings. Mr. Valentine said \$250,000 has been set aside in 2017 to help address these issues.

City Manager Caton said early next year a 10-15 year Capital Improvement Plan will be addressed.

Economic Development (ED)

City Manager Caton said these items were, for the most part, budgeted as requested.

There was discussion regarding the HomewardBound (HB) request of \$24,000 and how these operational requests should be budgeted. It was agreed HB should apply for a Community Development Block Grant to help bridge the gap between their requested amount and what was budgeted; \$24,000 of their budgeted request will be removed from the ED list.

The Mesa Land Trust (MLT) request of \$20,000 for trail access from downtown to the Lunch Loop trail head was also talked about. Concern was expressed that conservation easements may be enforced along this access trail and that MLT might have other projects in mind after this. City Attorney Shaver said the City acquired rights-of-way along Monument Road from private land owners and he felt this trail would be a continuation of the same type of acquisitions. City Manager Caton noted a FLAP (federal lands access program) grant for this project was not awarded to the City and that he would follow up with MLT regarding future projects.

A conversation regarding funding for the Arts Commission centered around the Commission forming a 501(c)(3) so they could change their funding model rather than base their entire budget on the City. City Attorney Shaver explained the "1% for the Arts" development fee is to provide funding for art projects from construction of City buildings and said an incentive can be donated by the City to the Commission for agreeing to pursue a new organizational and funding model. It was agreed to fund them for 2017 and direct them to pursue a new model for future years.

Another discussion was about who should support Special Olympics (Sports Commission, VCB, and/or the City).

With no further business the meeting was adjourned.



**GRAND JUNCTION CITY COUNCIL
MONDAY, OCTOBER 17, 2016**

**PRE-MEETING (DINNER) 5:00 P.M. ADMINISTRATION CONFERENCE ROOM
WORKSHOP, 5:30 P.M.
CITY HALL AUDITORIUM
250 N. 5TH STREET**

To become the most livable community west of the Rockies by 2025

- 1. Budget Overview, Departmental Presentations, Economic Development, and Capital**

- 2. Next Workshop Topics**

- 3. Other Business**

GRAND JUNCTION CITY COUNCIL

SPECIAL SESSION MINUTES

OCTOBER 19, 2016

The City Council of the City of Grand Junction, Colorado met in Special Session on Wednesday, October 19, 2016 at 5:30 p.m. in the Administration Conference Room, 2nd Floor, City Hall, 250 N. 5th Street. Those present were Councilmembers Marty Chazen, Chris Kennedy, Duncan McArthur, Barbara Traylor Smith, Rick Taggart, and President of the Council Phyllis Norris. Absent was Councilmember Bennett Boeschenstein. Also present were City Manager Greg Caton, City Attorney John Shaver, and Grand Junction Economic Partnership Executive Director Kristi Pollard.

Councilmember Taggart moved to go into Executive Session to Determine Positions Relative to Matters that may be Subject to Negotiations; Developing Strategy for Negotiations; and Instructing Negotiators Concerning an Incentive Grant Under Colorado Revised Statutes Section 24-6-402(4)(e) of the Open Meetings Law and to Discuss the Purchase, Acquisition, Lease, Transfer, or Sale of Real, Personal, or Other Property Interest under Colorado Revised Statutes Section 24-6-402 (4)(a) of the Open Meetings Law and they will not return to open meeting. Councilmember Chazen seconded the motion. City Attorney Shaver clarified the "grant" could be plural. Motion carried.

The City Council convened into executive session at 5:31 p.m.

Councilmember Chazen moved to adjourn the meeting. Councilmember Kennedy seconded the motion. Motion carried.

The meeting adjourned at 6:40 p.m.

Stephanie Tuin, MMC
City Clerk



Grand Junction City Council

Regular Session

Item #2.a.

Meeting Date: November 2, 2016

Presented by: Kristen Ashbeck,
Senior Planner/CDBG
Administrator

Submitted by: Kristen Ashbeck,
Senior Planner/CDBG
Administrator

Department: Admin. – Com. Dev.

Information

SUBJECT:

2016 Community Development Block Grant (CDBG) Program Year Subrecipient Contracts

RECOMMENDATION:

Approval

EXECUTIVE SUMMARY:

The Subrecipient Contracts formalize the City's award of CDBG funds in the amount of \$6,000 to the Counseling and Education Center and \$5,874 to the Western Colorado Suicide Prevention Foundation, allocated from the City's 2016 CDBG Program Year as approved by City Council at its May 18, 2016 meeting.

BACKGROUND OR DETAILED INFORMATION:

CDBG funds are a Department of Housing and Urban Development (HUD) entitlement grant to the City of Grand Junction which became eligible for the funding in 1996. The City has received \$384,713 for the 2016 Program Year and Council approved amendments to Action Plans of previous program years to utilize a total of \$117,866 remaining funds to be allocated with the 2016 funds for a total allocation of \$502,579. The final funding decision of 15 projects was made by the City Council at its hearing on May 18, 2016. The City's 2016 Program Year began on September 1, 2016 therefore, contracts between the City and the agencies may be executed.

Counseling and Education Center Low Income Counseling

This program provides counseling services for low income citizens. Funds are requested to help pay for 84 more counseling sessions for an estimated 21 clients. The number of persons served is directly related to the amount of funding received. Additional funding in the amount of \$264,131 has been leveraged from other sources for this program.

Western Colorado Suicide Prevention Foundation (WCSPF)

WCSPF is committed to reducing the rate of Suicide in the community by providing diverse prevention and awareness messaging, education and advocacy. With this grant and matching funds of \$10,926, the agency will reach an estimated 3,500 low and moderate income persons in the city limits through targeted outreach in CDBG-eligible neighborhoods.

These agencies are considered “subrecipients” to the City. The City will “pass through” portions of its 2016 Program Year CDBG funds to the agencies but the City remains responsible for the use of these funds. The contracts outline the duties and responsibilities of the agencies and ensure that the subrecipients comply with all Federal rules and regulations governing the use of these funds. The contracts must be approved before the subrecipients may obligate or spend any of these Federal funds. Exhibit A of each of the contracts (Attachments 1 and 2) contain the specifics of the projects and how the money will be used by the subrecipients.

FISCAL IMPACT:

Previously approved 2016 CDBG Program Year Budget:

2016 CDBG Allocation:	\$384,713
Remainder Previous Years:	<u>\$117,866</u>
Total Funding Allocated:	\$502,579

Total allocation includes \$43,000 for program administrative costs including, approximately 40 percent of staff time and salary, fair housing activities, public participation, legal requirements and staff training.

SUGGESTED MOTION:

I MOVE to (authorize or deny) the City Manager to Sign the Subrecipient Contracts between the City of Grand Junction and the Counseling and Education Center and Western Colorado Suicide Prevention Foundation for funding through the City’s 2016 Community Development Block Grant (CDBG) Program Year.

Attachments

ATTACHMENT 1 – Exhibit A, Subrecipient Contract – Counseling and Education Center
ATTACHMENT 2 – Exhibit A, Subrecipient Contract – Western Colorado Suicide Prevention Foundation

ATTACHMENT 1
2016 SUBRECIPIENT CONTRACT FOR
CITY OF GRAND JUNCTION
COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS
EXHIBIT A
SCOPE OF SERVICES

Date Approved: _____

Amount of Grant: \$6,000

Subrecipient: Counseling and Education Center

Completion Date: December 31, 2017

1. The City agrees to pay the Subrecipient, subject to the subrecipient agreement, this Exhibit and attachment to it, \$6,000 from its 2016 Program Year CDBG Entitlement Funds to provide counseling services to low and moderate income persons in Grand Junction, Colorado ("Property").
2. The Subrecipient certifies that it will meet the CDBG National Objective of low/moderate income benefit 570.201(e). It shall meet this objective by providing the above-referenced counseling services in Grand Junction, Colorado.
3. This project consists of providing counseling services to low and moderate income persons that reside within the City limits. It is understood that \$6,000 of City CDBG funds shall be used only for the services described in this agreement. Costs associated with any other elements of the project or above and beyond this amount shall be paid for by other funding sources obtained by the Subrecipient.
4. This project shall commence upon the full and proper execution of the 2016 Subrecipient Agreement and the completion of all necessary and appropriate state and local licensing, environmental permit review, approval and compliance. The project shall be completed on or before the Completion Date.
5. The total budget for the project is estimated to be \$270,131 as follows:

CDBG Funds: \$6,000 Other Funds: \$264,131
6. This project will provide approximately 84 more counseling sessions to an estimated 21 clients.
7. The City shall monitor and evaluate the progress and performance of the Subrecipient to assure that the terms of this agreement are met in accordance with City and other applicable monitoring and evaluating criteria and standards. The Subrecipient shall cooperate with the City relating to monitoring, evaluation and inspection and compliance.

_____ Subrecipient

_____ City of Grand Junction

8. The Subrecipient shall provide quarterly financial and performance reports to the City. Reports shall describe the progress of the project, what activities have occurred, what activities are still planned, financial status, compliance with National Objectives and other information as may be required by the City. A final report shall also be submitted when the project is completed.
9. During a period of five (5) years following the Completion Date the use of the Properties improved may not change unless: A) the City determines the new use meets one of the National Objectives of the CDBG Program, and B) the Subrecipient provides affected citizens with reasonable notice and an opportunity to comment on any proposed changes. If the Subrecipient decides, after consultation with affected citizens that it is appropriate to change the use of the Properties to a use which the City determines does not qualify in meeting a CDBG National Objective, the Subrecipient must reimburse the City a prorated share of the Amount of the Grant the City makes to the project. At the end of the five-year period following the project closeout date and thereafter, no City restrictions under this agreement on use of the Properties shall be in effect.
10. The Subrecipient understands that the funds described in the Agreement are received by the City from the U.S. Department of Housing and Urban Development under the Community Development Block Grant Program. The Subrecipient shall meet all City and federal requirements for receiving Community Development Block Grant funds, whether or not such requirements are specifically listed in this Agreement. The Subrecipient shall provide the City with documentation establishing that all local and federal CDBG requirements have been met.
11. A blanket fidelity bond equal to cash advances as referenced in Paragraph V. (E) will not be required as long as no cash advances are made and payment is on a reimbursement basis.
12. A formal project notice will be sent to the Subrecipient once all funds are expended and a final report is received.

_____ Subrecipient

_____ City of Grand Junction

Attachment 1 – Performance Measures

1.) Output Measures

A. Total Number of unduplicated clients anticipated to be served during the contract: 21

B. Number of unduplicated LMI City residents to be served during the contract: 21

C. Of the City residents to be served, how many will: i) have new or continued access to the service/benefit: 21; ii) have improved access to the service or benefit____ ; and iii) receive the service or benefit that is improved/no longer substandard_____.

2.) Schedule of Performance

Estimate the number of unduplicated City residents to be served per quarter of the contract:

Q1 6 Q2 6 Q3 Q4

3) Payment Schedule

During the contract, funds will be drawn Q1 50% Q2 50% Q3 Q4

4) Outcome Measures

Activity (select one) Senior Service Youth Service Homeless Service
 Disabled Service X LMI Service Fair Housing Service Housing Other
(insert specify)

Primary Objective (select one) X Create a suitable living environment Provide decent, affordable housing Create economic opportunity(ies)

Primary Outcome Measurement (select one) Availability/Accessibility Affordability
X Sustainability

Summarize the means by which outcomes will be tracked, measured and reported
Eligibility and pay rate are determined through the client intake process, when household income is verified by pay stub or income tax return. Clients are charged for services on an income-based sliding fee scale, although no client is turned away due to inability to pay.

 Subrecipient

 City of Grand Junction

ATTACHMENT 2
2016 SUBRECIPIENT CONTRACT FOR
CITY OF GRAND JUNCTION
COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS
EXHIBIT A
SCOPE OF SERVICES

Date Approved: _____

Amount of Grant: \$5,874.00

Subrecipient: Western Colorado Suicide Prevention Foundation

Completion Date: December 31, 2017

1. The City agrees to pay the Subrecipient, subject to the subrecipient agreement, this Exhibit and attachment to it, \$5,874.00 from its 2016 Program Year CDBG Entitlement Funds to be used for targeted community outreach and education in Grand Junction, Colorado. The Foundation is committed to reducing the rate of suicide by encouraging collaborative efforts to provide diverse prevention and awareness messaging, education and advocacy.
2. The Subrecipient certifies that it will meet the CDBG National Objective of low/moderate income benefit 570.208(a). It shall meet this objective by providing the above-referenced community outreach services in Grand Junction, Colorado.
3. The project consists of providing community outreach to targeted neighborhoods and/or targeted populations in Grand Junction that are CDBG-eligible. Outreach may be in the form of small group meetings, trainings, presentations and written and/or web-based materials which may be developed through payment to an intern. It is understood that \$5,874.00 of City CDBG funds shall be used only for the services described in this agreement. Costs associated with any other elements of the project shall be paid for by other funding sources obtained by the Subrecipient.
4. This project shall commence upon the full and proper execution of the 2016 Subrecipient Agreement and the completion of all necessary and appropriate state and local licensing, environmental permit review, approval and compliance. The project shall be completed on or before the Completion Date.
5. The total budget for the project is estimated to be \$\$16,800 as follows:

CDBG Funds: \$5,874 Other Funds: \$10,926
6. This project proposes to serve approximately 3,500 persons within the Grand Junction city limits.
7. The City shall monitor and evaluate the progress and performance of the Subrecipient to assure that the terms of this agreement are met in accordance with City and other applicable monitoring and evaluating criteria and standards. The Subrecipient shall cooperate with the City relating to monitoring, evaluation and inspection and compliance.

_____ Subrecipient

_____ City of Grand Junction

8. The Subrecipient shall provide quarterly financial and performance reports to the City. Reports shall describe the progress of the project, what activities have occurred, what activities are still planned, financial status, compliance with National Objectives and other information as may be required by the City. A final report shall also be submitted when the project is completed.
9. During a period of five (5) years following the Completion Date the use of the Properties improved may not change unless: A) the City determines the new use meets one of the National Objectives of the CDBG Program, and B) the Subrecipient provides affected citizens with reasonable notice and an opportunity to comment on any proposed changes. If the Subrecipient decides, after consultation with affected citizens that it is appropriate to change the use of the Properties to a use which the City determines does not qualify in meeting a CDBG National Objective, the Subrecipient must reimburse the City a prorated share of the Amount of the Grant the City makes to the project. At the end of the five-year period following the project closeout date and thereafter, no City restrictions under this agreement on use of the Properties shall be in effect.
10. The Subrecipient understands that the funds described in the Agreement are received by the City from the U.S. Department of Housing and Urban Development under the Community Development Block Grant Program. The Subrecipient shall meet all City and federal requirements for receiving Community Development Block Grant funds, whether or not such requirements are specifically listed in this Agreement. The Subrecipient shall provide the City with documentation establishing that all local and federal CDBG requirements have been met.
11. A blanket fidelity bond equal to cash advances as referenced in Paragraph V. (E) will not be required as long as no cash advances are made and payment is on a reimbursement basis.
12. A formal project notice will be sent to the Subrecipient once all funds are expended and a final report is received.

_____ Subrecipient

_____ City of Grand Junction

Attachment 1 – Performance Measures

1.) Output Measures

A. Total Number of unduplicated clients anticipated to be served during the contract: 3,500

B. Number of unduplicated LMI City residents to be served during the contract: 3,500

C. Of the City residents to be served, how many will: i) have new or continued access to the service/benefit: 3,500; ii) have improved access to the service or benefit____; and iii) receive the service or benefit that is improved/no longer substandard_____.

2.) Schedule of Performance

Estimate the number of unduplicated City residents to be served per quarter of the contract:

Q1: 500 Q2: 1,000 Q3: 1,000 Q4: 1,000

3) Payment Schedule

During the contract, funds will be drawn Q: 25% Q2: 25% Q3: 25% Q4: 25%

4) Outcome Measures

Activity (select one) ___ Senior Service ___ Youth Service ___ Homeless Service
___ Disabled Service ___ LMI Service ___ Fair Housing Service ___ Housing X Other
(general low-moderate income persons and families)

Primary Objective (select one) X Create a suitable living environment ___ Provide decent, affordable housing ___ Create economic opportunity(ies)

Primary Outcome Measurement (select one) ___ Availability/Accessibility ___ Affordability
X Sustainability

Summarize the means by which outcomes will be tracked, measured and reported

The income of each household/person receiving assistance will be individually verified for eligibility or targeted neighborhoods within the City will be verified for eligibility (51 percent of population low-moderate income).

_____ Subrecipient

_____ City of Grand Junction



Grand Junction City Council

Regular Session

Item #3.a.

Meeting Date: November 2, 2016

Presented by: Scott D. Peterson, Senior Planner **Submitted by:** Scott D. Peterson, Senior Planner

Department: Admin. - Com. Dev.

Information

SUBJECT:

Resolution Vacating an Irrigation Easement Located within Lot 2, Retherford Subdivision, Located at 2089 Broadway

RECOMMENDATION:

The Planning Commission recommended approval of this application at their October 11, 2016 meeting.

EXECUTIVE SUMMARY:

The applicants, Terry, Doug and Dennis Retherford, request the City to vacate a public irrigation easement in anticipation of subdividing the property to create a new lot in order to construct a single-family detached home.

BACKGROUND OR DETAILED INFORMATION:

The existing property (Lot 2, Retherford Subdivision) currently contains a 31' wide irrigation easement along the south property line and a 5' wide irrigation easement along the east property line. These existing irrigation easements were dedicated on the original Retherford Subdivision plat. In July, 2016, this property was annexed into the City and zoned R-4 (Residential – 4 du/ac). The applicants' also have a simple subdivision under review to create a second lot in anticipation of construction of a future single-family detached residence. The property currently contains a single-family detached home and various accessory structures. The Applicant has explained that due to the current width of the irrigation easement, 31' along the south property line, the easement would interfere with the placement of a new single-family residence.

Therefore, the applicants are requesting to vacate the existing irrigation easements located on the property which are no longer utilized nor needed.

The easement was created and used to serve an open irrigation ditch that provided irrigation water for an apple orchard and for Two River's Winery located to the west. However, the irrigation easement has not been utilized within recent memory and the open irrigation ditch and apple orchard have long since been removed. All irrigation water that serves the applicant's property and also for the Winery are located within Broadway or comes from the south along the Redlands Water and Power Company canal. Two River's Winery was made aware of this request and no issues were raised. Furthermore, there are no other public or private utilities located within this easement.

Normally, irrigation easements are not dedicated to the public. However, the dedication language on the original Retherford Subdivision plat dedicated all easements, including the irrigation easement, to the public requiring the vacation to be reviewed and processed by the City of Grand Junction.

FISCAL IMPACT:

There is not a financial impact to the City.

SUGGESTED MOTION:

I MOVE to (approve or deny) Resolution No. 45 -16 – A Resolution Vacating an Irrigation Easement Located within Lot 2, Retherford Subdivision, Located at 2089 Broadway.

Attachments

ATTACHMENT 1 – Planning Commission Staff Report

ATTACHMENT 2 – Proposed Resolution



Date: September 6, 2016

Author: Scott Peterson

Title/ Phone Ext: Senior Planner/x1447

Proposed Schedule:

Planning Commission: October 11, 2016

City Council: November 2, 2016

File #: VAC-2016-475

PLANNING COMMISSION AGENDA ITEM

Subject: Jesse’s Place Irrigation Easement Vacation, Located at 2089 Broadway
Action Requested/Recommendation: Forward a recommendation to City Council to vacate a public irrigation easement as located within Lot 2, Retherford Subdivision
Presenters Name & Title: Scott D. Peterson, Senior Planner

Executive Summary:

The applicants, Terry, Doug and Dennis Retherford, request approval to vacate a public irrigation easement in anticipation of subdividing the property to create a lot to construct a single-family detached home.

Background, Analysis and Options:

The existing property (Lot 2, Retherford Subdivision) currently contains a 31’ wide irrigation easement along the south property line and a 5’ wide irrigation easement along the east property line. These existing irrigation easements were dedicated on the original Retherford Subdivision plat. In July, 2016, this property was annexed into the City and zoned R-4 (Residential – 4 du/ac). The applicants’ also have a simple subdivision under review to create a second lot in anticipation of future single-family detached residence. The property currently contains a single-family detached home and various accessory structures. The Applicant has explained that due to the current width of the irrigation easement, 31’ along the south property line, the easement would interfere with the placement of a new single-family residence. Therefore, the applicants are requesting to vacate the existing irrigation easements located on the property which are no longer utilized nor needed.

The easement was created and used to serve an open irrigation ditch that provided irrigation water for an apple orchard and for Two River’s Winery located to the west. However, the irrigation easement has not been utilized within recent memory and the open irrigation ditch and apple orchard have long since been removed. All irrigation water that serves the applicant’s property and also for the Winery are located within Broadway and do not cross the applicants’ property. Two River’s Winery was made aware of this request and no issues were raised. Furthermore, there are no other public or private utilities located within this easement.

Normally, irrigation easements are not dedicated to the public. However, the dedication language on the original Retherford Subdivision plat dedicated all easements, including

the irrigation easement, to the public requiring the vacation to be reviewed and processed by the City of Grand Junction.

How this item relates to the Comprehensive Plan Goals and Policies:

The request is consistent with the goals and policies of the Comprehensive Plan. The request does not conflict with the Comprehensive Plan.

Economic Development Plan:

The purpose of the adopted Economic Development Plan by City Council is to present a clear plan of action for improving business conditions and attracting and retaining employees. The vacation of an existing public irrigation easement in a residential development does not further the goals of the Economic Development Plan, but it does provide a more desirable building envelope for the proposed new single-family residence.

Other Issues:

No other issues have been identified.

Previously presented or discussed:

This proposal has not been previously discussed.

Attachments:

- Staff Report/Background Information
- Site Location Map
- Aerial Photo Map
- Comprehensive Plan Map
- Zoning Map
- Resolution

BACKGROUND INFORMATION					
Location:		2089 Broadway			
Applicant:		Terry, Doug and Dennis Retherford, Owners			
Existing Land Use:		Single-family residence and accessory structures			
Proposed Land Use:		Simple subdivision to create a second lot to develop for a single-family residence			
Surrounding Land Use:	North	Single-family residential			
	South	Single-family residential			
	East	Single-family residential			
	West	Two Rivers Winery			
Existing Zoning:		R-4 (Residential – 4 du/ac)			
Proposed Zoning:		N/A			
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 PUD (Planned Unit Development)			
Future Land Use Designation:		Residential Medium Low (2 – 4 du/ac)			
Zoning within density range?		X	Yes		No

The proposed request falls under Section 21.02.100 – Vacation of public right-of-way or easement. The purpose of this section is to permit the vacation of surplus rights-of-way and/or easements. This type of request is available for vacation of any street, alley, easement or other public reservation subject to the criteria contained within the section.

Sections 21.02.100 (c) of the Grand Junction Zoning and Development Code:

The vacation of an easement shall conform to the following:

- (1) *The Comprehensive Plan, Grand Valley Circulation Plan and other adopted plans and policies of the City,*

The request to vacate an irrigation easement does not conflict with the Comprehensive Plan, the Grand Valley Circulation Plan or other adopted plans and policies of the City.

Therefore, this criterion has been met.

- (2) *No parcel shall be landlocked as a result of the vacation.*

Because this is a request to vacate an irrigation easement no parcels will be landlocked as a result of the proposed vacation.

Therefore, this criterion has been met.

- (3) *Access to any parcel shall not be restricted to the point where access is unreasonable, economically prohibitive, or reduces or devalues any property affected by the proposed vacation;*

No adverse comments concerning the proposed vacation was received from the utility review agencies or the adjacent property owner indicating that the requested vacation will restrict access or reduce or devalue any property.

Therefore, this criterion has been met.

- (4) *There shall be no adverse impacts on the health, safety, and/or welfare of the general community, and the quality of public facilities and services provided to any parcel of land shall not be reduced (e.g., police/fire protection and utility services);*

There will be no adverse impacts to the general community and the quality of public facilities and services provided will not be reduced due to the proposed vacation as no public utilities, or facilities are located within the existing irrigation easement.

Therefore, this criterion has been met.

- (5) *The provision of adequate public facilities and services shall not be inhibited to any property as required in Chapter 21.06 of the Grand Junction Zoning and Development Code; and*

The provision of adequate public facilities and services will not be inhibited to any property as a result of the proposed vacation request since there are no public utilities located within the easement. No adverse comments concerning the proposed irrigation easement vacation was received from the utility review agencies or adjacent property owners during the staff review process.

Therefore, this criterion has been met.

- (6) *The proposal shall provide benefits to the City such as reduced maintenance requirements, improved traffic circulation, etc.*

Maintenance requirements for the City will not change as a result of the proposed irrigation easement vacation since there are no public utilities located within the easement areas requested for vacation.

Therefore, this criterion has been met.

FINDINGS OF FACT AND CONCLUSIONS:

After reviewing the Jesse's Place Irrigation Easement Vacation application, VAC-2016-475 to vacate public irrigation easements, the following findings of fact and conclusions have been determined:

1. The requested Irrigation Easement vacations do not conflict with the goals and polices of the Comprehensive Plan.
2. The review criteria in Section 21.02.100 (c) of the Grand Junction Zoning and Development Code have all been met or addressed.

STAFF RECOMMENDATION:

I recommend that the Planning Commission forward a recommendation of approval of the requested Irrigation Easement vacations, VAC-2016-475 to the City Council with the findings of fact and conclusions as stated within the staff report.

RECOMMENDED PLANNING COMMISSION MOTION:

Madam Chairman, on item VAC-2016-475, I move we forward a recommendation of approval to the City Council on the request to vacate public Irrigation Easements with the findings of fact and conclusions as stated within the staff report.

Jesse's Place Irrigation Ease Vacation Site Location Map



Date: 9/29/2016

1 inch = 458 feet

City of Grand Junction
COLORADO

Jesse's Place Irrigation Ease Vacation Aerial Photo Map

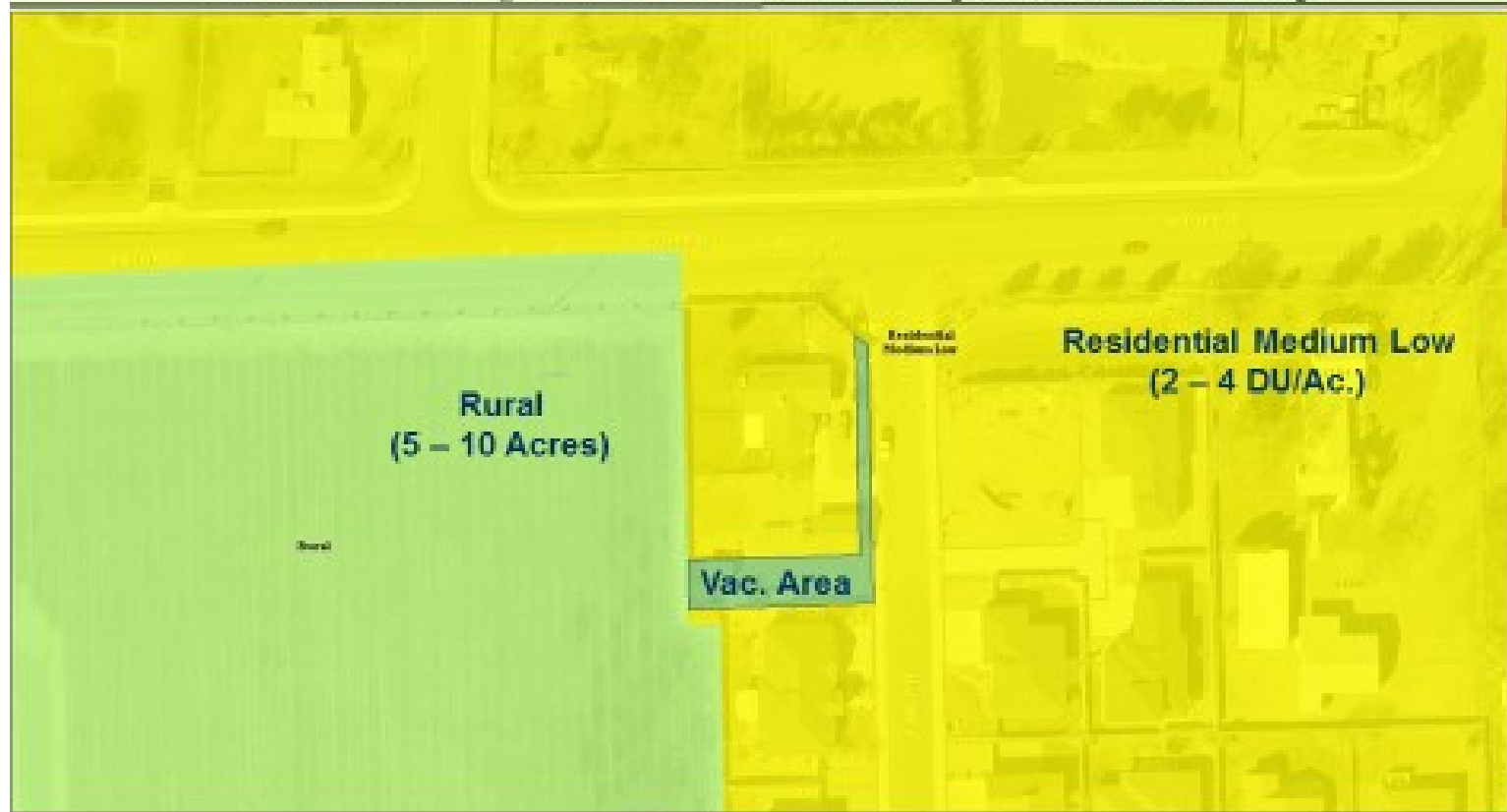


Date: 3/23/2016

1 inch = 57 feet



Jesse's Place Irrigation Ease Vacation Comprehensive Plan Map



Date: 9/29/2010

1 inch = 57 feet



Jesse's Place Irrigation Ease Vacation Zoning Map



Date: 3/23/2008

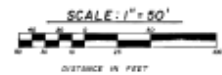
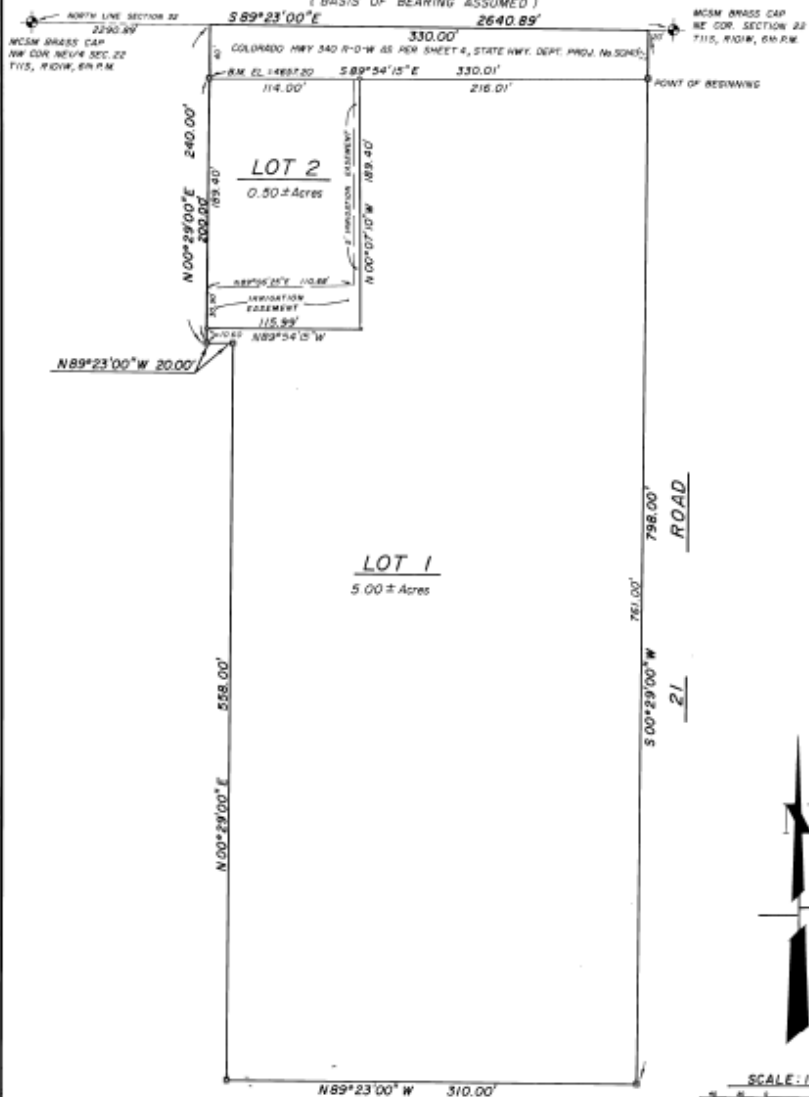
1 inch = 57 feet



RETFERFORD SUBDIVISION

COLORADO HIGHWAY 340 (Broadway)

(BASIS OF BEARING ASSUMED)



NOTICE: According to Colorado law no real commence any plat or action based upon any defect in this survey within six years after you or it discover such defect. In no event, may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown herein.

DEDICATION:

KNOW ALL MEN BY THESE PRESENTS: That the undersigned, Jesse E. Retherford and Vivian J. Retherford, are the owners of that real property being described as follows: A tract or parcel of land situated in the northeast quarter of Section 22, Township 11 South, Range 101 West of the 6th Principal Meridian, County of Mesa, State of Colorado, said real property being more particularly described as follows:

Considering the north line of said Northeast quarter of Section 22 to bear South 89° 23' 00" East and all bearings contained herein to be relative thereto; Beginning at a point at the intersection of the Southerly right-of-way of Colorado State Highway 340 and the westerly right-of-way of 21 Road from which the northeast corner of said Section 22 bears North 00° 29' 00" East 37.30 feet and South 89° 23' 00" East 20.00 feet, thence along said westerly right-of-way South 00° 29' 00" West 781.32 feet, thence leaving said westerly right-of-way North 89° 23' 00" West 310.00 feet, thence North 00° 29' 00" East 598.00 feet, thence North 89° 23' 00" West 20.00 feet, thence North 00° 29' 00" East 200.00 feet to the southerly right-of-way of Colorado State Highway 340, thence along said southerly right-of-way South 89° 15' 15" East 336.01 feet to the Point of Beginning. Said tract or parcel contains 5.50 acres more or less.

That said owners have caused the said real property to be laid out and surveyed as RETHERFORD SUBDIVISION, a subdivision of a part of Mesa County, State of Colorado.

That said owners do hereby dedicate and set apart all of the streets and roads as shown on the accompanying plat to the use of the public forever, and hereby dedicates to the Public utilities those portions of said real property which are indicated as utility easements on the accompanying plat as perpetual easements for the installation and maintenance of utilities, irrigation, and drainage facilities, including but not limited to electric lines, gas lines, telephone lines, together with the right to trim interfering trees and brush, with perpetual right of ingress and egress for the installation and subsequent maintenance of such lines. Said easements and rights shall be utilized in a reasonable and prudent manner.

That all expense for street paving or improvements shall be furnished by the seller or purchaser, not by the County of Mesa.

In WITNESS WHEREOF said owners have caused their names to be hereunto subscribed this 31 day of MARCH A.D. 1983.

Jesse E. Retherford
Jesse E. Retherford, Owner
STATE OF COLORADO } ss
COUNTY OF MESA }

Vivian J. Retherford
Vivian J. Retherford, Owner

The foregoing instrument was acknowledged before me this 31st day of March, A.D. 1983, by Jesse E. Retherford, owner and Vivian J. Retherford, owner.

My commission expires 3-9-84.
Witness my hand and official seal:
Lee Ann Hyden
Lee Ann Hyden, Notary Public
800 Colorado Avenue
Grand Junction, Colorado 81501

CLERK AND RECORDERS CERTIFICATE
STATE OF COLORADO } ss
COUNTY OF MESA }

I hereby certify that this instrument was filed in my office at 2:16 P.M. on this 3rd day of December, A.D. 1983 and is duly recorded as Record Number 202832 in Plat Book 18 at Pages 281 through 282 inclusive.

Marilyn Sells or *Carol Ziehl*
Clerk and Recorder Deputy

COUNTY PLANNING COMMISSION CERTIFICATE
approved this 15th day of June, A.D. 1983.
County Planning Commission of the County of Mesa, State of Colorado.

D.B. Young
Chairman

BOARD OF COUNTY COMMISSIONERS CERTIFICATE
approved this 19th day of June, A.D. 1983.
Board of County Commissioners of the County of Mesa, State of Colorado.

Majone Allred
Chairman

UTILITIES COORDINATING COMMITTEE CERTIFICATE
approved this 22nd day of May, A.D. 1983.
Utilities Coordinating Committee of the County of Mesa, State of Colorado.

CE Heckman
Chairman

SURVEYORS CERTIFICATE
I, William G. Hyden, do hereby certify that the accompanying plat of RETHERFORD SUBDIVISION, a subdivision of a part of Mesa County, State of Colorado, has been prepared under my direct supervision and accurately represents the same.

William G. Hyden
William G. Hyden
Registered Land Surveyor L.S. 9331



 COLORADO WEST SURVEYING COMPANY COMPREHENSIVE LAND PLANNING COMPLETE SURVEYING SERVICE 835 Colorado Avenue Grand Junction, Colorado 81501 362 245-2767	NO	DATE	REVISION	BY
	RETFERFORD SUBDIVISION LOCATED IN THE NE 1/4 OF SEC. 22, T11S, R101W, 6th P.M., COUNTY OF MESA, STATE OF COLORADO			
DES	CK	DATE	82-1156	SHEET 1
DR	S.R.	1/83		OF 1

CITY OF GRAND JUNCTION, COLORADO

RESOLUTION NO.

**A RESOLUTION VACATING AN IRRIGATION EASEMENT LOCATED WITHIN
LOT 2 RETHERFORD SUBDIVISION**

LOCATED AT 2089 BROADWAY

RECITALS:

A vacation of a publicly dedicated irrigation easement has been requested by the property owners, Terry, Doug and Dennis Retherford, in anticipation of subdividing the property to create a building lot for a single-family residence. The proposal is to eliminate the irrigation easement in order to accommodate the building footprint design.

The City Council finds that the request is consistent with the Comprehensive Plan, the Grand Valley Circulation Plan and Section 21.02.100 of the Grand Junction Zoning and Development Code.

The Planning Commission, having heard and considered the request, found the criteria of the Code to have been met, and recommends that the irrigation easement vacation be approved.

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

The following described publicly dedicated irrigation easement is hereby vacated subject to the listed conditions:

1. Applicant shall pay all recording/documentary fees for the Vacation Resolution, any easement documents and/or dedication documents.

Public Irrigation Easement to be vacated:

An irrigation easement to be vacated situated in the NE1/4 Section 22, Township 11 South, Range 101 West, 6th Principal Meridian, Mesa County, Colorado, being described as follows:

Beginning at the SE corner of Lot 2 of Retherford Subdivision (Reception #2028632); thence along the East line of said Lot 2, N00°10'51"W 159.40 feet to the right of way line as described in Book 3823 at Page of the Mesa County Clerk and Recorder's Office;

thence along said right-of-way, N45°03'28"W 7.08 feet;

thence S00°10'55"E 131.59 feet;

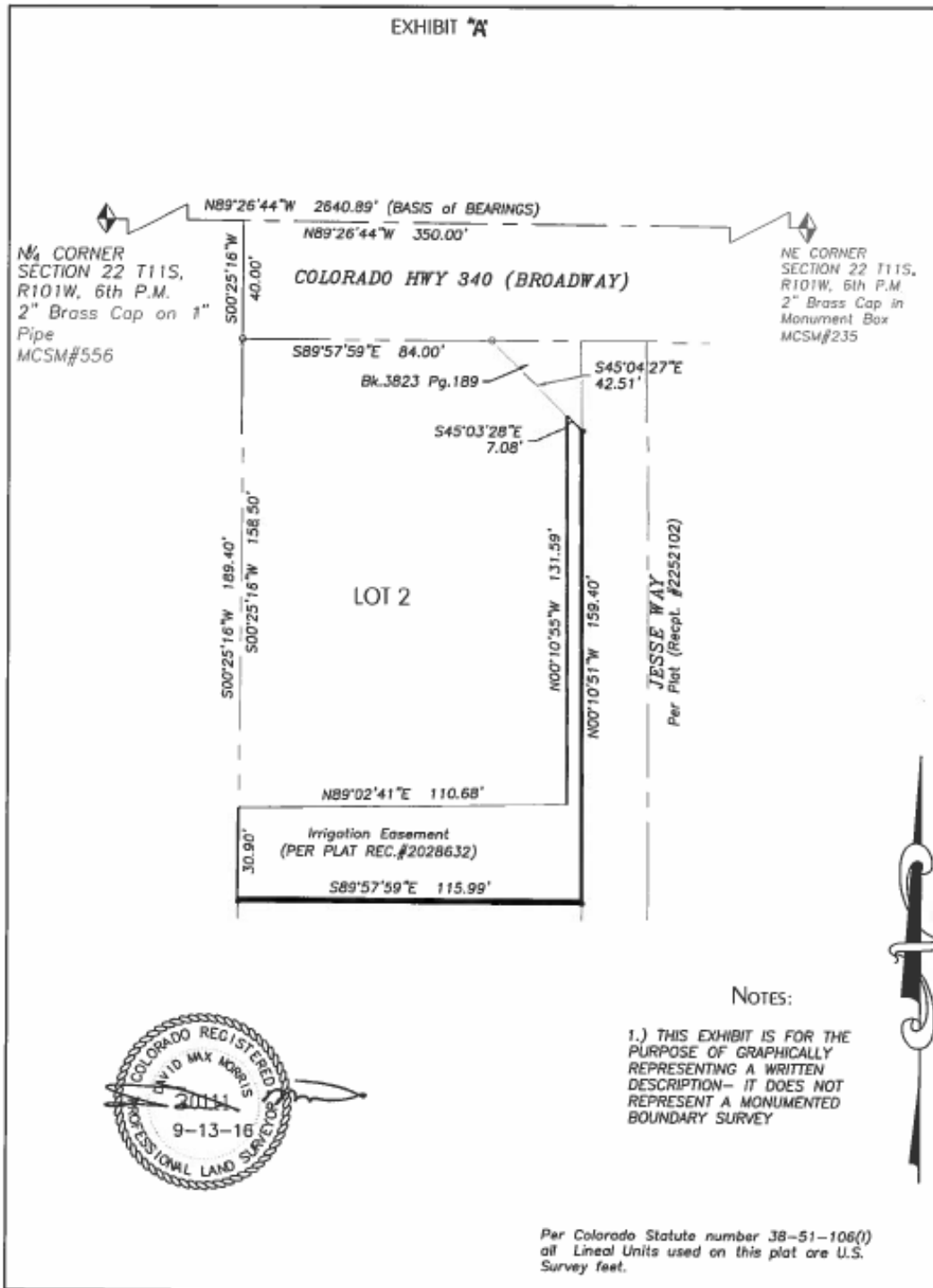
thence S89°02'41"W 110.68 feet to the West line of said Lot 2;
thence along the West line of Lot 2, S00°25'16"W 30.90 feet to the SW corner of said Lot 2;
thence along the South line of said Lot 2, S89°57'59"E 115.99 feet to the point of beginning.

PASSED and ADOPTED this _____ day of _____, 2016

ATTEST:

President of City Council

City Clerk



IRRIGATION EASEMENT VACATION		
SITUATED IN THE NE 1/4 SECTION 22, T11S, R101W OF THE 6th PRINCIPAL MERIDIAN		
FOR: RETHERFORD	 <p>Q.E.D. SURVEYING SYSTEMS Inc. 2718 Sierra Vista GRAND JUNCTION COLORADO 81503 (970) 241-2370 464-7568</p>	SURVEYED BY: RM
SCALE: 1" = 40'		DRAWN BY: DMM
DATE: 9/12/16		ACAD ID: JESSEY'S PLACE
		SHEET NO.
		FILE: 2015-304



Grand Junction City Council

Regular Session

Item #3.b.

Meeting Date: November 2, 2016

Presented by: John Shaver, City Attorney

Submitted by: John Shaver, City Attorney

Department: Admin. - Legal

Information

SUBJECT:

Resolution Authorizing the City Manager to Execute a Contract for the Purchase of the Property at 225 S. 2nd Street in Grand Junction, Colorado

RECOMMENDATION:

Approval

EXECUTIVE SUMMARY:

Consideration of the purchase of property at 225 S. 2nd Street, property adjacent to the Two Rivers Convention Center, for a possible future realignment of the street network in that vicinity.

BACKGROUND OR DETAILED INFORMATION:

In 2015 the City Council entered into an option agreement concerning the possible purchase of the property at 225 S. 2nd Street. Although that option agreement expired, the owner of the property expressed a continuing interest in selling his property. The City Attorney has drafted a contract in accordance with discussions with the property owner and his attorney.

The property is potentially important to the City because it is adjacent to the Two Rivers Convention Center and if acquired may provide additional opportunities for new and different use(s) of Two Rivers and possible expansion of the Center and/or redevelopment of the area. Initially it may be used for additional parking. As well, the property may be integral to a possible realignment of the intersection of 1st Street and

Pitkin Avenue and/or reconfiguration of the street network in and serving the Southwest portion of Downtown Grand Junction and the greater community.

FISCAL IMPACT:

The purchase price is \$800,000 and source of funds would be the General Fund Reserve Balance of which \$10.3 million is estimated to be available for appropriation at the end of 2016. If Council authorizes the purchase, it will be added to the Recommended 2017 Budget for first reading on November 16th and public hearing on December 7th.

SUGGESTED MOTION:

I MOVE to (approve or deny) adoption of Resolution No. 46.16 – A Resolution Authorizing the City Manager to Execute a Contract for the Purchase of the Property at 225 S. 2nd Street in Grand Junction, Colorado.

Attachments

ATTACHMENT 1 – Proposed Resolution

ATTACHMENT 2 – Purchase Contract

RESOLUTION NO. __-16

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT FOR THE PURCHASE OF THE PROPERTY AT 225 S. 2ND STREET IN GRAND JUNCTION, COLORADO

Recitals:

In 2015 the City Council entered into an option agreement concerning the possible purchase of the property at 225 S. 2nd Street. Although that option agreement expired, the owner of the property expressed a continuing interest in selling his property. The City Attorney has drafted a contract in accordance with discussions with the property owner and his attorney.

The property is potentially important to the City because it is adjacent to the Two Rivers Convention Center and if acquired may provide additional opportunities for new and different use(s) of Two Rivers and possible expansion of the Center and/or redevelopment of the area. Initially it may be used for additional parking. As well, the property may be integral to a possible realignment of the intersection of 1st Street and Pitkin Avenue and/or reconfiguration of the street network in and serving the Southwest portion of Downtown Grand Junction and the greater community.

For these and other reasons the City Council has deliberated the possible purchase of the property in accordance with the attached contract.

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

1. The City Manager is authorized and directed to execute the contract, in the form of an offer to buy, the property located at 225 S. 2nd Street, Grand Junction, Colorado.
2. The closing of the contract is contingent and expressly conditioned on satisfaction of all terms thereof and a subsequent ratification by the City Council on or before December 15, 2016.
3. All actions heretofore taken by the City Manager and City Attorney and other officers, employees and agents of the City relating to the purchase of the property which are consistent with the provisions of the contract and this Resolution are hereby ratified, approved and confirmed.

PASSED AND APPROVED this _____ day of _____, 2016.

Phyllis Norris
President of the Council

ATTEST:

Stephanie Tuin
City Clerk

1 The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission.
2 (CBS3-6-15) (Mandatory 1-16)

3
4 THIS FORM HAS IMPORTANT LEGAL CONSEQUENCES AND THE PARTIES SHOULD CONSULT LEGAL AND TAX OR
5 OTHER COUNSEL BEFORE SIGNING.
6

7
8 **CONTRACT TO BUY AND SELL REAL ESTATE**
9 **(COMMERCIAL)**
10 **Property with No Residences**
11 **Property with Residences-Residential Addendum Attached**

12 Date: October 27, 2016

13 **AGREEMENT**

14 **1. AGREEMENT.** Buyer agrees to buy and Seller agrees to sell, the Property described below on the terms and conditions set
15 forth in this contract (Contract).

16 **2. PARTIES AND PROPERTY.**

17 **2.1. Buyer.** Buyer, City of Grand Junction, a home rule municipality, will take title to the Property described below as
18 will take title to the Property described below as **Joint Tenants** **Tenants In Common** **Other**

19 **2.2. No Assignability.** This Contract Is Not assignable by Buyer unless otherwise specified in **Additional Provisions.**
20

21 **2.3. Seller.** Seller, Mesa Pawn & Loan, Inc. Pension & Profit Sharing Plan is
22 the current owner of the Property described below.

23 **2.4. Property.** The Property is the following legally described real estate in the County of Mesa, Colorado:

24 Lots 13 to 24 inclusive, in Block 122 of the CITY OF GRAND JUNCTION, EXCEPT Beginning at the Southwest corner of Lot 24, thence along the South line of said Lot 24, East a
25 distance of 24.9 feet; thence North 35°49'30" West a distance of 42.5 feet to the West line of said Lot 24, South a distance of 34.4 feet more or less to the Point of Beginning, as
26 conveyed to the City of Grand Junction by instrument recorded August 31, 1954 in Book 615 at page 546 for public street and highway purposes.
27 Lots 13 through 24, inclusive Block 122, First Division Resurvey Town of Grand Junction, as same is recorded in Plat Book 1, Page 9, Public Records of Mesa County, Colorado, LESS
28 HOWEVER, that certain parcel conveyed to the City of Grand Junction by instrument recorded in Book 615, Page 546, Public Records of Mesa County, Colorado.

29 known as No. 225 South 2nd Street Grand Junction CO 81501
30 Street Address City State Zip

31 together with the interests, easements, rights, benefits, improvements and attached fixtures appurtenant thereto, and all interest of
32 Seller in vacated streets and alleys adjacent thereto, except as herein excluded (Property).

33
34 **2.5. Inclusions.** The Purchase Price includes the following items (Inclusions):

35 **2.5.1. Inclusions - Attached.** If attached to the Property on the date of this Contract, the following items are
36 included unless excluded under **Exclusions**: lighting, heating, plumbing, ventilating and air conditioning units, TV antennas, inside
37 telephone, network and coaxial (cable) wiring and connecting blocks/jacks, plants, mirrors, floor coverings, intercom systems,
38 built-in kitchen appliances, sprinkler systems and controls, built-in vacuum systems (including accessories), garage door openers
39 (including ^{NA} remote controls). If checked, the following are owned by the Seller and included (leased items should be listed
40 under **Due Diligence Documents**): **None** **Solar Panels** **Water Softeners** **Security Systems** **Satellite Systems**
41 (including satellite dishes). If any additional items are attached to the Property after the date of this Contract, such additional items
42 are also included in the Purchase Price.

43 **2.5.2. Inclusions - Not Attached.** If on the Property, whether attached or not, on the date of this Contract, the
44 following items are included unless excluded under **Exclusions**: storm windows, storm doors, window and porch shades, awnings,
45 blinds, screens, window coverings and treatments, curtain rods, drapery rods, fireplace inserts, fireplace screens, fireplace grates,
46 heating stoves, storage sheds, carbon monoxide alarms, smoke/fire detectors and all keys.

47 **2.5.3. Personal Property - Conveyance.** Any personal property must be conveyed at Closing by Seller free and
48 clear of all taxes (except personal property taxes for the year of Closing), liens and encumbrances, except _____.
49 Conveyance of all personal property will be by bill of sale or other applicable legal instrument.

50 **2.5.4. Other Inclusions.** The following items, whether fixtures or personal property, are also included in the
51 Purchase Price:
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2.5.5. Parking and Storage Facilities. Use Only Ownership of the following parking facilities:
On street parking and on-site/adjacent to the storage facilities; and Use Only Ownership of the following storage facilities: See above

2.6. Exclusions. The following items are excluded (Exclusions):

None

2.7. Water Rights, Well Rights, Water and Sewer Taps.

2.7.1. Deeded Water Rights. The following legally described water rights:

Any deeded water rights will be conveyed by a good and sufficient _____ deed at Closing.

2.7.2. Other Rights Relating to Water. The following rights relating to water not included in §§ 2.7.1, 2.7.3, 2.7.4 and 2.7.5, will be transferred to Buyer at Closing:

2.7.3. Well Rights. Seller agrees to supply required information to Buyer about the well. Buyer understands that if the well to be transferred is a "Small Capacity Well" or a "Domestic Exempt Water Well," used for ordinary household purposes, Buyer must, prior to or at Closing, complete a Change in Ownership form for the well. If an existing well has not been registered with the Colorado Division of Water Resources in the Department of Natural Resources (Division), Buyer must complete a registration of existing well form for the well and pay the cost of registration. If no person will be providing a closing service in connection with the transaction, Buyer must file the form with the Division within sixty days after Closing. The Well Permit # is NA.

2.7.4. Water Stock Certificates. The water stock certificates to be transferred at Closing are as follows:

NA

2.7.5. Conveyance. If Buyer is to receive any rights to water pursuant to § 2.7.2 (Other Rights Relating to Water), § 2.7.3 (Well Rights), or § 2.7.4 (Water Stock Certificates), Seller agrees to convey such rights to Buyer by executing the applicable legal instrument at Closing.

3. DATES AND DEADLINES.

Item No.	Reference	Event	Date or Deadline
1	§ 4.3	Alternative Earnest Money Deadline	NA
		Title	
2	§ 8.1	Record Title Deadline	November 14, 2016
3	§ 8.2	Record Title Objection Deadline	November 21, 2016
4	§ 8.3	Off-Record Title Deadline	November 14, 2016
5	§ 8.3	Off-Record Title Objection Deadline	November 21, 2016
6	§ 8.4	Title Resolution Deadline	December 2, 2016
7	§ 8.6	Right of First Refusal Deadline	NA
		Owners' Association	
8	§ 7.3	Association Documents Deadline	NA
9	§ 7.4	Association Documents Objection Deadline	NA
		Seller's Property Disclosure	
10	§ 10.1	Seller's Property Disclosure Deadline	November 14, 2016
		Loan and Credit	
11	§ 5.1	Loan Application Deadline	NA
12	§ 5.2	Loan Objection Deadline	NA
13	§ 5.3	Buyer's Credit Information Deadline	NA
14	§ 5.3	Disapproval of Buyer's Credit Information Deadline	NA
15	§ 5.4	Existing Loan Documents Deadline	NA
16	§ 5.4	Existing Loan Documents Objection Deadline	NA
17	§ 5.4	Loan Transfer Approval Deadline	NA
18	§ 4.7	Seller or Private Financing Deadline	NA

Appraisal			
19	§ 6.2	Appraisal Deadline	NA
20	§ 6.2	Appraisal Objection Deadline	NA
21	§ 6.2	Appraisal Resolution Deadline	NA
Survey			
22	§ 9.1	New ILC or New Survey Deadline	NA
23	§ 9.3	New ILC or New Survey Objection Deadline	NA
24	§ 9.4	New ILC or New Survey Resolution Deadline	NA
Inspection and Due Diligence			
25	§ 10.3	Inspection Objection Deadline	November 21, 2016
26	§ 10.3	Inspection Resolution Deadline	December 2, 2016
27	§ 10.5	Property Insurance Objection Deadline	November 14, 2016
28	§ 10.6	Due Diligence Documents Delivery Deadline	November 14, 2016
29	§ 10.6	Due Diligence Documents Objection Deadline	November 17, 2016
30	§ 10.6	Due Diligence Documents Resolution Deadline	November 21, 2016
31	§ 10.6	Environmental Inspection Objection Deadline	November 14, 2016
32	§ 10.6	ADA Evaluation Objection Deadline	NA
33	§ 10.7	Conditional Sale Deadline	NA
34	§ 11.1	Tenant Estoppel Statements Deadline	NA
35	§ 11.2	Tenant Estoppel Statements Objection Deadline	NA
Closing and Possession			
36	§ 12.3	Closing Date	January 6, 2017
37	§ 17	Possession Date	January 6, 2017
38	§ 17	Possession Time	Completion of Closing
39	§ 28	Acceptance Deadline Date	December 16, 2016
40	§ 28	Acceptance Deadline Time	5:00 PM MST

86 **3.1. Applicability of Terms.** Any box checked in this Contract means the corresponding provision applies. Any box,
87 blank or line in this Contract left blank or completed with the abbreviation "N/A", or the word "Deleted" means such provision,
88 including any deadline, is not applicable and the corresponding provision of this Contract to which reference is made is deleted. If
89 no box is checked in a provision that contains a selection of "None", such provision means that "None" applies.

90 The abbreviation "MEC" (mutual execution of this Contract) means the date upon which both parties have signed this Contract.

91
92 **4. PURCHASE PRICE AND TERMS.**

93 **4.1. Price and Terms.** The Purchase Price set forth below is payable in U.S. Dollars by Buyer as follows:

Item No.	Reference	Item	Amount	Amount
1	§ 4.1	Purchase Price	\$ 800,000.00	
2	§ 4.3	Earnest Money		\$
3	§ 4.5	New Loan		\$ 0
4	§ 4.6	Assumption Balance		\$ 0
5	§ 4.7	Private Financing		\$ 0
6	§ 4.7	Seller Financing		\$ 0
7				
8				
9	§ 4.4	Cash at Closing		\$ 800,000.00
10		TOTAL	\$ 800,000.00	\$ 800,000.00

94 **4.2. Seller Concession.** At Closing, Seller will credit to Buyer \$ _____ (Seller Concession). The Seller
95 Concession may be used for any Buyer fee, cost, charge or expenditure to the extent the amount is allowed by the Buyer's lender
96 and is included in the Closing Statement or Closing Disclosure, at Closing. Examples of allowable items to be paid for by the
97 Seller Concession include, but are not limited to: Buyer's closing costs, loan discount points, loan origination fees, prepaid items
98 and any other fee, cost, charge, expense or expenditure. Seller Concession is in addition to any sum Seller has agreed to pay or
99 credit Buyer elsewhere in this Contract.

100 **4.3. Earnest Money.** The Earnest Money set forth in this section, in the form of a CHECK _____,
101 payable to and held by Spiecker, Hanlon, Gormley & Volkman (Earnest Money Holder), in its trust account, on behalf of

102 both Seller and Buyer. The Earnest Money deposit must be tendered, by Buyer, with this Contract unless the parties mutually
103 agree to an **Alternative Earnest Money Deadline** for its payment. The parties authorize delivery of the Earnest Money deposit to
104 the company conducting the Closing (Closing Company), if any, at or before Closing. In the event Earnest Money Holder has
105 agreed to have interest on Earnest Money deposits transferred to a fund established for the purpose of providing affordable housing
106 to Colorado residents, Seller and Buyer acknowledge and agree that any interest accruing on the Earnest Money deposited with the
107 Earnest Money Holder in this transaction will be transferred to such fund.

108 **4.3.1. Alternative Earnest Money Deadline.** The deadline for delivering the Earnest Money, if other than at the
109 time of tender of this Contract, is as set forth as the **Alternative Earnest Money Deadline**.

110 **4.3.2. Return of Earnest Money.** If Buyer has a Right to Terminate and timely terminates, Buyer is entitled to
111 the return of Earnest Money as provided in this Contract. If this Contract is terminated as set forth in § 25 and, except as provided
112 in § 24, if the Earnest Money has not already been returned following receipt of a Notice to Terminate, Seller agrees to execute
113 and return to Buyer or Broker working with Buyer, written mutual instructions (e.g., Earnest Money Release form), within three
114 days of Seller's receipt of such form.

115 **4.4. Form of Funds; Time of Payment; Available Funds.**

116 **4.4.1. Good Funds.** All amounts payable by the parties at Closing, including any loan proceeds, Cash at Closing
117 and closing costs, must be in funds that comply with all applicable Colorado laws, including electronic transfer funds, certified
118 check, savings and loan teller's check and cashier's check (Good Funds).

119 **4.4.2. Time of Payment; Available Funds.** All funds, including the Purchase Price to be paid by Buyer, must be
120 paid before or at Closing or as otherwise agreed in writing between the parties to allow disbursement by Closing Company at
121 Closing **OR SUCH NONPAYING PARTY WILL BE IN DEFAULT**. Buyer represents that Buyer, as of the date of this
122 Contract, Does Does Not have funds that are immediately verifiable and available in an amount not less than the amount
123 stated as Cash at Closing in § 4.1.

124 **4.5. New Loan.**

125 **4.5.1. Buyer to Pay Loan Costs.** Buyer, except as provided in § 4.2, if applicable, must timely pay Buyer's loan
126 costs, loan discount points, prepaid items and loan origination fees, as required by lender.

127 **4.5.2. Buyer May Select Financing.** Buyer may pay in cash or select financing appropriate and acceptable to
128 Buyer, including a different loan than initially sought, except as restricted in § 4.5.3 or § 30 (Additional Provisions).

129 **4.5.3. Loan Limitations.** Buyer may purchase the Property using any of the following types of loans:
130 Conventional Other _____.

131 **4.6. Assumption.** Buyer agrees to assume and pay an existing loan in the approximate amount of the Assumption
132 Balance set forth in § 4.1, presently payable at \$^{NA} _____ per ^{NA} _____ including principal and interest
133 presently at the rate of ^{NA} _____ % per annum, and also including escrow for the following as indicated: Real Estate Taxes

134 Property Insurance Premium and ^{NA} _____.

135 Buyer agrees to pay a loan transfer fee not to exceed \$^{NA} _____. At the time of assumption, the new interest rate will
136 not exceed ^{NA} _____ % per annum and the new payment will not exceed \$^{NA} _____ per ^{NA} _____ principal and
137 interest, plus escrow, if any. If the actual principal balance of the existing loan at Closing is less than the Assumption Balance,
138 which causes the amount of cash required from Buyer at Closing to be increased by more than \$^{NA} _____, then Buyer has
139 the Right to Terminate under § 25.1, on or before **Closing Date**, based on the reduced amount of the actual principal balance.

140 Seller Will Will Not be released from liability on said loan. If applicable, compliance with the requirements for
141 release from liability will be evidenced by delivery on or before **Loan Transfer Approval Deadline** at **Closing** of an
142 appropriate letter of commitment from lender. Any cost payable for release of liability will be paid by ^{NA} _____
143 _____ in an amount not to exceed \$^{NA} _____.

144 **4.7. Seller or Private Financing.**

145 **WARNING:** Unless the transaction is exempt, federal and state laws impose licensing, other requirements and restrictions on
146 sellers and private financiers. Contract provisions on financing and financing documents, unless exempt, should be prepared by a
147 licensed Colorado attorney or licensed mortgage loan originator. Brokers should not prepare or advise the parties on the specifics
148 of financing, including whether or not a party is exempt from the law.

149 **4.7.1. Seller Financing.** If Buyer is to pay all or any portion of the Purchase Price with Seller financing,
150 **Buyer** **Seller** will deliver the proposed Seller financing documents to the other party on or before ^{NA} _____ days before
151 **Seller or Private Financing Deadline**.

152 **4.7.1.1. Seller May Terminate.** If Seller is to provide Seller financing, this Contract is conditional upon
153 Seller determining whether such financing is satisfactory to the Seller, including its payments, interest rate, terms, conditions, cost
154 and compliance with the law. Seller has the Right to Terminate under § 25.1, on or before **Seller or Private Financing Deadline**,
155 if such Seller financing is not satisfactory to the Seller, in Seller's sole subjective discretion.

156 **4.7.2. Buyer May Terminate.** If Buyer is to pay all or any portion of the Purchase Price with Seller or private
157 financing, this Contract is conditional upon Buyer determining whether such financing is satisfactory to the Buyer, including its
158 availability, payments, interest rate, terms, conditions and cost. Buyer has the Right to Terminate under § 25.1, on or before **Seller**
159 **or Private Financing Deadline**, if such Seller or private financing is not satisfactory to Buyer, in Buyer's sole subjective
160 discretion.

162 **5. FINANCING CONDITIONS AND OBLIGATIONS.**

163 **5.1. Loan Application.** If Buyer is to pay all or part of the Purchase Price by obtaining one or more new loans (New
164 Loan), or if an existing loan is not to be released at Closing, Buyer, if required by such lender, must make an application verifiable
165 by such lender, on or before **Loan Application Deadline** and exercise reasonable efforts to obtain such loan or approval.

166 **5.2. Loan Objection.** If Buyer is to pay all or part of the Purchase Price with a New Loan, this Contract is conditional
167 upon Buyer determining, in Buyer's sole subjective discretion, whether the New Loan is satisfactory to Buyer, including its
168 availability, payments, interest rate, terms, conditions, and cost of such New Loan. This condition is for the sole benefit of Buyer.
169 Buyer has the Right to Terminate under § 25.1, on or before **Loan Objection Deadline**, if the New Loan is not satisfactory to
170 Buyer, in Buyer's sole subjective discretion. **IF SELLER IS NOT IN DEFAULT AND DOES NOT TIMELY RECEIVE**
171 **BUYER'S WRITTEN NOTICE TO TERMINATE, BUYER'S EARNEST MONEY WILL BE NONREFUNDABLE**, except
172 as otherwise provided in this Contract (e.g., Appraisal, Title, Survey).

173 **5.3. Credit Information.** If an existing loan is not to be released at Closing, this Contract is conditional (for the sole
174 benefit of Seller) upon Seller's approval of Buyer's financial ability and creditworthiness, which approval will be at Seller's sole
175 subjective discretion. Accordingly: (1) Buyer must supply to Seller by **Buyer's Credit Information Deadline**, at Buyer's
176 expense, information and documents (including a current credit report) concerning Buyer's financial, employment and credit
177 condition; (2) Buyer consents that Seller may verify Buyer's financial ability and creditworthiness; and (3) any such information
178 and documents received by Seller must be held by Seller in confidence, and not released to others except to protect Seller's interest
179 in this transaction. If the Cash at Closing is less than as set forth in § 4.1 of this Contract, Seller has the Right to Terminate under
180 § 25.1, on or before Closing. If Seller disapproves of Buyer's financial ability or creditworthiness, in Seller's sole subjective
181 discretion, Seller has the Right to Terminate under § 25.1, on or before **Disapproval of Buyer's Credit Information Deadline**.

182 **5.4. Existing Loan Review.** If an existing loan is not to be released at Closing, Seller must deliver copies of the loan
183 documents (including note, deed of trust, and any modifications) to Buyer by **Existing Loan Documents Deadline**. For the sole
184 benefit of Buyer, this Contract is conditional upon Buyer's review and approval of the provisions of such loan documents. Buyer
185 has the Right to Terminate under § 25.1, on or before **Existing Loan Documents Objection Deadline**, based on any
186 unsatisfactory provision of such loan documents, in Buyer's sole subjective discretion. If the lender's approval of a transfer of the
187 Property is required, this Contract is conditional upon Buyer's obtaining such approval without change in the terms of such loan,
188 except as set forth in § 4.6. If lender's approval is not obtained by **Loan Transfer Approval Deadline**, this Contract will
189 terminate on such deadline. Seller has the Right to Terminate under § 25.1, on or before Closing, in Seller's sole subjective
190 discretion, if Seller is to be released from liability under such existing loan and Buyer does not obtain such compliance as set forth
191 in § 4.6.

192 **6. APPRAISAL PROVISIONS.**

193 **6.1. Appraisal Definition.** An "Appraisal" is an opinion of value prepared by a licensed or certified appraiser, engaged
194 on behalf of Buyer or Buyer's lender, to determine the Property's market value (Appraised Value). The Appraisal may also set
195 forth certain lender requirements, replacements, removals or repairs necessary on or to the Property as a condition for the Property
196 to be valued at the Appraised Value.

197 **6.2. Appraisal Condition.** The applicable appraisal provision set forth below applies to the respective loan type set forth
198 in § 4.5.3, or if a cash transaction (i.e. no financing), § 6.2.1 applies.

199 **6.2.1. Conventional/Other.** Buyer has the right to obtain an Appraisal. If the Appraised Value is less than the
200 Purchase Price, or if the Appraisal is not received by Buyer on or before **Appraisal Deadline** Buyer may, on or before **Appraisal**
201 **Objection Deadline**, notwithstanding § 8.3 or § 13:

202 **6.2.1.1. Notice to Terminate.** Notify Seller in writing that this Contract is terminated; or

203 **6.2.1.2. Appraisal Objection.** Deliver to Seller a written objection accompanied by either a copy of the
204 Appraisal or written notice from lender that confirms the Appraisal Value is less than the Purchase Price.

205 **6.2.1.3. Appraisal Resolution.** If an Appraisal Objection is received by Seller, on or before **Appraisal**
206 **Objection Deadline**, and if Buyer and Seller have not agreed in writing to a settlement thereof on or before **Appraisal Resolution**
207 **Deadline** (§ 3), this Contract will terminate on the **Appraisal Resolution Deadline**, unless Seller receives Buyer's written
208 withdrawal of the Appraisal Objection before such termination, i.e., on or before expiration of **Appraisal Resolution Deadline**.
209

210 **6.3. Lender Property Requirements.** If the lender imposes any requirements, replacements, removals or repairs,
211 including any specified in the Appraisal (Lender Requirements) to be made to the Property (e.g., roof repair, repainting), beyond
212 those matters already agreed to by Seller in this Contract, Seller has the Right to Terminate under § 25.1, (notwithstanding § 10 of
213 this Contract), on or before three days following Seller's receipt of the Lender Requirements, in Seller's sole subjective discretion.
214 Seller's Right to Terminate in this § 6.3 does not apply if, on or before any termination by Seller pursuant to this § 6.3: (1) the
215 parties enter into a written agreement regarding the Lender Requirements; or (2) the Lender Requirements have been completed; or
216 (3) the satisfaction of the Lender Requirements is waived in writing by Buyer.

217 **6.4. Cost of Appraisal.** Cost of the Appraisal to be obtained after the date of this Contract must be timely paid by
218 **Buyer** **Seller.** The cost of the Appraisal may include any and all fees paid to the appraiser, appraisal management company,
219 lender's agent or all three.

220
221 **7. OWNERS' ASSOCIATION.** This Section is applicable if the Property is located within a Common Interest
222 Community and subject to such declaration.

223 **7.1. Common Interest Community Disclosure.** THE PROPERTY IS LOCATED WITHIN A COMMON
224 INTEREST COMMUNITY AND IS SUBJECT TO THE DECLARATION FOR THE COMMUNITY. THE OWNER OF
225 THE PROPERTY WILL BE REQUIRED TO BE A MEMBER OF THE OWNERS' ASSOCIATION FOR THE
226 COMMUNITY AND WILL BE SUBJECT TO THE BYLAWS AND RULES AND REGULATIONS OF THE
227 ASSOCIATION. THE DECLARATION, BYLAWS, AND RULES AND REGULATIONS WILL IMPOSE FINANCIAL
228 OBLIGATIONS UPON THE OWNER OF THE PROPERTY, INCLUDING AN OBLIGATION TO PAY
229 ASSESSMENTS OF THE ASSOCIATION. IF THE OWNER DOES NOT PAY THESE ASSESSMENTS, THE
230 ASSOCIATION COULD PLACE A LIEN ON THE PROPERTY AND POSSIBLY SELL IT TO PAY THE DEBT. THE
231 DECLARATION, BYLAWS, AND RULES AND REGULATIONS OF THE COMMUNITY MAY PROHIBIT THE
232 OWNER FROM MAKING CHANGES TO THE PROPERTY WITHOUT AN ARCHITECTURAL REVIEW BY THE
233 ASSOCIATION (OR A COMMITTEE OF THE ASSOCIATION) AND THE APPROVAL OF THE ASSOCIATION.
234 PURCHASERS OF PROPERTY WITHIN THE COMMON INTEREST COMMUNITY SHOULD INVESTIGATE THE
235 FINANCIAL OBLIGATIONS OF MEMBERS OF THE ASSOCIATION. PURCHASERS SHOULD CAREFULLY
236 READ THE DECLARATION FOR THE COMMUNITY AND THE BYLAWS AND RULES AND REGULATIONS OF
237 THE ASSOCIATION.

238 **7.2. Owners' Association Documents.** Owners' Association Documents (Association Documents) consist of the
239 following:

240 **7.2.1.** All Owners' Association declarations, articles of incorporation, bylaws, articles of organization, operating
241 agreements, rules and regulations, party wall agreements;

242 **7.2.2.** Minutes of most recent annual owners' meeting;

243 **7.2.3.** Minutes of any directors' or managers' meetings during the six-month period immediately preceding the
244 date of this Contract. If none of the preceding minutes exist, then the most recent minutes, if any (§§ 7.2.1, 7.2.2 and 7.2.3,
245 collectively, Governing Documents); and

246 **7.2.4.** The most recent financial documents which consist of: (1) annual and most recent balance sheet, (2) annual
247 and most recent income and expenditures statement, (3) annual budget, (4) reserve study, and (5) notice of unpaid assessments, if
248 any (collectively, Financial Documents).

249 **7.3. Association Documents to Buyer.**

250 **7.3.1. Seller to Provide Association Documents.** Seller is obligated to provide to Buyer the Association
251 Documents, at Seller's expense, on or before **Association Documents Deadline.** Seller authorizes the Association to provide the
252 Association Documents to Buyer, at Seller's expense. Seller's obligation to provide the Association Documents is fulfilled upon
253 Buyer's receipt of the Association Documents, regardless of who provides such documents.

254 **7.4. Conditional on Buyer's Review.** Buyer has the right to review the Association Documents. Buyer has the Right to
255 Terminate under § 25.1, on or before **Association Documents Objection Deadline**, based on any unsatisfactory provision in any
256 of the Association Documents, in Buyer's sole subjective discretion. Should Buyer receive the Association Documents after
257 **Association Documents Deadline**, Buyer, at Buyer's option, has the Right to Terminate under § 25.1 by Buyer's Notice to
258 Terminate received by Seller on or before ten days after Buyer's receipt of the Association Documents. If Buyer does not receive
259 the Association Documents, or if Buyer's Notice to Terminate would otherwise be required to be received by Seller after **Closing**
260 **Date**, Buyer's Notice to Terminate must be received by Seller on or before Closing. If Seller does not receive Buyer's Notice to
261 Terminate within such time, Buyer accepts the provisions of the Association Documents as satisfactory, and Buyer waives any
262 Right to Terminate under this provision, notwithstanding the provisions of § 8.6 (Right of First Refusal or Contract Approval).

263 **8. TITLE INSURANCE, RECORD TITLE AND OFF-RECORD TITLE.**

264 **8.1. Evidence of Record Title.**

265 **8.1.1. Seller Selects Title Insurance Company.** If this box is checked, Seller will select the title insurance
266 company to furnish the owner's title insurance policy at Seller's expense. On or before **Record Title Deadline**, Seller must furnish
267 to Buyer, a current commitment for an owner's title insurance policy (Title Commitment), in an amount equal to the Purchase
268 Price, or if this box is checked, an **Abstract of Title** certified to a current date. Seller will cause the title insurance policy to be
269 issued and delivered to Buyer as soon as practicable at or after Closing.

270 **8.1.2. Buyer Selects Title Insurance Company.** If this box is checked, Buyer will select the title insurance
271 company to furnish the owner's title insurance policy at Buyer's expense. On or before **Record Title Deadline**, Buyer must
272 furnish to Seller, a current commitment for owner's title insurance policy (Title Commitment), in an amount equal to the Purchase
273 Price.

274 If neither box in § 8.1.1 or § 8.1.2 is checked, § 8.1.1 applies.

275 **8.1.3. Owner's Extended Coverage (OEC).** The Title Commitment Will Will Not contain Owner's
276 Extended Coverage (OEC). If the Title Commitment is to contain OEC, it will commit to delete or insure over the standard
277 exceptions which relate to: (1) parties in possession, (2) unrecorded easements, (3) survey matters, (4) unrecorded mechanics'
278 liens, (5) gap period (period between the effective date and time of commitment to the date and time the deed is recorded), and (6)
279 unpaid taxes, assessments and unredeemed tax sales prior to the year of Closing. Any additional premium expense to obtain OEC
280 will be paid by Buyer Seller One-Half by Buyer and One-Half by Seller Other ^{NA} _____.
281 Regardless of whether the Contract requires OEC, the Title Insurance Commitment may not provide OEC or delete or insure over
282 any or all of the standard exceptions for OEC. The Title Insurance Company may require a New Survey or New ILC, defined
283 below, among other requirements for OEC. If the Title Insurance Commitment is not satisfactory to Buyer, Buyer has a right to
284 object under § 8.4 (Right to Object to Title, Resolution).

285 **8.1.4. Title Documents.** Title Documents consist of the following: (1) copies of any plats, declarations,
286 covenants, conditions and restrictions burdening the Property, and (2) copies of any other documents (or, if illegible, summaries of
287 such documents) listed in the schedule of exceptions (Exceptions) in the Title Commitment furnished to Buyer (collectively, Title
288 Documents).

289 **8.1.5. Copies of Title Documents.** Buyer must receive, on or before **Record Title Deadline**, copies of all Title
290 Documents. This requirement pertains only to documents as shown of record in the office of the clerk and recorder in the county
291 where the Property is located. The cost of furnishing copies of the documents required in this Section will be at the expense of the
292 party or parties obligated to pay for the owner's title insurance policy.

293 **8.1.6. Existing Abstracts of Title.** Seller must deliver to Buyer copies of any abstracts of title covering all or any
294 portion of the Property (Abstract of Title) in Seller's possession on or before **Record Title Deadline**.

295 **8.2. Record Title.** Buyer has the right to review and object to the Abstract of Title or Title Commitment and any of the
296 Title Documents as set forth in § 8.4 (Right to Object to Title, Resolution) on or before **Record Title Objection Deadline**.
297 Buyer's objection may be based on any unsatisfactory form or content of Title Commitment or Abstract of Title, notwithstanding
298 § 13, or any other unsatisfactory title condition, in Buyer's sole subjective discretion. If the Abstract of Title, Title Commitment or
299 Title Documents are not received by Buyer on or before the **Record Title Deadline**, or if there is an endorsement to the Title
300 Commitment that adds a new Exception to title, a copy of the new Exception to title and the modified Title Commitment will be
301 delivered to Buyer. Buyer has until the earlier of Closing or ten days after receipt of such documents by Buyer to review and object
302 to: (1) any required Title Document not timely received by Buyer, (2) any change to the Abstract of Title, Title Commitment or
303 Title Documents, or (3) any endorsement to the Title Commitment. If Seller receives Buyer's Notice to Terminate or Notice of
304 Title Objection, pursuant to this § 8.2 (Record Title), any title objection by Buyer is governed by the provisions set forth in § 8.4
305 (Right to Object to Title, Resolution). If Seller has fulfilled all Seller's obligations, if any, to deliver to Buyer all documents
306 required by § 8.1 (Evidence of Record Title) and Seller does not receive Buyer's Notice to Terminate or Notice of Title Objection
307 by the applicable deadline specified above, Buyer accepts the condition of title as disclosed by the Abstract of Title, Title
308 Commitment and Title Documents as satisfactory.

309 **8.3. Off-Record Title.** Seller must deliver to Buyer, on or before **Off-Record Title Deadline**, true copies of all existing
310 surveys in Seller's possession pertaining to the Property and must disclose to Buyer all easements, liens (including, without
311 limitation, governmental improvements approved, but not yet installed) or other title matters (including, without limitation, rights
312 of first refusal and options) not shown by public records, of which Seller has actual knowledge (Off-Record Matters). Buyer has
313 the right to inspect the Property to investigate if any third party has any right in the Property not shown by public records (e.g.,
314 unrecorded easement, boundary line discrepancy or water rights). Buyer's Notice to Terminate or Notice of Title Objection of any
315 unsatisfactory condition (whether disclosed by Seller or revealed by such inspection, notwithstanding § 8.2 and § 13), in Buyer's
316 sole subjective discretion, must be received by Seller on or before **Off-Record Title Objection Deadline**. If an Off-Record Matter
317 is received by Buyer after the **Off-Record Title Deadline**, Buyer has until the earlier of Closing or ten days after receipt by Buyer
318 to review and object to such Off-Record Matter. If Seller receives Buyer's Notice to Terminate or Notice of Title Objection
319 pursuant to this § 8.3 (Off-Record Title), any title objection by Buyer and this Contract are governed by the provisions set forth in
320 § 8.4 (Right to Object to Title, Resolution). If Seller does not receive Buyer's Notice to Terminate or Notice of Title Objection by
321 the applicable deadline specified above, Buyer accepts title subject to such rights, if any, of third parties of which Buyer has actual
322 knowledge.

323 **8.4. Right to Object to Title, Resolution.** Buyer's right to object to any title matters includes, but is not limited to those
324 matters set forth in §§ 8.2 (Record Title), 8.3 (Off-Record Title) and 13 (Transfer of Title), in Buyer's sole subjective discretion. If
325 Buyer objects to any title matter, on or before the applicable deadline, Buyer has the following options:

326 **8.4.1. Title Objection, Resolution.** If Seller receives Buyer's written notice objecting to any title matter (Notice
327 of Title Objection) on or before the applicable deadline, and if Buyer and Seller have not agreed to a written settlement thereof on
328 or before **Title Resolution Deadline**, this Contract will terminate on the expiration of **Title Resolution Deadline**, unless Seller
329 receives Buyer's written withdrawal of Buyer's Notice of Title Objection (i.e., Buyer's written notice to waive objection to such
330 items and waives the Right to Terminate for that reason), on or before expiration of **Title Resolution Deadline**. If either the
331 Record Title Deadline or the Off-Record Title Deadline, or both, are extended to the earlier of Closing or ten days after receipt of
332 the applicable documents by Buyer, pursuant to § 8.2 (Record Title) or § 8.3 (Off-Record Title), the Title Resolution Deadline also
333 will be automatically extended to the earlier of Closing or fifteen days after Buyer's receipt of the applicable documents; or

334 **8.4.2. Title Objection, Right to Terminate.** Buyer may exercise the Right to Terminate under § 25.1, on or
335 before the applicable deadline, based on any unsatisfactory title matter, in Buyer's sole subjective discretion.

336 **8.5. Special Taxing Districts.** SPECIAL TAXING DISTRICTS MAY BE SUBJECT TO GENERAL OBLIGATION
337 INDEBTEDNESS THAT IS PAID BY REVENUES PRODUCED FROM ANNUAL TAX LEVIES ON THE TAXABLE
338 PROPERTY WITHIN SUCH DISTRICTS. PROPERTY OWNERS IN SUCH DISTRICTS MAY BE PLACED AT RISK
339 FOR INCREASED MILL LEVIES AND TAX TO SUPPORT THE SERVICING OF SUCH DEBT WHERE
340 CIRCUMSTANCES ARISE RESULTING IN THE INABILITY OF SUCH A DISTRICT TO DISCHARGE SUCH
341 INDEBTEDNESS WITHOUT SUCH AN INCREASE IN MILL LEVIES. BUYERS SHOULD INVESTIGATE THE
342 SPECIAL TAXING DISTRICTS IN WHICH THE PROPERTY IS LOCATED BY CONTACTING THE COUNTY
343 TREASURER, BY REVIEWING THE CERTIFICATE OF TAXES DUE FOR THE PROPERTY, AND BY OBTAINING
344 FURTHER INFORMATION FROM THE BOARD OF COUNTY COMMISSIONERS, THE COUNTY CLERK AND
345 RECORDER, OR THE COUNTY ASSESSOR.

346 Buyer has the Right to Terminate under § 25.1, on or before **Off-Record Title Objection Deadline**, based on any
347 unsatisfactory effect of the Property being located within a special taxing district, in Buyer's sole subjective discretion.

348 **8.6. Right of First Refusal or Contract Approval.** If there is a right of first refusal on the Property or a right to approve
349 this Contract, Seller must promptly submit this Contract according to the terms and conditions of such right. If the holder of the
350 right of first refusal exercises such right or the holder of a right to approve disapproves this Contract, this Contract will terminate.
351 If the right of first refusal is waived explicitly or expires, or the Contract is approved, this Contract will remain in full force and
352 effect. Seller must promptly notify Buyer in writing of the foregoing. If expiration or waiver of the right of first refusal or approval
353 of this Contract has not occurred on or before **Right of First Refusal Deadline**, this Contract will then terminate.

354 **8.7. Title Advisory.** The Title Documents affect the title, ownership and use of the Property and should be reviewed
355 carefully. Additionally, other matters not reflected in the Title Documents may affect the title, ownership and use of the Property,
356 including, without limitation, boundary lines and encroachments, set-back requirements, area, zoning, building code violations,
357 unrecorded easements and claims of easements, leases and other unrecorded agreements, water on or under the Property, and
358 various laws and governmental regulations concerning land use, development and environmental matters.

359 **8.7.1. OIL, GAS, WATER AND MINERAL DISCLOSURE.** THE SURFACE ESTATE OF THE
360 PROPERTY MAY BE OWNED SEPARATELY FROM THE UNDERLYING MINERAL ESTATE, AND TRANSFER
361 OF THE SURFACE ESTATE MAY NOT NECESSARILY INCLUDE TRANSFER OF THE MINERAL ESTATE OR
362 WATER RIGHTS. THIRD PARTIES MAY OWN OR LEASE INTERESTS IN OIL, GAS, OTHER MINERALS,
363 GEOTHERMAL ENERGY OR WATER ON OR UNDER THE SURFACE OF THE PROPERTY, WHICH INTERESTS
364 MAY GIVE THEM RIGHTS TO ENTER AND USE THE SURFACE OF THE PROPERTY TO ACCESS THE
365 MINERAL ESTATE, OIL, GAS OR WATER.

366 **8.7.2. SURFACE USE AGREEMENT.** THE USE OF THE SURFACE ESTATE OF THE PROPERTY TO
367 ACCESS THE OIL, GAS OR MINERALS MAY BE GOVERNED BY A SURFACE USE AGREEMENT, A
368 MEMORANDUM OR OTHER NOTICE OF WHICH MAY BE RECORDED WITH THE COUNTY CLERK AND
369 RECORDER.

370 **8.7.3. OIL AND GAS ACTIVITY.** OIL AND GAS ACTIVITY THAT MAY OCCUR ON OR ADJACENT
371 TO THE PROPERTY MAY INCLUDE, BUT IS NOT LIMITED TO, SURVEYING, DRILLING, WELL COMPLETION
372 OPERATIONS, STORAGE, OIL AND GAS, OR PRODUCTION FACILITIES, PRODUCING WELLS, REWORKING
373 OF CURRENT WELLS, AND GAS GATHERING AND PROCESSING FACILITIES.

374 **8.7.4. ADDITIONAL INFORMATION.** BUYER IS ENCOURAGED TO SEEK ADDITIONAL
375 INFORMATION REGARDING OIL AND GAS ACTIVITY ON OR ADJACENT TO THE PROPERTY, INCLUDING
376 DRILLING PERMIT APPLICATIONS. THIS INFORMATION MAY BE AVAILABLE FROM THE COLORADO OIL
377 AND GAS CONSERVATION COMMISSION.

378 **8.7.5. Title Insurance Exclusions.** Matters set forth in this Section, and others, may be excepted, excluded from,
379 or not covered by the owner's title insurance policy.

380 **8.8. Consult an Attorney.** Buyer is advised to timely consult legal counsel with respect to all such matters as there are
381 strict time limits provided in this Contract (e.g., **Record Title Objection Deadline** and **Off-Record Title Objection Deadline**).

382 **9. NEW ILC, NEW SURVEY.**

383 **9.1. New ILC or New Survey.** If the box is checked, a **New Improvement Location Certificate (New ILC)**
384 **New Survey** in the form of NA is required and the following will apply:

385 **9.1.1. Ordering of New ILC or New Survey.** **Seller** **Buyer** will order the New ILC or New Survey. The
386 New ILC or New Survey may also be a previous ILC or survey that is in the above-required form, certified and updated as of a
387 date after the date of this Contract.

388 **9.1.2. Payment for New ILC or New Survey.** The cost of the New ILC or New Survey will be paid, on or
389 before Closing, by: **Seller** **Buyer** or:

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9.1.3. Delivery of New ILC or New Survey. Buyer, Seller, the issuer of the Title Commitment (or the provider of the opinion of title if an Abstract of Title), and ^{NA}_____ will receive a New ILC or New Survey on or before **New ILC or New Survey Deadline**.

9.1.4. Certification of New ILC or New Survey. The New ILC or New Survey will be certified by the surveyor to all those who are to receive the New ILC or New Survey.

9.2. Buyer's Right to Waive or Change New ILC or New Survey Selection. Buyer may select a New ILC or New Survey different than initially specified in this Contract if there is no additional cost to Seller or change to the **New ILC or New Survey Objection Deadline**. Buyer may, in Buyer's sole subjective discretion, waive a New ILC or New Survey if done prior to Seller incurring any cost for the same.

9.3. New ILC or New Survey Objection. Buyer has the right to review and object to the **New ILC or New Survey**. If the New ILC or New Survey is not timely received by Buyer or is unsatisfactory to Buyer, in Buyer's sole subjective discretion, Buyer may, on or before **New ILC or New Survey Objection Deadline**, notwithstanding § 8.3 or § 13:

9.3.1. Notice to Terminate. Notify Seller in writing that this Contract is terminated; or

9.3.2. New ILC or New Survey Objection. Deliver to Seller a written description of any matter that was to be shown or is shown in the New ILC or New Survey that is unsatisfactory and that Buyer requires Seller to correct.

9.3.3. New ILC or New Survey Resolution. If a **New ILC or New Survey Objection** is received by Seller, on or before **New ILC or New Survey Objection Deadline**, and if Buyer and Seller have not agreed in writing to a settlement thereof on or before **New ILC or New Survey Resolution Deadline**, this Contract will terminate on expiration of the **New ILC or New Survey Resolution Deadline**, unless Seller receives Buyer's written withdrawal of the **New ILC or New Survey Objection** before such termination, i.e., on or before expiration of **New ILC or New Survey Resolution Deadline**.

DISCLOSURE, INSPECTION AND DUE DILIGENCE

10. PROPERTY DISCLOSURE, INSPECTION, INDEMNITY, INSURABILITY AND DUE DILIGENCE.

10.1. Seller's Property Disclosure. On or before **Seller's Property Disclosure Deadline**, Seller agrees to deliver to Buyer the most current version of the applicable Colorado Real Estate Commission's Seller's Property Disclosure form completed by Seller to Seller's actual knowledge, current as of the date of this Contract.

10.2. Disclosure of Latent Defects; Present Condition. Seller must disclose to Buyer any latent defects actually known by Seller. Seller agrees that disclosure of latent defects will be in writing. Except as otherwise provided in this Contract, Buyer acknowledges that Seller is conveying the Property to Buyer in an "As Is" condition, "Where Is" and "With All Faults."

10.3. Inspection. Unless otherwise provided in this Contract, Buyer, acting in good faith, has the right to have inspections (by one or more third parties, personally or both) of the Property and Inclusions (Inspection), at Buyer's expense. If (1) the physical condition of the Property, including, but not limited to, the roof, walls, structural integrity of the Property, the electrical, plumbing, HVAC and other mechanical systems of the Property, (2) the physical condition of the Inclusions, (3) service to the Property (including utilities and communication services), systems and components of the Property (e.g., heating and plumbing), (4) any proposed or existing transportation project, road, street or highway, or (5) any other activity, odor or noise (whether on or off the Property) and its effect or expected effect on the Property or its occupants is unsatisfactory, in Buyer's sole subjective discretion, Buyer may, on or before **Inspection Objection Deadline**:

10.3.1. Notice to Terminate. Notify Seller in writing that this Contract is terminated; or

10.3.2. Inspection Objection. Deliver to Seller a written description of any unsatisfactory physical condition that Buyer requires Seller to correct.

10.3.3. Inspection Resolution. If an Inspection Objection is received by Seller, on or before **Inspection Objection Deadline**, and if Buyer and Seller have not agreed in writing to a settlement thereof on or before **Inspection Resolution Deadline**, this Contract will terminate on **Inspection Resolution Deadline** unless Seller receives Buyer's written withdrawal of the Inspection Objection before such termination, i.e., on or before expiration of **Inspection Resolution Deadline**.

10.4. Damage, Liens and Indemnity. Buyer, except as otherwise provided in this Contract or other written agreement between the parties, is responsible for payment for all inspections, tests, surveys, engineering reports, or other reports performed at Buyer's request (Work) and must pay for any damage that occurs to the Property and Inclusions as a result of such Work. Buyer must not permit claims or liens of any kind against the Property for Work performed on the Property. Buyer agrees to indemnify, protect and hold Seller harmless from and against any liability, damage, cost or expense incurred by Seller and caused by any such Work, claim, or lien. This indemnity includes Seller's right to recover all costs and expenses incurred by Seller to defend against any such liability, damage, cost or expense, or to enforce this section, including Seller's reasonable attorney fees, legal fees and expenses. The provisions of this section survive the termination of this Contract. This § 10.4 does not apply to items performed pursuant to an Inspection Resolution.

10.5. Insurability. Buyer has the right to review and object to the availability, terms and conditions of and premium for property insurance (Property Insurance). Buyer has the Right to Terminate under § 25.1, on or before **Property Insurance Objection Deadline**, based on any unsatisfactory provision of the Property Insurance, in Buyer's sole subjective discretion.

10.6. Due Diligence.

449 **10.6.1. Due Diligence Documents.** If the respective box is checked, Seller agrees to deliver copies of the following
450 documents and information pertaining to the Property (Due Diligence Documents) to Buyer on or before **Due Diligence**
451 **Documents Delivery Deadline:**

- 452 **10.6.1.1.** All contracts relating to the operation, maintenance and management of the Property;
453 **10.6.1.2.** Property tax bills for the last _____ years;
454 **10.6.1.3.** As-built construction plans to the Property and the tenant improvements, including
455 architectural, electrical, mechanical, and structural systems, engineering reports, and permanent Certificates of Occupancy, to the
456 extent now available;
457 **10.6.1.4.** A list of all Inclusions to be conveyed to Buyer;
458 **10.6.1.5.** Operating statements for the past _____ years;
459 **10.6.1.6.** A rent roll accurate and correct to the date of this Contract;
460 **10.6.1.7.** All current leases, including any amendments or other occupancy agreements, pertaining to the
461 Property. Those leases or other occupancy agreements pertaining to the Property that survive Closing are as follows (Leases):
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464 **10.6.1.8.** A schedule of any tenant improvement work Seller is obligated to complete but has not yet
465 been completed and capital improvement work either scheduled or in process on the date of this Contract;
466 **10.6.1.9.** All insurance policies pertaining to the Property and copies of any claims which have been
467 made for the past _____ years;
468 **10.6.1.10.** Soils reports, surveys and engineering reports or data pertaining to the Property (if not
469 delivered earlier under § 8.3);
470 **10.6.1.11.** Any and all existing documentation and reports regarding Phase I and II environmental reports,
471 letters, test results, advisories, and similar documents respective to the existence or nonexistence of asbestos, PCB transformers, or
472 other toxic, hazardous or contaminated substances, and/or underground storage tanks and/or radon gas. If no reports are in Seller's
473 possession or known to Seller, Seller warrants that no such reports are in Seller's possession or known to Seller;
474 **10.6.1.12.** Any *Americans with Disabilities Act* reports, studies or surveys concerning the compliance of
475 the Property with said Act;
476 **10.6.1.13.** All permits, licenses and other building or use authorizations issued by any governmental
477 authority with jurisdiction over the Property and written notice of any violation of any such permits, licenses or use authorizations,
478 if any; and
479 **10.6.1.14.** Other documents and information:
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484 **10.6.2. Due Diligence Documents Review and Objection.** Buyer has the right to review and object to Due
485 Diligence Documents. If the Due Diligence Documents are not supplied to Buyer or are unsatisfactory in Buyer's sole subjective
486 discretion, Buyer may, on or before **Due Diligence Documents Objection Deadline:**

- 487 **10.6.2.1. Notice to Terminate.** Notify Seller in writing that this Contract is terminated; or
488 **10.6.2.2. Due Diligence Documents Objection.** Deliver to Seller a written description of any
489 unsatisfactory Due Diligence Documents that Buyer requires Seller to correct.
490 **10.6.2.3. Due Diligence Documents Resolution.** If a Due Diligence Documents Objection is received
491 by Seller, on or before **Due Diligence Documents Objection Deadline**, and if Buyer and Seller have not agreed in writing to a
492 settlement thereof on or before **Due Diligence Documents Resolution Deadline**, this Contract will terminate on **Due Diligence**
493 **Documents Resolution Deadline** unless Seller receives Buyer's written withdrawal of the Due Diligence Documents Objection
494 before such termination, i.e., on or before expiration of **Due Diligence Documents Resolution Deadline**.

495 **10.6.3. Zoning.** Buyer has the Right to Terminate under § 25.1, on or before **Due Diligence Documents Objection**
496 **Deadline**, based on any unsatisfactory zoning and any use restrictions imposed by any governmental agency with jurisdiction over
497 the Property, in Buyer's sole subjective discretion.

498 **10.6.4. Due Diligence – Environmental, ADA.** Buyer has the right to obtain environmental inspections of the
499 Property including Phase I and Phase II Environmental Site Assessments, as applicable. Seller Buyer will order or provide
500 **Phase I Environmental Site Assessment, Phase II Environmental Site Assessment** (compliant with most current version of the
501 applicable ASTM E1527 standard practices for Environmental Site Assessments) and/or _____, at the expense
502 of Seller Buyer (Environmental Inspection). In addition, Buyer, at Buyer's expense, may also conduct an evaluation
503 whether the Property complies with the *Americans with Disabilities Act* (ADA Evaluation). All such inspections and evaluations
504 must be conducted at such times as are mutually agreeable to minimize the interruption of Seller's and any Seller's tenants'
505 business uses of the Property, if any.

506 If Buyer's Phase I Environmental Site Assessment recommends a Phase II Environmental Site Assessment, the
507 **Environmental Inspection Objection Deadline** will be extended by NA days (Extended Environmental Inspection Objection

508 Deadline) and if such Extended Environmental Inspection Objection Deadline extends beyond the **Closing Date**, the **Closing Date**
509 will be extended a like period of time. In such event, **Seller** **Buyer** must pay the cost for such Phase II Environmental Site
510 Assessment.

511 Notwithstanding Buyer's right to obtain additional environmental inspections of the Property in this § 10.6.5, Buyer has the
512 Right to Terminate under § 25.1, on or before **Environmental Inspection Objection Deadline**, or if applicable, the Extended
513 Environmental Inspection Objection Deadline, based on any unsatisfactory results of Environmental Inspection, in Buyer's sole
514 subjective discretion.

515 Buyer has the Right to Terminate under § 25.1, on or before **ADA Evaluation Objection Deadline**, based on any
516 unsatisfactory ADA Evaluation, in Buyer's sole subjective discretion.

517 **10.7. Conditional Upon Sale of Property.** This Contract is conditional upon the sale and closing of that certain property
518 owned by Buyer and commonly known as NA. Buyer has the Right to Terminate
519 under § 25.1 effective upon Seller's receipt of Buyer's Notice to Terminate on or before **Conditional Sale Deadline** if such
520 property is not sold and closed by such deadline. This § 10.7 is for the sole benefit of Buyer. If Seller does not receive Buyer's
521 Notice to Terminate on or before **Conditional Sale Deadline**, Buyer waives any Right to Terminate under this provision.

522 **10.8. Existing Leases; Modification of Existing Leases; New Leases.** Seller states that none of the Leases to be assigned
523 to the Buyer at the time of Closing contain any rent concessions, rent reductions or rent abatements except as disclosed in the
524 Lease or other writing received by Buyer. Seller will not amend, alter, modify, extend or cancel any of the Leases nor will Seller
525 enter into any new leases affecting the Property without the prior written consent of Buyer, which consent will not be unreasonably
526 withheld or delayed.

527 11. TENANT ESTOPPEL STATEMENTS.

528 **11.1. Tenant Estoppel Statements Conditions.** Buyer has the right to review and object to any Estoppel Statements.
529 Seller must obtain and deliver to Buyer on or before **Tenant Estoppel Statements Deadline**, statements in a form and substance
530 reasonably acceptable to Buyer, from each occupant or tenant at the Property (Estoppel Statement) attached to a copy of the Lease
531 stating:

- 532 **11.1.1.** The commencement date of the Lease and scheduled termination date of the Lease;
533 **11.1.2.** That said Lease is in full force and effect and that there have been no subsequent modifications or
534 amendments;
535 **11.1.3.** The amount of any advance rentals paid, rent concessions given, and deposits paid to Seller;
536 **11.1.4.** The amount of monthly (or other applicable period) rental paid to Seller;
537 **11.1.5.** That there is no default under the terms of said Lease by landlord or occupant; and
538 **11.1.6.** That the Lease to which the Estoppel is attached is a true, correct and complete copy of the Lease demising
539 the premises it describes.

540 **11.2. Tenant Estoppel Statements Objection.** Buyer has the Right to Terminate under § 25.1, on or before **Tenant**
541 **Estoppel Statements Objection Deadline**, based on any unsatisfactory Estoppel Statement, in Buyer's sole subjective discretion,
542 or if Seller fails to deliver the Estoppel Statements on or before **Tenant Estoppel Statements Deadline**. Buyer also has the
543 unilateral right to waive any unsatisfactory Estoppel Statement.
544

545

CLOSING PROVISIONS

546 12. CLOSING DOCUMENTS, INSTRUCTIONS AND CLOSING.

547 **12.1. Closing Documents and Closing Information.** Seller and Buyer will cooperate with the Closing Company to
548 enable the Closing Company to prepare and deliver documents required for Closing to Buyer and Seller and their designees. If
549 Buyer is obtaining a new loan to purchase the Property, Buyer acknowledges Buyer's lender is required to provide the Closing
550 Company, in a timely manner, all required loan documents and financial information concerning Buyer's new loan. Buyer and
551 Seller will furnish any additional information and documents required by Closing Company that will be necessary to complete this
552 transaction. Buyer and Seller will sign and complete all customary or reasonably required documents at or before Closing.

553 **12.2. Closing Instructions.** Colorado Real Estate Commission's Closing Instructions **Are** **Are Not** executed with
554 this Contract.

555 **12.3. Closing.** Delivery of deed from Seller to Buyer will be at closing (Closing). Closing will be on the date specified as
556 the **Closing Date** or by mutual agreement at an earlier date. The hour and place of Closing will be as designated by
557 Mutual Agreement of the Buyer and Seller.

558 **12.4. Disclosure of Settlement Costs.** Buyer and Seller acknowledge that costs, quality, and extent of service vary
559 between different settlement service providers (e.g., attorneys, lenders, inspectors and title companies).

560 **13. TRANSFER OF TITLE.** Subject to tender of payment at Closing as required herein and compliance by Buyer with the
561 other terms and provisions hereof, Seller must execute and deliver a good and sufficient General Warranty deed
562 to Buyer, at Closing, conveying the Property free and clear of all taxes except the general taxes for the year of Closing. Except as

563 provided herein, title will be conveyed free and clear of all liens, including any governmental liens for special improvements
564 installed as of the date of Buyer's signature hereon, whether assessed or not. Title will be conveyed subject to:

565 **13.1.** Those specific Exceptions described by reference to recorded documents as reflected in the Title Documents
566 accepted by Buyer in accordance with **Record Title**,

567 **13.2.** Distribution utility easements (including cable TV),

568 **13.3.** Those specifically described rights of third parties not shown by the public records of which Buyer has actual
569 knowledge and which were accepted by Buyer in accordance with **Off-Record Title** and **New ILC or New Survey**,

570 **13.4.** Inclusion of the Property within any special taxing district, and

571 **13.5.** Any special assessment if the improvements were not installed as of the date of Buyer's signature hereon, whether
572 assessed prior to or after Closing, and

573 **13.6.** Other ^{NA} _____.

574 **14. PAYMENT OF ENCUMBRANCES.** Any encumbrance required to be paid will be paid at or before Closing from the
575 proceeds of this transaction or from any other source.

576 **15. CLOSING COSTS, CLOSING FEE, ASSOCIATION FEES AND TAXES.**

577 **15.1. Closing Costs.** Buyer and Seller must pay, in Good Funds, their respective closing costs and all other items required
578 to be paid at Closing, except as otherwise provided herein.

579 **15.2. Closing Services Fee.** The fee for real estate closing services must be paid at Closing by Buyer Seller
580 **One-Half by Buyer and One-Half by Seller** **Other** _____.

581 **15.3. Status Letter and Record Change Fees.** Any fees incident to the issuance of Association's statement of
582 assessments (Status Letter) must be paid by None Buyer Seller **One-Half by Buyer and One-Half by Seller**.
583 Any record change fee assessed by the Association including, but not limited to, ownership record transfer fees regardless of name
584 or title of such fee (Association's Record Change Fee) must be paid by None Buyer Seller **One-Half by Buyer**
585 **and One-Half by Seller**.

586 **15.4. Local Transfer Tax.** **The Local Transfer Tax** of ^{NA} _____ % of the Purchase Price must be paid at Closing by
587 None Buyer Seller **One-Half by Buyer and One-Half by Seller**.

588 **15.5. Private Transfer Fee.** Private transfer fees and other fees due to a transfer of the Property, payable at Closing, such
589 as community association fees, developer fees and foundation fees, must be paid at Closing by None Buyer Seller
590 **One-Half by Buyer and One-Half by Seller**. The Private Transfer fee, whether one or more, is for the following association(s):
591 ^{NA} _____ in the total amount of ^{NA} _____ % of the Purchase Price or \$ ^{NA} _____.

592 **15.6. Water Transfer Fees.** The Water Transfer Fees can change. The fees, as of the date of this Contract, do not exceed
593 \$ ^{NA} _____ for:

594 Water Stock/Certificates Water District
595 Augmentation Membership Small Domestic Water Company _____
596 and must be paid at Closing by None Buyer Seller **One-Half by Buyer and One-Half by Seller**

597 **15.7. Sales and Use Tax.** Any sales and use tax that may accrue because of this transaction must be paid when due by
598 None Buyer Seller **One-Half by Buyer and One-Half by Seller**.

599 **16. PRORATIONS.** The following will be prorated to the **Closing Date**, except as otherwise provided:

600 **16.1. Taxes.** Personal property taxes, if any, special taxing district assessments, if any, and general real estate taxes for the
601 year of Closing, based on **Taxes for the Calendar Year Immediately Preceding Closing** **Most Recent Mill Levy and**
602 **Most Recent Assessed Valuation**, adjusted by any applicable qualifying seniors property tax exemption, qualifying disabled
603 veteran exemption or **Other** _____.

604 **16.2. Rents.** Rents based on **Rents Actually Received** **Accrued**. At Closing, Seller will transfer or credit to
605 Buyer the security deposits for all Leases assigned, or any remainder after lawful deductions, and notify all tenants in writing of
606 such transfer and of the transferee's name and address. Seller must assign to Buyer all Leases in effect at Closing and Buyer must
607 assume Seller's obligations under such Leases.

608 **16.3. Association Assessments.** Current regular Association assessments and dues (Association Assessments) paid in
609 advance will be credited to Seller at Closing. Cash reserves held out of the regular Association Assessments for deferred
610 maintenance by the Association will not be credited to Seller except as may be otherwise provided by the Governing Documents.
611 Buyer acknowledges that Buyer may be obligated to pay the Association, at Closing, an amount for reserves or working capital.
612 Any special assessment assessed prior to **Closing Date** by the Association will be the obligation of Buyer Seller. Except
613 however, any special assessment by the Association for improvements that have been installed as of the date of Buyer's signature
614 hereon, whether assessed prior to or after Closing, will be the obligation of Seller. Seller represents that the Association
615 Assessments are currently payable at approximately \$ ^{NA} _____ per ^{NA} _____ and that there are no unpaid regular
616 or special assessments against the Property except the current regular assessments and ^{NA} _____. Such
617 assessments are subject to change as provided in the Governing Documents. Seller agrees to promptly request the Association to
618 deliver to Buyer before **Closing Date** a current Status Letter.

619 **16.4. Other Prorations.** Water and sewer charges, propane, interest on continuing loan, and ^{NA} _____.
620 **16.5. Final Settlement.** Unless otherwise agreed in writing, these prorations are final.

621 **17. POSSESSION.** Possession of the Property will be delivered to Buyer on **Possession Date** at **Possession Time**, subject to
622 the Leases as set forth in § 10.6.1.7.

623
624 If Seller, after Closing, fails to deliver possession as specified, Seller will be subject to eviction and will be additionally liable
625 to Buyer for payment of \$ ^{500.00} _____ per day (or any part of a day notwithstanding § 18.1) from **Possession Date** and
626 **Possession Time** until possession is delivered.

627

GENERAL PROVISIONS

628 **18. DAY; COMPUTATION OF PERIOD OF DAYS, DEADLINE.**

629 **18.1. Day.** As used in this Contract, the term "day" means the entire day ending at 11:59 p.m., United States Mountain
630 Time (Standard or Daylight Savings as applicable).

631 **18.2. Computation of Period of Days, Deadline.** In computing a period of days, when the ending date is not specified,
632 the first day is excluded and the last day is included (e.g., three days after MEC). If any deadline falls on a Saturday, Sunday or
633 federal or Colorado state holiday (Holiday), such deadline **Will** **Will Not** be extended to the next day that is not a
634 Saturday, Sunday or Holiday. Should neither box be checked, the deadline will not be extended.

635 **19. CAUSES OF LOSS, INSURANCE; DAMAGE TO INCLUSIONS AND SERVICES; CONDEMNATION; AND**
636 **WALK-THROUGH.** Except as otherwise provided in this Contract, the Property, Inclusions or both will be delivered in the
637 condition existing as of the date of this Contract, ordinary wear and tear excepted.

638 **19.1. Causes of Loss, Insurance.** In the event the Property or Inclusions are damaged by fire, other perils or causes of
639 loss prior to Closing in an amount of not more than ten percent of the total Purchase Price (Property Damage), and if the repair of
640 the damage will be paid by insurance (other than the deductible to be paid by Seller), then Seller, upon receipt of the insurance
641 proceeds, will use Seller's reasonable efforts to repair the Property before **Closing Date**. Buyer has the Right to Terminate under
642 § 25.1, on or before **Closing Date** if the Property is not repaired before **Closing Date** or if the damage exceeds such sum. Should
643 Buyer elect to carry out this Contract despite such Property Damage, Buyer is entitled to a credit at Closing for all insurance
644 proceeds that were received by Seller (but not the Association, if any) resulting from damage to the Property and Inclusions, plus
645 the amount of any deductible provided for in the insurance policy. This credit may not exceed the Purchase Price. In the event
646 Seller has not received the insurance proceeds prior to Closing, the parties may agree to extend the **Closing Date** to have the
647 Property repaired prior to Closing or, at the option of Buyer, (1) Seller must assign to Buyer the right to the proceeds at Closing, if
648 acceptable to Seller's insurance company and Buyer's lender; or (2) the parties may enter into a written agreement prepared by the
649 parties or their attorney requiring the Seller to escrow at Closing from Seller's sale proceeds the amount Seller has received and
650 will receive due to such damage, not exceeding the total Purchase Price, plus the amount of any deductible that applies to the
651 insurance claim.

652 **19.2. Damage, Inclusions and Services.** Should any Inclusion or service (including utilities and communication
653 services), system, component or fixture of the Property (collectively Service) (e.g., heating or plumbing), fail or be damaged
654 between the date of this Contract and Closing or possession, whichever is earlier, then Seller is liable for the repair or replacement
655 of such Inclusion or Service with a unit of similar size, age and quality, or an equivalent credit, but only to the extent that the
656 maintenance or replacement of such Inclusion or Service is not the responsibility of the Association, if any, less any insurance
657 proceeds received by Buyer covering such repair or replacement. If the failed or damaged Inclusion or Service is not repaired or
658 replaced on or before Closing or possession, whichever is earlier, Buyer has the Right to Terminate under § 25.1, on or before
659 **Closing Date**, or, at the option of Buyer, Buyer is entitled to a credit at Closing for the repair or replacement of such Inclusion or
660 Service. Such credit must not exceed the Purchase Price. If Buyer receives such a credit, Seller's right for any claim against the
661 Association, if any, will survive Closing. Seller and Buyer are aware of the existence of pre-owned home warranty programs that
662 may be purchased and may cover the repair or replacement of such Inclusions.

663 **19.3. Condemnation.** In the event Seller receives actual notice prior to Closing that a pending condemnation action may
664 result in a taking of all or part of the Property or Inclusions, Seller must promptly notify Buyer, in writing, of such condemnation
665 action. Buyer has the Right to Terminate under § 25.1, on or before **Closing Date**, based on such condemnation action, in Buyer's
666 sole subjective discretion. Should Buyer elect to consummate this Contract despite such diminution of value to the Property and
667 Inclusions, Buyer is entitled to a credit at Closing for all condemnation proceeds awarded to Seller for the diminution in the value
668 of the Property or Inclusions but such credit will not include relocation benefits or expenses, or exceed the Purchase Price.

669 **19.4. Walk-Through and Verification of Condition.** Buyer, upon reasonable notice, has the right to walk through the
670 Property prior to Closing to verify that the physical condition of the Property and Inclusions complies with this Contract.

671 **20. RECOMMENDATION OF LEGAL AND TAX COUNSEL.** By signing this Contract, Buyer and Seller acknowledge
672 that the respective broker has advised that this Contract has important legal consequences and has recommended the examination
673 of title and consultation with legal and tax or other counsel before signing this Contract.

674 **21. TIME OF ESSENCE, DEFAULT AND REMEDIES.** Time is of the essence for all dates and deadlines in this Contract.
675 This means that all dates and deadlines are strict and absolute. If any payment due, including Earnest Money, is not paid, honored
676 or tendered when due, or if any obligation is not performed timely as provided in this Contract or waived, the non-defaulting
677 party has the following remedies:

678 **21.1. If Buyer is in Default:**

679 **21.1.1. Specific Performance.** Seller may elect to cancel this Contract and all Earnest Money (whether or not paid
680 by Buyer) will be paid to Seller and retained by Seller. It is agreed that the Earnest Money is not a penalty, and the Parties agree
681 the amount is fair and reasonable. Seller may recover such additional damages as may be proper. Alternatively, Seller may elect
682 to treat this Contract as being in full force and effect and Seller has the right to specific performance or damages, or both.

683 **21.1.2. Liquidated Damages, Applicable.** This § 21.1.2 applies unless the box in § 21.1.1. is checked. Seller
684 may cancel this Contract. All Earnest Money (whether or not paid by Buyer) will be paid to Seller, and retained by Seller. It is
685 agreed that the Earnest Money specified in § 4.1 is LIQUIDATED DAMAGES, and not a penalty, which amount the parties agree
686 is fair and reasonable and (except as provided in §§ 10.4, 22, 23 and 24), said payment of Earnest Money is SELLER'S ONLY
687 REMEDY for Buyer's failure to perform the obligations of this Contract. Seller expressly waives the remedies of specific
688 performance and additional damages.

689 **21.2. If Seller is in Default:** Buyer may elect to treat this Contract as canceled, in which case all Earnest Money received
690 hereunder will be returned and Buyer may recover such damages as may be proper. Alternatively, Buyer may elect to treat this
691 Contract as being in full force and effect and Buyer has the right to specific performance or damages, or both.

692 **22. LEGAL FEES, COST AND EXPENSES.** Anything to the contrary herein notwithstanding, in the event of any arbitration
693 or litigation relating to this Contract, prior to or after **Closing Date**, the arbitrator or court must award to the prevailing party all
694 reasonable costs and expenses, including attorney fees, legal fees and expenses.

695 **23. MEDIATION.** If a dispute arises relating to this Contract, (whether prior to or after Closing) and is not resolved, the parties
696 must first proceed, in good faith, to mediation. Mediation is a process in which the parties meet with an impartial person who helps
697 to resolve the dispute informally and confidentially. Mediators cannot impose binding decisions. Before any mediated settlement is
698 binding, the parties to the dispute must agree to the settlement, in writing. The parties will jointly appoint an acceptable mediator
699 and will share equally in the cost of such mediation. The obligation to mediate, unless otherwise agreed, will terminate if the entire
700 dispute is not resolved within thirty days of the date written notice requesting mediation is delivered by one party to the other at
701 that party's last known address (physical or electronic as provided in § 27). Nothing in this Section prohibits either party from
702 filing a lawsuit and recording a *lis pendens* affecting the Property, before or after the date of written notice requesting mediation.
703 This section will not alter any date in this Contract, unless otherwise agreed.

704 **24. EARNEST MONEY DISPUTE.** Except as otherwise provided herein, Earnest Money Holder must release the Earnest
705 Money following receipt of written mutual instructions, signed by both Buyer and Seller. In the event of any controversy regarding
706 the Earnest Money, Earnest Money Holder is not required to release the Earnest Money. Earnest Money Holder, in its sole
707 subjective discretion, has several options: (1) wait for any proceeding between Buyer and Seller; (2) interplead all parties and
708 deposit Earnest Money into a court of competent jurisdiction, (Earnest Money Holder is entitled to recover court costs and
709 reasonable attorney and legal fees incurred with such action); or (3) provide notice to Buyer and Seller that unless Earnest Money
710 Holder receives a copy of the Summons and Complaint or Claim (between Buyer and Seller) containing the case number of the
711 lawsuit (Lawsuit) within one hundred twenty days of Earnest Money Holder's notice to the parties, Earnest Money Holder is
712 authorized to return the Earnest Money to Buyer. In the event Earnest Money Holder does receive a copy of the Lawsuit, and has
713 not interplead the monies at the time of any Order, Earnest Money Holder must disburse the Earnest Money pursuant to the Order
714 of the Court. The parties reaffirm the obligation of **Mediation**. This Section will survive cancellation or termination of this
715 Contract.

716 **25. TERMINATION.**

717 **25.1. Right to Terminate.** If a party has a right to terminate, as provided in this Contract (Right to Terminate), the
718 termination is effective upon the other party's receipt of a written notice to terminate (Notice to Terminate), provided such written
719 notice was received on or before the applicable deadline specified in this Contract. If the Notice to Terminate is not received on or
720 before the specified deadline, the party with the Right to Terminate accepts the specified matter, document or condition as
721 satisfactory and waives the Right to Terminate under such provision.

722 **25.2. Effect of Termination.** In the event this Contract is terminated, all Earnest Money received hereunder will be
723 returned and the parties are relieved of all obligations hereunder, subject to §§ 10.4, 22, 23 and 24.

724 **26. ENTIRE AGREEMENT, MODIFICATION, SURVIVAL; SUCCESSORS.** This Contract, its exhibits and specified
725 addenda, constitute the entire agreement between the parties relating to the subject hereof, and any prior agreements pertaining
726 thereto, whether oral or written, have been merged and integrated into this Contract. No subsequent modification of any of the
727 terms of this Contract is valid, binding upon the parties, or enforceable unless made in writing and signed by the parties. Any right
728 or obligation in this Contract that, by its terms, exists or is intended to be performed after termination or Closing survives the
729 same. Any successor to a Party receives the predecessor's benefits and obligations of this Contract.

730 **27. NOTICE, DELIVERY, AND CHOICE OF LAW.**

731 **27.1. Physical Delivery and Notice.** Any document, or notice to Buyer or Seller must be in writing, except as provided in
732 § 27.2, and is effective when physically received by such party, any individual named in this Contract to receive documents or
733 notices for such party, the Broker, or Brokerage Firm of Broker working with such party (except any notice or delivery after
734 Closing must be received by the party, not Broker or Brokerage Firm).

735 **27.2. Electronic Notice.** As an alternative to physical delivery, any notice, may be delivered in electronic form to Buyer
736 or Seller, any individual named in this Contract to receive documents or notices for such party, the Broker or Brokerage Firm of
737 Broker working with such party (except any notice or delivery after Closing must be received by the party; not Broker or
738 Brokerage Firm) at the electronic address of the recipient by facsimile, email or ^{NA}_____.

739 **27.3. Electronic Delivery.** Electronic Delivery of documents and notice may be delivered by: (1) email at the email
740 address of the recipient, (2) a link or access to a website or server provided the recipient receives the information necessary to
741 access the documents, or (3) facsimile at the Fax No. of the recipient.

742 **27.4. Choice of Law.** This Contract and all disputes arising hereunder are governed by and construed in accordance with
743 the laws of the State of Colorado that would be applicable to Colorado residents who sign a contract in Colorado for real property
744 located in Colorado.

745 **28. NOTICE OF ACCEPTANCE, COUNTERPARTS.** This proposal will expire unless accepted in writing, by Buyer and
746 Seller, as evidenced by their signatures below, and the offering party receives notice of such acceptance pursuant to § 27 on or
747 before **Acceptance Deadline Date** and **Acceptance Deadline Time**. If accepted, this document will become a contract between
748 Seller and Buyer. A copy of this Contract may be executed by each party, separately, and when each party has executed a copy
749 thereof, such copies taken together are deemed to be a full and complete contract between the parties.

750 **29. GOOD FAITH.** Buyer and Seller acknowledge that each party has an obligation to act in good faith including, but not
751 limited to, exercising the rights and obligations set forth in the provisions of **Financing Conditions and Obligations, Title**
752 **Insurance, Record Title and Off-Record Title, New ILC, New Survey and Property Disclosure, Inspection, Indemnity,**
753 **Insurability and Due Diligence.**

754

ADDITIONAL PROVISIONS AND ATTACHMENTS
--

755 **30. ADDITIONAL PROVISIONS.** (The following additional provisions have not been approved by the Colorado Real Estate
756 Commission.)

757 This entire contract and the City's obligation to proceed under its terms is expressly conditioned upon the consent and approval of the City Council of the City
758 of Grand Junction. If such consent and approval is not obtained on or before December 15, 2016, then this contract shall automatically become void and of
759 no effect.

760 The parties hereto represent to each other that this Contract and the sale and purchase of the Property hereby contemplated were brought about without the
761 efforts of any brokers or agents and that neither party has engaged or dealt with any brokers or agents in connection with this Contract. Each party agrees to
762 defend, indemnify and hold the other harmless from any claim for real estate brokerage commissions or finder's fees asserted by any other party as a result
763 of dealings claimed to have been conducted with the respective party.

764 **31. ATTACHMENTS.**

765 **31.1.** The following attachments **are a part** of this Contract:

766 NA

767
768
769
770
771 **31.2.** The following disclosure forms **are attached** but are **not** a part of this Contract:

772 NA

773
774
775
776

777

SIGNATURES

778

Buyer's Name: City of Grand Junction, a home rule municipality Buyer's Name: _____

Buyer's Signature Date Buyer's Signature Date

Address: 250 North 5th Street Address: _____
Grand Junction, CO 81501

Phone No.: 970-244-1508 Phone No.: _____

Fax No.: 970-244-1456 Fax No.: _____

Email Address: gregc@gjcity.org Email Address: _____

779

[NOTE: If this offer is being countered or rejected, do not sign this document. Refer to § 32]

Seller's Name: Mesa Pawn & Loan Inc. Pension & Profit Sharing Plan Seller's Name: _____

Seller's Signature Date Seller's Signature Date

Address: _____ Address: _____

Phone No.: _____ Phone No.: _____

Fax No.: _____ Fax No.: _____

Email Address: _____ Email Address: _____

780

781 **32. COUNTER; REJECTION.** This offer is Countered Rejected.
782 Initials only of party (Buyer or Seller) who countered or rejected offer _____

783

END OF CONTRACT TO BUY AND SELL REAL ESTATE

33. BROKER'S ACKNOWLEDGMENTS AND COMPENSATION DISCLOSURE.

(To be completed by Broker working with Buyer)

Broker Does Does Not acknowledge receipt of Earnest Money deposit and, while not a party to the Contract, agrees to cooperate upon request with any mediation concluded under § 23. Broker agrees that if Brokerage Firm is the Earnest Money Holder and, except as provided in § 24, if the Earnest Money has not already been returned following receipt of a Notice to Terminate or other written notice of termination, Earnest Money Holder will release the Earnest Money as directed by the written mutual instructions. Such release of Earnest Money will be made within five days of Earnest Money Holder's receipt of the executed written mutual instructions, provided the Earnest Money check has cleared.

Broker is working with Buyer as a Buyer's Agent Seller's Agent Transaction-Broker in this transaction.

This is a Change of Status.

Brokerage Firm's compensation or commission is to be paid by Listing Brokerage Firm Buyer Other _____.

Brokerage Firm's Name: _____

Broker's Name: _____

Broker's Signature Date

Address: _____

Phone No.: _____
Fax No.: _____
Email Address: _____

34. BROKER'S ACKNOWLEDGMENTS AND COMPENSATION DISCLOSURE.

(To be completed by Broker working with Seller)

Broker **Does** **Does Not** acknowledge receipt of Earnest Money deposit and, while not a party to the Contract, agrees to cooperate upon request with any mediation concluded under § 23. Broker agrees that if Brokerage Firm is the Earnest Money Holder and, except as provided in § 24, if the Earnest Money has not already been returned following receipt of a Notice to Terminate or other written notice of termination, Earnest Money Holder will release the Earnest Money as directed by the written mutual instructions. Such release of Earnest Money will be made within five days of Earnest Money Holder's receipt of the executed written mutual instructions, provided the Earnest Money check has cleared.

Broker is working with Seller as a **Seller's Agent** **Buyer's Agent** **Transaction-Broker** in this transaction.

This is a **Change of Status**.

Brokerage Firm's compensation or commission is to be paid by **Seller** **Buyer** **Other** _____.

Brokerage Firm's Name: _____
Broker's Name: _____

Broker's Signature Date

Address: _____

Phone No.: _____
Fax No.: _____
Email Address: _____

784

1 The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission.
2 (CBS3-6-15) (Mandatory 1-16)

3
4 THIS FORM HAS IMPORTANT LEGAL CONSEQUENCES AND THE PARTIES SHOULD CONSULT LEGAL AND TAX OR
5 OTHER COUNSEL BEFORE SIGNING.
6

7
8 **CONTRACT TO BUY AND SELL REAL ESTATE**
9 **(COMMERCIAL)**
10 **Property with No Residences**
11 **Property with Residences-Residential Addendum Attached**

12 Date: October 27, 2016

13 **AGREEMENT**

14 **1. AGREEMENT.** Buyer agrees to buy and Seller agrees to sell, the Property described below on the terms and conditions set
15 forth in this contract (Contract).

16 **2. PARTIES AND PROPERTY.**

17 **2.1. Buyer.** Buyer, City of Grand Junction, a home rule municipality, will take title to the Property described below as
18 will take title to the Property described below as **Joint Tenants** **Tenants In Common** **Other**

19 **2.2. No Assignability.** This Contract Is Not assignable by Buyer unless otherwise specified in **Additional Provisions.**

20
21 **2.3. Seller.** Seller, Mesa Pawn & Loan, Inc. Pension & Profit Sharing Plan is
22 the current owner of the Property described below.

23 **2.4. Property.** The Property is the following legally described real estate in the County of Mesa, Colorado:

24 Lots 13 to 24 inclusive, in Block 122 of the CITY OF GRAND JUNCTION, EXCEPT Beginning at the Southwest corner of Lot 24, thence along the South line of said Lot 24, East a
25 distance of 24.9 feet; thence North 35°49'30" West a distance of 42.5 feet to the West line of said Lot 24, South a distance of 34.4 feet more or less to the Point of Beginning, as
26 conveyed to the City of Grand Junction by instrument recorded August 31, 1954 in Book 615 at page 546 for public street and highway purposes.
27 Lots 13 through 24, inclusive Block 122, First Division Resurvey Town of Grand Junction, as same is recorded in Plat Book 1, Page 9, Public Records of Mesa County, Colorado, LESS
28 HOWEVER, that certain parcel conveyed to the City of Grand Junction by instrument recorded in Book 615, Page 546, Public Records of Mesa County, Colorado.

29 known as No. 225 South 2nd Street Grand Junction CO 81501
30 Street Address City State Zip

31 together with the interests, easements, rights, benefits, improvements and attached fixtures appurtenant thereto, and all interest of
32 Seller in vacated streets and alleys adjacent thereto, except as herein excluded (Property).

33
34 **2.5. Inclusions.** The Purchase Price includes the following items (Inclusions):

35 **2.5.1. Inclusions - Attached.** If attached to the Property on the date of this Contract, the following items are
36 included unless excluded under **Exclusions**: lighting, heating, plumbing, ventilating and air conditioning units, TV antennas, inside
37 telephone, network and coaxial (cable) wiring and connecting blocks/jacks, plants, mirrors, floor coverings, intercom systems,
38 built-in kitchen appliances, sprinkler systems and controls, built-in vacuum systems (including accessories), garage door openers
39 (including ^{NA} remote controls). If checked, the following are owned by the Seller and included (leased items should be listed
40 under **Due Diligence Documents**): **None** **Solar Panels** **Water Softeners** **Security Systems** **Satellite Systems**
41 (including satellite dishes). If any additional items are attached to the Property after the date of this Contract, such additional items
42 are also included in the Purchase Price.

43 **2.5.2. Inclusions - Not Attached.** If on the Property, whether attached or not, on the date of this Contract, the
44 following items are included unless excluded under **Exclusions**: storm windows, storm doors, window and porch shades, awnings,
45 blinds, screens, window coverings and treatments, curtain rods, drapery rods, fireplace inserts, fireplace screens, fireplace grates,
46 heating stoves, storage sheds, carbon monoxide alarms, smoke/fire detectors and all keys.

47 **2.5.3. Personal Property - Conveyance.** Any personal property must be conveyed at Closing by Seller free and
48 clear of all taxes (except personal property taxes for the year of Closing), liens and encumbrances, except _____.
49 Conveyance of all personal property will be by bill of sale or other applicable legal instrument.

50 **2.5.4. Other Inclusions.** The following items, whether fixtures or personal property, are also included in the
51 Purchase Price:
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2.5.5. Parking and Storage Facilities. Use Only Ownership of the following parking facilities:
On street parking and on-site/adjacent to the storage facilities; and Use Only Ownership of the following storage facilities: See above

2.6. Exclusions. The following items are excluded (Exclusions):

None

2.7. Water Rights, Well Rights, Water and Sewer Taps.

2.7.1. Deeded Water Rights. The following legally described water rights:

Any deeded water rights will be conveyed by a good and sufficient _____ deed at Closing.

2.7.2. Other Rights Relating to Water. The following rights relating to water not included in §§ 2.7.1, 2.7.3, 2.7.4 and 2.7.5, will be transferred to Buyer at Closing:

2.7.3. Well Rights. Seller agrees to supply required information to Buyer about the well. Buyer understands that if the well to be transferred is a "Small Capacity Well" or a "Domestic Exempt Water Well," used for ordinary household purposes, Buyer must, prior to or at Closing, complete a Change in Ownership form for the well. If an existing well has not been registered with the Colorado Division of Water Resources in the Department of Natural Resources (Division), Buyer must complete a registration of existing well form for the well and pay the cost of registration. If no person will be providing a closing service in connection with the transaction, Buyer must file the form with the Division within sixty days after Closing. The Well Permit # is NA.

2.7.4. Water Stock Certificates. The water stock certificates to be transferred at Closing are as follows:

NA

2.7.5. Conveyance. If Buyer is to receive any rights to water pursuant to § 2.7.2 (Other Rights Relating to Water), § 2.7.3 (Well Rights), or § 2.7.4 (Water Stock Certificates), Seller agrees to convey such rights to Buyer by executing the applicable legal instrument at Closing.

3. DATES AND DEADLINES.

Item No.	Reference	Event	Date or Deadline
1	§ 4.3	Alternative Earnest Money Deadline	NA
		Title	
2	§ 8.1	Record Title Deadline	November 14, 2016
3	§ 8.2	Record Title Objection Deadline	November 21, 2016
4	§ 8.3	Off-Record Title Deadline	November 14, 2016
5	§ 8.3	Off-Record Title Objection Deadline	November 21, 2016
6	§ 8.4	Title Resolution Deadline	December 2, 2016
7	§ 8.6	Right of First Refusal Deadline	NA
		Owners' Association	
8	§ 7.3	Association Documents Deadline	NA
9	§ 7.4	Association Documents Objection Deadline	NA
		Seller's Property Disclosure	
10	§ 10.1	Seller's Property Disclosure Deadline	November 14, 2016
		Loan and Credit	
11	§ 5.1	Loan Application Deadline	NA
12	§ 5.2	Loan Objection Deadline	NA
13	§ 5.3	Buyer's Credit Information Deadline	NA
14	§ 5.3	Disapproval of Buyer's Credit Information Deadline	NA
15	§ 5.4	Existing Loan Documents Deadline	NA
16	§ 5.4	Existing Loan Documents Objection Deadline	NA
17	§ 5.4	Loan Transfer Approval Deadline	NA
18	§ 4.7	Seller or Private Financing Deadline	NA

Appraisal			
19	§ 6.2	Appraisal Deadline	NA
20	§ 6.2	Appraisal Objection Deadline	NA
21	§ 6.2	Appraisal Resolution Deadline	NA
Survey			
22	§ 9.1	New ILC or New Survey Deadline	NA
23	§ 9.3	New ILC or New Survey Objection Deadline	NA
24	§ 9.4	New ILC or New Survey Resolution Deadline	NA
Inspection and Due Diligence			
25	§ 10.3	Inspection Objection Deadline	November 21, 2016
26	§ 10.3	Inspection Resolution Deadline	December 2, 2016
27	§ 10.5	Property Insurance Objection Deadline	November 14, 2016
28	§ 10.6	Due Diligence Documents Delivery Deadline	November 14, 2016
29	§ 10.6	Due Diligence Documents Objection Deadline	November 17, 2016
30	§ 10.6	Due Diligence Documents Resolution Deadline	November 21, 2016
31	§ 10.6	Environmental Inspection Objection Deadline	November 14, 2016
32	§ 10.6	ADA Evaluation Objection Deadline	NA
33	§ 10.7	Conditional Sale Deadline	NA
34	§ 11.1	Tenant Estoppel Statements Deadline	NA
35	§ 11.2	Tenant Estoppel Statements Objection Deadline	NA
Closing and Possession			
36	§ 12.3	Closing Date	January 6, 2017
37	§ 17	Possession Date	January 6, 2017
38	§ 17	Possession Time	Completion of Closing
39	§ 28	Acceptance Deadline Date	December 16, 2016
40	§ 28	Acceptance Deadline Time	5:00 PM MST

86 **3.1. Applicability of Terms.** Any box checked in this Contract means the corresponding provision applies. Any box,
87 blank or line in this Contract left blank or completed with the abbreviation "N/A", or the word "Deleted" means such provision,
88 including any deadline, is not applicable and the corresponding provision of this Contract to which reference is made is deleted. If
89 no box is checked in a provision that contains a selection of "None", such provision means that "None" applies.

90 The abbreviation "MEC" (mutual execution of this Contract) means the date upon which both parties have signed this Contract.

91
92 **4. PURCHASE PRICE AND TERMS.**

93 **4.1. Price and Terms.** The Purchase Price set forth below is payable in U.S. Dollars by Buyer as follows:

Item No.	Reference	Item	Amount	Amount
1	§ 4.1	Purchase Price	\$ 800,000.00	
2	§ 4.3	Earnest Money		\$ 800,000.00
3	§ 4.5	New Loan		\$ 0
4	§ 4.6	Assumption Balance		\$ 0
5	§ 4.7	Private Financing		\$ 0
6	§ 4.7	Seller Financing		\$ 0
7				
8				
9	§ 4.4	Cash at Closing		\$ 800,000.00
10		TOTAL	\$ 800,000.00	\$ 800,000.00

94 **4.2. Seller Concession.** At Closing, Seller will credit to Buyer \$ _____ (Seller Concession). The Seller
95 Concession may be used for any Buyer fee, cost, charge or expenditure to the extent the amount is allowed by the Buyer's lender
96 and is included in the Closing Statement or Closing Disclosure, at Closing. Examples of allowable items to be paid for by the
97 Seller Concession include, but are not limited to: Buyer's closing costs, loan discount points, loan origination fees, prepaid items
98 and any other fee, cost, charge, expense or expenditure. Seller Concession is in addition to any sum Seller has agreed to pay or
99 credit Buyer elsewhere in this Contract.

100 **4.3. Earnest Money.** The Earnest Money set forth in this section, in the form of a CHECK _____,
101 payable to and held by Spiecker, Hanlon, Gormley & Volkman (Earnest Money Holder), in its trust account, on behalf of

102 both Seller and Buyer. The Earnest Money deposit must be tendered, by Buyer, with this Contract unless the parties mutually
103 agree to an **Alternative Earnest Money Deadline** for its payment. The parties authorize delivery of the Earnest Money deposit to
104 the company conducting the Closing (Closing Company), if any, at or before Closing. In the event Earnest Money Holder has
105 agreed to have interest on Earnest Money deposits transferred to a fund established for the purpose of providing affordable housing
106 to Colorado residents, Seller and Buyer acknowledge and agree that any interest accruing on the Earnest Money deposited with the
107 Earnest Money Holder in this transaction will be transferred to such fund.

108 **4.3.1. Alternative Earnest Money Deadline.** The deadline for delivering the Earnest Money, if other than at the
109 time of tender of this Contract, is as set forth as the **Alternative Earnest Money Deadline**.

110 **4.3.2. Return of Earnest Money.** If Buyer has a Right to Terminate and timely terminates, Buyer is entitled to
111 the return of Earnest Money as provided in this Contract. If this Contract is terminated as set forth in § 25 and, except as provided
112 in § 24, if the Earnest Money has not already been returned following receipt of a Notice to Terminate, Seller agrees to execute
113 and return to Buyer or Broker working with Buyer, written mutual instructions (e.g., Earnest Money Release form), within three
114 days of Seller's receipt of such form.

115 **4.4. Form of Funds; Time of Payment; Available Funds.**

116 **4.4.1. Good Funds.** All amounts payable by the parties at Closing, including any loan proceeds, Cash at Closing
117 and closing costs, must be in funds that comply with all applicable Colorado laws, including electronic transfer funds, certified
118 check, savings and loan teller's check and cashier's check (Good Funds).

119 **4.4.2. Time of Payment; Available Funds.** All funds, including the Purchase Price to be paid by Buyer, must be
120 paid before or at Closing or as otherwise agreed in writing between the parties to allow disbursement by Closing Company at
121 Closing **OR SUCH NONPAYING PARTY WILL BE IN DEFAULT**. Buyer represents that Buyer, as of the date of this
122 Contract, Does Does Not have funds that are immediately verifiable and available in an amount not less than the amount
123 stated as Cash at Closing in § 4.1.

124 **4.5. New Loan.**

125 **4.5.1. Buyer to Pay Loan Costs.** Buyer, except as provided in § 4.2, if applicable, must timely pay Buyer's loan
126 costs, loan discount points, prepaid items and loan origination fees, as required by lender.

127 **4.5.2. Buyer May Select Financing.** Buyer may pay in cash or select financing appropriate and acceptable to
128 Buyer, including a different loan than initially sought, except as restricted in § 4.5.3 or § 30 (Additional Provisions).

129 **4.5.3. Loan Limitations.** Buyer may purchase the Property using any of the following types of loans:
130 Conventional Other _____.

131 **4.6. Assumption.** Buyer agrees to assume and pay an existing loan in the approximate amount of the Assumption
132 Balance set forth in § 4.1, presently payable at \$^{NA} _____ per ^{NA} _____ including principal and interest
133 presently at the rate of ^{NA} _____ % per annum, and also including escrow for the following as indicated: Real Estate Taxes

134 Property Insurance Premium and ^{NA} _____.

135 Buyer agrees to pay a loan transfer fee not to exceed \$^{NA} _____. At the time of assumption, the new interest rate will
136 not exceed ^{NA} _____ % per annum and the new payment will not exceed \$^{NA} _____ per ^{NA} _____ principal and
137 interest, plus escrow, if any. If the actual principal balance of the existing loan at Closing is less than the Assumption Balance,
138 which causes the amount of cash required from Buyer at Closing to be increased by more than \$^{NA} _____, then Buyer has
139 the Right to Terminate under § 25.1, on or before **Closing Date**, based on the reduced amount of the actual principal balance.

140 Seller Will Will Not be released from liability on said loan. If applicable, compliance with the requirements for
141 release from liability will be evidenced by delivery on or before **Loan Transfer Approval Deadline** at **Closing** of an
142 appropriate letter of commitment from lender. Any cost payable for release of liability will be paid by ^{NA} _____
143 _____ in an amount not to exceed \$^{NA} _____.

144 **4.7. Seller or Private Financing.**

145 **WARNING:** Unless the transaction is exempt, federal and state laws impose licensing, other requirements and restrictions on
146 sellers and private financiers. Contract provisions on financing and financing documents, unless exempt, should be prepared by a
147 licensed Colorado attorney or licensed mortgage loan originator. Brokers should not prepare or advise the parties on the specifics
148 of financing, including whether or not a party is exempt from the law.

149 **4.7.1. Seller Financing.** If Buyer is to pay all or any portion of the Purchase Price with Seller financing,
150 **Buyer** **Seller** will deliver the proposed Seller financing documents to the other party on or before ^{NA} _____ days before
151 **Seller or Private Financing Deadline**.

152 **4.7.1.1. Seller May Terminate.** If Seller is to provide Seller financing, this Contract is conditional upon
153 Seller determining whether such financing is satisfactory to the Seller, including its payments, interest rate, terms, conditions, cost
154 and compliance with the law. Seller has the Right to Terminate under § 25.1, on or before **Seller or Private Financing Deadline**,
155 if such Seller financing is not satisfactory to the Seller, in Seller's sole subjective discretion.

156 **4.7.2. Buyer May Terminate.** If Buyer is to pay all or any portion of the Purchase Price with Seller or private
157 financing, this Contract is conditional upon Buyer determining whether such financing is satisfactory to the Buyer, including its
158 availability, payments, interest rate, terms, conditions and cost. Buyer has the Right to Terminate under § 25.1, on or before **Seller**
159 **or Private Financing Deadline**, if such Seller or private financing is not satisfactory to Buyer, in Buyer's sole subjective
160 discretion.

162 **5. FINANCING CONDITIONS AND OBLIGATIONS.**

163 **5.1. Loan Application.** If Buyer is to pay all or part of the Purchase Price by obtaining one or more new loans (New
164 Loan), or if an existing loan is not to be released at Closing, Buyer, if required by such lender, must make an application verifiable
165 by such lender, on or before **Loan Application Deadline** and exercise reasonable efforts to obtain such loan or approval.

166 **5.2. Loan Objection.** If Buyer is to pay all or part of the Purchase Price with a New Loan, this Contract is conditional
167 upon Buyer determining, in Buyer's sole subjective discretion, whether the New Loan is satisfactory to Buyer, including its
168 availability, payments, interest rate, terms, conditions, and cost of such New Loan. This condition is for the sole benefit of Buyer.
169 Buyer has the Right to Terminate under § 25.1, on or before **Loan Objection Deadline**, if the New Loan is not satisfactory to
170 Buyer, in Buyer's sole subjective discretion. **IF SELLER IS NOT IN DEFAULT AND DOES NOT TIMELY RECEIVE**
171 **BUYER'S WRITTEN NOTICE TO TERMINATE, BUYER'S EARNEST MONEY WILL BE NONREFUNDABLE**, except
172 as otherwise provided in this Contract (e.g., Appraisal, Title, Survey).

173 **5.3. Credit Information.** If an existing loan is not to be released at Closing, this Contract is conditional (for the sole
174 benefit of Seller) upon Seller's approval of Buyer's financial ability and creditworthiness, which approval will be at Seller's sole
175 subjective discretion. Accordingly: (1) Buyer must supply to Seller by **Buyer's Credit Information Deadline**, at Buyer's
176 expense, information and documents (including a current credit report) concerning Buyer's financial, employment and credit
177 condition; (2) Buyer consents that Seller may verify Buyer's financial ability and creditworthiness; and (3) any such information
178 and documents received by Seller must be held by Seller in confidence, and not released to others except to protect Seller's interest
179 in this transaction. If the Cash at Closing is less than as set forth in § 4.1 of this Contract, Seller has the Right to Terminate under
180 § 25.1, on or before Closing. If Seller disapproves of Buyer's financial ability or creditworthiness, in Seller's sole subjective
181 discretion, Seller has the Right to Terminate under § 25.1, on or before **Disapproval of Buyer's Credit Information Deadline**.

182 **5.4. Existing Loan Review.** If an existing loan is not to be released at Closing, Seller must deliver copies of the loan
183 documents (including note, deed of trust, and any modifications) to Buyer by **Existing Loan Documents Deadline**. For the sole
184 benefit of Buyer, this Contract is conditional upon Buyer's review and approval of the provisions of such loan documents. Buyer
185 has the Right to Terminate under § 25.1, on or before **Existing Loan Documents Objection Deadline**, based on any
186 unsatisfactory provision of such loan documents, in Buyer's sole subjective discretion. If the lender's approval of a transfer of the
187 Property is required, this Contract is conditional upon Buyer's obtaining such approval without change in the terms of such loan,
188 except as set forth in § 4.6. If lender's approval is not obtained by **Loan Transfer Approval Deadline**, this Contract will
189 terminate on such deadline. Seller has the Right to Terminate under § 25.1, on or before Closing, in Seller's sole subjective
190 discretion, if Seller is to be released from liability under such existing loan and Buyer does not obtain such compliance as set forth
191 in § 4.6.

192 **6. APPRAISAL PROVISIONS.**

193 **6.1. Appraisal Definition.** An "Appraisal" is an opinion of value prepared by a licensed or certified appraiser, engaged
194 on behalf of Buyer or Buyer's lender, to determine the Property's market value (Appraised Value). The Appraisal may also set
195 forth certain lender requirements, replacements, removals or repairs necessary on or to the Property as a condition for the Property
196 to be valued at the Appraised Value.

197 **6.2. Appraisal Condition.** The applicable appraisal provision set forth below applies to the respective loan type set forth
198 in § 4.5.3, or if a cash transaction (i.e. no financing), § 6.2.1 applies.

199 **6.2.1. Conventional/Other.** Buyer has the right to obtain an Appraisal. If the Appraised Value is less than the
200 Purchase Price, or if the Appraisal is not received by Buyer on or before **Appraisal Deadline** Buyer may, on or before **Appraisal**
201 **Objection Deadline**, notwithstanding § 8.3 or § 13:

202 **6.2.1.1. Notice to Terminate.** Notify Seller in writing that this Contract is terminated; or

203 **6.2.1.2. Appraisal Objection.** Deliver to Seller a written objection accompanied by either a copy of the
204 Appraisal or written notice from lender that confirms the Appraisal Value is less than the Purchase Price.

205 **6.2.1.3. Appraisal Resolution.** If an Appraisal Objection is received by Seller, on or before **Appraisal**
206 **Objection Deadline**, and if Buyer and Seller have not agreed in writing to a settlement thereof on or before **Appraisal Resolution**
207 **Deadline** (§ 3), this Contract will terminate on the **Appraisal Resolution Deadline**, unless Seller receives Buyer's written
208 withdrawal of the Appraisal Objection before such termination, i.e., on or before expiration of **Appraisal Resolution Deadline**.
209

210 **6.3. Lender Property Requirements.** If the lender imposes any requirements, replacements, removals or repairs,
211 including any specified in the Appraisal (Lender Requirements) to be made to the Property (e.g., roof repair, repainting), beyond
212 those matters already agreed to by Seller in this Contract, Seller has the Right to Terminate under § 25.1, (notwithstanding § 10 of
213 this Contract), on or before three days following Seller's receipt of the Lender Requirements, in Seller's sole subjective discretion.
214 Seller's Right to Terminate in this § 6.3 does not apply if, on or before any termination by Seller pursuant to this § 6.3: (1) the
215 parties enter into a written agreement regarding the Lender Requirements; or (2) the Lender Requirements have been completed; or
216 (3) the satisfaction of the Lender Requirements is waived in writing by Buyer.

217 **6.4. Cost of Appraisal.** Cost of the Appraisal to be obtained after the date of this Contract must be timely paid by
218 **Buyer** **Seller.** The cost of the Appraisal may include any and all fees paid to the appraiser, appraisal management company,
219 lender's agent or all three.

220
221 **7. OWNERS' ASSOCIATION.** This Section is applicable if the Property is located within a Common Interest
222 Community and subject to such declaration.

223 **7.1. Common Interest Community Disclosure.** THE PROPERTY IS LOCATED WITHIN A COMMON
224 INTEREST COMMUNITY AND IS SUBJECT TO THE DECLARATION FOR THE COMMUNITY. THE OWNER OF
225 THE PROPERTY WILL BE REQUIRED TO BE A MEMBER OF THE OWNERS' ASSOCIATION FOR THE
226 COMMUNITY AND WILL BE SUBJECT TO THE BYLAWS AND RULES AND REGULATIONS OF THE
227 ASSOCIATION. THE DECLARATION, BYLAWS, AND RULES AND REGULATIONS WILL IMPOSE FINANCIAL
228 OBLIGATIONS UPON THE OWNER OF THE PROPERTY, INCLUDING AN OBLIGATION TO PAY
229 ASSESSMENTS OF THE ASSOCIATION. IF THE OWNER DOES NOT PAY THESE ASSESSMENTS, THE
230 ASSOCIATION COULD PLACE A LIEN ON THE PROPERTY AND POSSIBLY SELL IT TO PAY THE DEBT. THE
231 DECLARATION, BYLAWS, AND RULES AND REGULATIONS OF THE COMMUNITY MAY PROHIBIT THE
232 OWNER FROM MAKING CHANGES TO THE PROPERTY WITHOUT AN ARCHITECTURAL REVIEW BY THE
233 ASSOCIATION (OR A COMMITTEE OF THE ASSOCIATION) AND THE APPROVAL OF THE ASSOCIATION.
234 PURCHASERS OF PROPERTY WITHIN THE COMMON INTEREST COMMUNITY SHOULD INVESTIGATE THE
235 FINANCIAL OBLIGATIONS OF MEMBERS OF THE ASSOCIATION. PURCHASERS SHOULD CAREFULLY
236 READ THE DECLARATION FOR THE COMMUNITY AND THE BYLAWS AND RULES AND REGULATIONS OF
237 THE ASSOCIATION.

238 **7.2. Owners' Association Documents.** Owners' Association Documents (Association Documents) consist of the
239 following:

240 **7.2.1.** All Owners' Association declarations, articles of incorporation, bylaws, articles of organization, operating
241 agreements, rules and regulations, party wall agreements;

242 **7.2.2.** Minutes of most recent annual owners' meeting;

243 **7.2.3.** Minutes of any directors' or managers' meetings during the six-month period immediately preceding the
244 date of this Contract. If none of the preceding minutes exist, then the most recent minutes, if any (§§ 7.2.1, 7.2.2 and 7.2.3,
245 collectively, Governing Documents); and

246 **7.2.4.** The most recent financial documents which consist of: (1) annual and most recent balance sheet, (2) annual
247 and most recent income and expenditures statement, (3) annual budget, (4) reserve study, and (5) notice of unpaid assessments, if
248 any (collectively, Financial Documents).

249 **7.3. Association Documents to Buyer.**

250 **7.3.1. Seller to Provide Association Documents.** Seller is obligated to provide to Buyer the Association
251 Documents, at Seller's expense, on or before **Association Documents Deadline.** Seller authorizes the Association to provide the
252 Association Documents to Buyer, at Seller's expense. Seller's obligation to provide the Association Documents is fulfilled upon
253 Buyer's receipt of the Association Documents, regardless of who provides such documents.

254 **7.4. Conditional on Buyer's Review.** Buyer has the right to review the Association Documents. Buyer has the Right to
255 Terminate under § 25.1, on or before **Association Documents Objection Deadline**, based on any unsatisfactory provision in any
256 of the Association Documents, in Buyer's sole subjective discretion. Should Buyer receive the Association Documents after
257 **Association Documents Deadline**, Buyer, at Buyer's option, has the Right to Terminate under § 25.1 by Buyer's Notice to
258 Terminate received by Seller on or before ten days after Buyer's receipt of the Association Documents. If Buyer does not receive
259 the Association Documents, or if Buyer's Notice to Terminate would otherwise be required to be received by Seller after **Closing**
260 **Date**, Buyer's Notice to Terminate must be received by Seller on or before Closing. If Seller does not receive Buyer's Notice to
261 Terminate within such time, Buyer accepts the provisions of the Association Documents as satisfactory, and Buyer waives any
262 Right to Terminate under this provision, notwithstanding the provisions of § 8.6 (Right of First Refusal or Contract Approval).

263 **8. TITLE INSURANCE, RECORD TITLE AND OFF-RECORD TITLE.**

264 **8.1. Evidence of Record Title.**

265 **8.1.1. Seller Selects Title Insurance Company.** If this box is checked, Seller will select the title insurance
266 company to furnish the owner's title insurance policy at Seller's expense. On or before **Record Title Deadline**, Seller must furnish
267 to Buyer, a current commitment for an owner's title insurance policy (Title Commitment), in an amount equal to the Purchase
268 Price, or if this box is checked, an **Abstract of Title** certified to a current date. Seller will cause the title insurance policy to be
269 issued and delivered to Buyer as soon as practicable at or after Closing.

270 **8.1.2. Buyer Selects Title Insurance Company.** If this box is checked, Buyer will select the title insurance
271 company to furnish the owner's title insurance policy at Buyer's expense. On or before **Record Title Deadline**, Buyer must
272 furnish to Seller, a current commitment for owner's title insurance policy (Title Commitment), in an amount equal to the Purchase
273 Price.

274 If neither box in § 8.1.1 or § 8.1.2 is checked, § 8.1.1 applies.

275 **8.1.3. Owner's Extended Coverage (OEC).** The Title Commitment Will Will Not contain Owner's
276 Extended Coverage (OEC). If the Title Commitment is to contain OEC, it will commit to delete or insure over the standard
277 exceptions which relate to: (1) parties in possession, (2) unrecorded easements, (3) survey matters, (4) unrecorded mechanics'
278 liens, (5) gap period (period between the effective date and time of commitment to the date and time the deed is recorded), and (6)
279 unpaid taxes, assessments and unredeemed tax sales prior to the year of Closing. Any additional premium expense to obtain OEC
280 will be paid by Buyer Seller One-Half by Buyer and One-Half by Seller Other ^{NA} _____.
281 Regardless of whether the Contract requires OEC, the Title Insurance Commitment may not provide OEC or delete or insure over
282 any or all of the standard exceptions for OEC. The Title Insurance Company may require a New Survey or New ILC, defined
283 below, among other requirements for OEC. If the Title Insurance Commitment is not satisfactory to Buyer, Buyer has a right to
284 object under § 8.4 (Right to Object to Title, Resolution).

285 **8.1.4. Title Documents.** Title Documents consist of the following: (1) copies of any plats, declarations,
286 covenants, conditions and restrictions burdening the Property, and (2) copies of any other documents (or, if illegible, summaries of
287 such documents) listed in the schedule of exceptions (Exceptions) in the Title Commitment furnished to Buyer (collectively, Title
288 Documents).

289 **8.1.5. Copies of Title Documents.** Buyer must receive, on or before **Record Title Deadline**, copies of all Title
290 Documents. This requirement pertains only to documents as shown of record in the office of the clerk and recorder in the county
291 where the Property is located. The cost of furnishing copies of the documents required in this Section will be at the expense of the
292 party or parties obligated to pay for the owner's title insurance policy.

293 **8.1.6. Existing Abstracts of Title.** Seller must deliver to Buyer copies of any abstracts of title covering all or any
294 portion of the Property (Abstract of Title) in Seller's possession on or before **Record Title Deadline**.

295 **8.2. Record Title.** Buyer has the right to review and object to the Abstract of Title or Title Commitment and any of the
296 Title Documents as set forth in § 8.4 (Right to Object to Title, Resolution) on or before **Record Title Objection Deadline**.
297 Buyer's objection may be based on any unsatisfactory form or content of Title Commitment or Abstract of Title, notwithstanding
298 § 13, or any other unsatisfactory title condition, in Buyer's sole subjective discretion. If the Abstract of Title, Title Commitment or
299 Title Documents are not received by Buyer on or before the **Record Title Deadline**, or if there is an endorsement to the Title
300 Commitment that adds a new Exception to title, a copy of the new Exception to title and the modified Title Commitment will be
301 delivered to Buyer. Buyer has until the earlier of Closing or ten days after receipt of such documents by Buyer to review and object
302 to: (1) any required Title Document not timely received by Buyer, (2) any change to the Abstract of Title, Title Commitment or
303 Title Documents, or (3) any endorsement to the Title Commitment. If Seller receives Buyer's Notice to Terminate or Notice of
304 Title Objection, pursuant to this § 8.2 (Record Title), any title objection by Buyer is governed by the provisions set forth in § 8.4
305 (Right to Object to Title, Resolution). If Seller has fulfilled all Seller's obligations, if any, to deliver to Buyer all documents
306 required by § 8.1 (Evidence of Record Title) and Seller does not receive Buyer's Notice to Terminate or Notice of Title Objection
307 by the applicable deadline specified above, Buyer accepts the condition of title as disclosed by the Abstract of Title, Title
308 Commitment and Title Documents as satisfactory.

309 **8.3. Off-Record Title.** Seller must deliver to Buyer, on or before **Off-Record Title Deadline**, true copies of all existing
310 surveys in Seller's possession pertaining to the Property and must disclose to Buyer all easements, liens (including, without
311 limitation, governmental improvements approved, but not yet installed) or other title matters (including, without limitation, rights
312 of first refusal and options) not shown by public records, of which Seller has actual knowledge (Off-Record Matters). Buyer has
313 the right to inspect the Property to investigate if any third party has any right in the Property not shown by public records (e.g.,
314 unrecorded easement, boundary line discrepancy or water rights). Buyer's Notice to Terminate or Notice of Title Objection of any
315 unsatisfactory condition (whether disclosed by Seller or revealed by such inspection, notwithstanding § 8.2 and § 13), in Buyer's
316 sole subjective discretion, must be received by Seller on or before **Off-Record Title Objection Deadline**. If an Off-Record Matter
317 is received by Buyer after the **Off-Record Title Deadline**, Buyer has until the earlier of Closing or ten days after receipt by Buyer
318 to review and object to such Off-Record Matter. If Seller receives Buyer's Notice to Terminate or Notice of Title Objection
319 pursuant to this § 8.3 (Off-Record Title), any title objection by Buyer and this Contract are governed by the provisions set forth in
320 § 8.4 (Right to Object to Title, Resolution). If Seller does not receive Buyer's Notice to Terminate or Notice of Title Objection by
321 the applicable deadline specified above, Buyer accepts title subject to such rights, if any, of third parties of which Buyer has actual
322 knowledge.

323 **8.4. Right to Object to Title, Resolution.** Buyer's right to object to any title matters includes, but is not limited to those
324 matters set forth in §§ 8.2 (Record Title), 8.3 (Off-Record Title) and 13 (Transfer of Title), in Buyer's sole subjective discretion. If
325 Buyer objects to any title matter, on or before the applicable deadline, Buyer has the following options:

326 **8.4.1. Title Objection, Resolution.** If Seller receives Buyer's written notice objecting to any title matter (Notice
327 of Title Objection) on or before the applicable deadline, and if Buyer and Seller have not agreed to a written settlement thereof on
328 or before **Title Resolution Deadline**, this Contract will terminate on the expiration of **Title Resolution Deadline**, unless Seller
329 receives Buyer's written withdrawal of Buyer's Notice of Title Objection (i.e., Buyer's written notice to waive objection to such
330 items and waives the Right to Terminate for that reason), on or before expiration of **Title Resolution Deadline**. If either the
331 Record Title Deadline or the Off-Record Title Deadline, or both, are extended to the earlier of Closing or ten days after receipt of
332 the applicable documents by Buyer, pursuant to § 8.2 (Record Title) or § 8.3 (Off-Record Title), the Title Resolution Deadline also
333 will be automatically extended to the earlier of Closing or fifteen days after Buyer's receipt of the applicable documents; or

334 **8.4.2. Title Objection, Right to Terminate.** Buyer may exercise the Right to Terminate under § 25.1, on or
335 before the applicable deadline, based on any unsatisfactory title matter, in Buyer's sole subjective discretion.

336 **8.5. Special Taxing Districts.** SPECIAL TAXING DISTRICTS MAY BE SUBJECT TO GENERAL OBLIGATION
337 INDEBTEDNESS THAT IS PAID BY REVENUES PRODUCED FROM ANNUAL TAX LEVIES ON THE TAXABLE
338 PROPERTY WITHIN SUCH DISTRICTS. PROPERTY OWNERS IN SUCH DISTRICTS MAY BE PLACED AT RISK
339 FOR INCREASED MILL LEVIES AND TAX TO SUPPORT THE SERVICING OF SUCH DEBT WHERE
340 CIRCUMSTANCES ARISE RESULTING IN THE INABILITY OF SUCH A DISTRICT TO DISCHARGE SUCH
341 INDEBTEDNESS WITHOUT SUCH AN INCREASE IN MILL LEVIES. BUYERS SHOULD INVESTIGATE THE
342 SPECIAL TAXING DISTRICTS IN WHICH THE PROPERTY IS LOCATED BY CONTACTING THE COUNTY
343 TREASURER, BY REVIEWING THE CERTIFICATE OF TAXES DUE FOR THE PROPERTY, AND BY OBTAINING
344 FURTHER INFORMATION FROM THE BOARD OF COUNTY COMMISSIONERS, THE COUNTY CLERK AND
345 RECORDER, OR THE COUNTY ASSESSOR.

346 Buyer has the Right to Terminate under § 25.1, on or before **Off-Record Title Objection Deadline**, based on any
347 unsatisfactory effect of the Property being located within a special taxing district, in Buyer's sole subjective discretion.

348 **8.6. Right of First Refusal or Contract Approval.** If there is a right of first refusal on the Property or a right to approve
349 this Contract, Seller must promptly submit this Contract according to the terms and conditions of such right. If the holder of the
350 right of first refusal exercises such right or the holder of a right to approve disapproves this Contract, this Contract will terminate.
351 If the right of first refusal is waived explicitly or expires, or the Contract is approved, this Contract will remain in full force and
352 effect. Seller must promptly notify Buyer in writing of the foregoing. If expiration or waiver of the right of first refusal or approval
353 of this Contract has not occurred on or before **Right of First Refusal Deadline**, this Contract will then terminate.

354 **8.7. Title Advisory.** The Title Documents affect the title, ownership and use of the Property and should be reviewed
355 carefully. Additionally, other matters not reflected in the Title Documents may affect the title, ownership and use of the Property,
356 including, without limitation, boundary lines and encroachments, set-back requirements, area, zoning, building code violations,
357 unrecorded easements and claims of easements, leases and other unrecorded agreements, water on or under the Property, and
358 various laws and governmental regulations concerning land use, development and environmental matters.

359 **8.7.1. OIL, GAS, WATER AND MINERAL DISCLOSURE.** THE SURFACE ESTATE OF THE
360 PROPERTY MAY BE OWNED SEPARATELY FROM THE UNDERLYING MINERAL ESTATE, AND TRANSFER
361 OF THE SURFACE ESTATE MAY NOT NECESSARILY INCLUDE TRANSFER OF THE MINERAL ESTATE OR
362 WATER RIGHTS. THIRD PARTIES MAY OWN OR LEASE INTERESTS IN OIL, GAS, OTHER MINERALS,
363 GEOTHERMAL ENERGY OR WATER ON OR UNDER THE SURFACE OF THE PROPERTY, WHICH INTERESTS
364 MAY GIVE THEM RIGHTS TO ENTER AND USE THE SURFACE OF THE PROPERTY TO ACCESS THE
365 MINERAL ESTATE, OIL, GAS OR WATER.

366 **8.7.2. SURFACE USE AGREEMENT.** THE USE OF THE SURFACE ESTATE OF THE PROPERTY TO
367 ACCESS THE OIL, GAS OR MINERALS MAY BE GOVERNED BY A SURFACE USE AGREEMENT, A
368 MEMORANDUM OR OTHER NOTICE OF WHICH MAY BE RECORDED WITH THE COUNTY CLERK AND
369 RECORDER.

370 **8.7.3. OIL AND GAS ACTIVITY.** OIL AND GAS ACTIVITY THAT MAY OCCUR ON OR ADJACENT
371 TO THE PROPERTY MAY INCLUDE, BUT IS NOT LIMITED TO, SURVEYING, DRILLING, WELL COMPLETION
372 OPERATIONS, STORAGE, OIL AND GAS, OR PRODUCTION FACILITIES, PRODUCING WELLS, REWORKING
373 OF CURRENT WELLS, AND GAS GATHERING AND PROCESSING FACILITIES.

374 **8.7.4. ADDITIONAL INFORMATION.** BUYER IS ENCOURAGED TO SEEK ADDITIONAL
375 INFORMATION REGARDING OIL AND GAS ACTIVITY ON OR ADJACENT TO THE PROPERTY, INCLUDING
376 DRILLING PERMIT APPLICATIONS. THIS INFORMATION MAY BE AVAILABLE FROM THE COLORADO OIL
377 AND GAS CONSERVATION COMMISSION.

378 **8.7.5. Title Insurance Exclusions.** Matters set forth in this Section, and others, may be excepted, excluded from,
379 or not covered by the owner's title insurance policy.

380 **8.8. Consult an Attorney.** Buyer is advised to timely consult legal counsel with respect to all such matters as there are
381 strict time limits provided in this Contract (e.g., **Record Title Objection Deadline** and **Off-Record Title Objection Deadline**).

382 **9. NEW ILC, NEW SURVEY.**

383 **9.1. New ILC or New Survey.** If the box is checked, a **New Improvement Location Certificate (New ILC)**
384 **New Survey** in the form of NA is required and the following will apply:

385 **9.1.1. Ordering of New ILC or New Survey.** **Seller** **Buyer** will order the New ILC or New Survey. The
386 New ILC or New Survey may also be a previous ILC or survey that is in the above-required form, certified and updated as of a
387 date after the date of this Contract.

388 **9.1.2. Payment for New ILC or New Survey.** The cost of the New ILC or New Survey will be paid, on or
389 before Closing, by: **Seller** **Buyer** or:

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9.1.3. Delivery of New ILC or New Survey. Buyer, Seller, the issuer of the Title Commitment (or the provider of the opinion of title if an Abstract of Title), and ^{NA}_____ will receive a New ILC or New Survey on or before **New ILC or New Survey Deadline**.

9.1.4. Certification of New ILC or New Survey. The New ILC or New Survey will be certified by the surveyor to all those who are to receive the New ILC or New Survey.

9.2. Buyer's Right to Waive or Change New ILC or New Survey Selection. Buyer may select a New ILC or New Survey different than initially specified in this Contract if there is no additional cost to Seller or change to the **New ILC or New Survey Objection Deadline**. Buyer may, in Buyer's sole subjective discretion, waive a New ILC or New Survey if done prior to Seller incurring any cost for the same.

9.3. New ILC or New Survey Objection. Buyer has the right to review and object to the **New ILC or New Survey**. If the New ILC or New Survey is not timely received by Buyer or is unsatisfactory to Buyer, in Buyer's sole subjective discretion, Buyer may, on or before **New ILC or New Survey Objection Deadline**, notwithstanding § 8.3 or § 13:

9.3.1. Notice to Terminate. Notify Seller in writing that this Contract is terminated; or

9.3.2. New ILC or New Survey Objection. Deliver to Seller a written description of any matter that was to be shown or is shown in the New ILC or New Survey that is unsatisfactory and that Buyer requires Seller to correct.

9.3.3. New ILC or New Survey Resolution. If a **New ILC or New Survey Objection** is received by Seller, on or before **New ILC or New Survey Objection Deadline**, and if Buyer and Seller have not agreed in writing to a settlement thereof on or before **New ILC or New Survey Resolution Deadline**, this Contract will terminate on expiration of the **New ILC or New Survey Resolution Deadline**, unless Seller receives Buyer's written withdrawal of the **New ILC or New Survey Objection** before such termination, i.e., on or before expiration of **New ILC or New Survey Resolution Deadline**.

DISCLOSURE, INSPECTION AND DUE DILIGENCE

10. PROPERTY DISCLOSURE, INSPECTION, INDEMNITY, INSURABILITY AND DUE DILIGENCE.

10.1. Seller's Property Disclosure. On or before **Seller's Property Disclosure Deadline**, Seller agrees to deliver to Buyer the most current version of the applicable Colorado Real Estate Commission's Seller's Property Disclosure form completed by Seller to Seller's actual knowledge, current as of the date of this Contract.

10.2. Disclosure of Latent Defects; Present Condition. Seller must disclose to Buyer any latent defects actually known by Seller. Seller agrees that disclosure of latent defects will be in writing. Except as otherwise provided in this Contract, Buyer acknowledges that Seller is conveying the Property to Buyer in an "As Is" condition, "Where Is" and "With All Faults."

10.3. Inspection. Unless otherwise provided in this Contract, Buyer, acting in good faith, has the right to have inspections (by one or more third parties, personally or both) of the Property and Inclusions (Inspection), at Buyer's expense. If (1) the physical condition of the Property, including, but not limited to, the roof, walls, structural integrity of the Property, the electrical, plumbing, HVAC and other mechanical systems of the Property, (2) the physical condition of the Inclusions, (3) service to the Property (including utilities and communication services), systems and components of the Property (e.g., heating and plumbing), (4) any proposed or existing transportation project, road, street or highway, or (5) any other activity, odor or noise (whether on or off the Property) and its effect or expected effect on the Property or its occupants is unsatisfactory, in Buyer's sole subjective discretion, Buyer may, on or before **Inspection Objection Deadline**:

10.3.1. Notice to Terminate. Notify Seller in writing that this Contract is terminated; or

10.3.2. Inspection Objection. Deliver to Seller a written description of any unsatisfactory physical condition that Buyer requires Seller to correct.

10.3.3. Inspection Resolution. If an Inspection Objection is received by Seller, on or before **Inspection Objection Deadline**, and if Buyer and Seller have not agreed in writing to a settlement thereof on or before **Inspection Resolution Deadline**, this Contract will terminate on **Inspection Resolution Deadline** unless Seller receives Buyer's written withdrawal of the Inspection Objection before such termination, i.e., on or before expiration of **Inspection Resolution Deadline**.

10.4. Damage, Liens and Indemnity. Buyer, except as otherwise provided in this Contract or other written agreement between the parties, is responsible for payment for all inspections, tests, surveys, engineering reports, or other reports performed at Buyer's request (Work) and must pay for any damage that occurs to the Property and Inclusions as a result of such Work. Buyer must not permit claims or liens of any kind against the Property for Work performed on the Property. Buyer agrees to indemnify, protect and hold Seller harmless from and against any liability, damage, cost or expense incurred by Seller and caused by any such Work, claim, or lien. This indemnity includes Seller's right to recover all costs and expenses incurred by Seller to defend against any such liability, damage, cost or expense, or to enforce this section, including Seller's reasonable attorney fees, legal fees and expenses. The provisions of this section survive the termination of this Contract. This § 10.4 does not apply to items performed pursuant to an Inspection Resolution.

10.5. Insurability. Buyer has the right to review and object to the availability, terms and conditions of and premium for property insurance (Property Insurance). Buyer has the Right to Terminate under § 25.1, on or before **Property Insurance Objection Deadline**, based on any unsatisfactory provision of the Property Insurance, in Buyer's sole subjective discretion.

10.6. Due Diligence.

449 **10.6.1. Due Diligence Documents.** If the respective box is checked, Seller agrees to deliver copies of the following
450 documents and information pertaining to the Property (Due Diligence Documents) to Buyer on or before **Due Diligence**

451 **Documents Delivery Deadline:**

452 **10.6.1.1.** All contracts relating to the operation, maintenance and management of the Property;
453 **10.6.1.2.** Property tax bills for the last _____ years;
454 **10.6.1.3.** As-built construction plans to the Property and the tenant improvements, including
455 architectural, electrical, mechanical, and structural systems, engineering reports, and permanent Certificates of Occupancy, to the
456 extent now available;

457 **10.6.1.4.** A list of all Inclusions to be conveyed to Buyer;
458 **10.6.1.5.** Operating statements for the past _____ years;
459 **10.6.1.6.** A rent roll accurate and correct to the date of this Contract;
460 **10.6.1.7.** All current leases, including any amendments or other occupancy agreements, pertaining to the
461 Property. Those leases or other occupancy agreements pertaining to the Property that survive Closing are as follows (Leases):
462

463 **10.6.1.8.** A schedule of any tenant improvement work Seller is obligated to complete but has not yet
464 been completed and capital improvement work either scheduled or in process on the date of this Contract;

465 **10.6.1.9.** All insurance policies pertaining to the Property and copies of any claims which have been
466 made for the past _____ years;

467 **10.6.1.10.** Soils reports, surveys and engineering reports or data pertaining to the Property (if not
468 delivered earlier under § 8.3);

469 **10.6.1.11.** Any and all existing documentation and reports regarding Phase I and II environmental reports,
470 letters, test results, advisories, and similar documents respective to the existence or nonexistence of asbestos, PCB transformers, or
471 other toxic, hazardous or contaminated substances, and/or underground storage tanks and/or radon gas. If no reports are in Seller's
472 possession or known to Seller, Seller warrants that no such reports are in Seller's possession or known to Seller;

473 **10.6.1.12.** Any *Americans with Disabilities Act* reports, studies or surveys concerning the compliance of
474 the Property with said Act;

475 **10.6.1.13.** All permits, licenses and other building or use authorizations issued by any governmental
476 authority with jurisdiction over the Property and written notice of any violation of any such permits, licenses or use authorizations,
477 if any; and

478 **10.6.1.14.** Other documents and information:
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484 **10.6.2. Due Diligence Documents Review and Objection.** Buyer has the right to review and object to Due
485 Diligence Documents. If the Due Diligence Documents are not supplied to Buyer or are unsatisfactory in Buyer's sole subjective
486 discretion, Buyer may, on or before **Due Diligence Documents Objection Deadline:**

487 **10.6.2.1. Notice to Terminate.** Notify Seller in writing that this Contract is terminated; or

488 **10.6.2.2. Due Diligence Documents Objection.** Deliver to Seller a written description of any
489 unsatisfactory Due Diligence Documents that Buyer requires Seller to correct.

490 **10.6.2.3. Due Diligence Documents Resolution.** If a Due Diligence Documents Objection is received
491 by Seller, on or before **Due Diligence Documents Objection Deadline**, and if Buyer and Seller have not agreed in writing to a
492 settlement thereof on or before **Due Diligence Documents Resolution Deadline**, this Contract will terminate on **Due Diligence**
493 **Documents Resolution Deadline** unless Seller receives Buyer's written withdrawal of the Due Diligence Documents Objection
494 before such termination, i.e., on or before expiration of **Due Diligence Documents Resolution Deadline**.

495 **10.6.3. Zoning.** Buyer has the Right to Terminate under § 25.1, on or before **Due Diligence Documents Objection**
496 **Deadline**, based on any unsatisfactory zoning and any use restrictions imposed by any governmental agency with jurisdiction over
497 the Property, in Buyer's sole subjective discretion.

498 **10.6.4. Due Diligence – Environmental, ADA.** Buyer has the right to obtain environmental inspections of the
499 Property including Phase I and Phase II Environmental Site Assessments, as applicable. Seller Buyer will order or provide
500 **Phase I Environmental Site Assessment, Phase II Environmental Site Assessment** (compliant with most current version of the
501 applicable ASTM E1527 standard practices for Environmental Site Assessments) and/or _____, at the expense
502 of Seller Buyer (Environmental Inspection). In addition, Buyer, at Buyer's expense, may also conduct an evaluation
503 whether the Property complies with the *Americans with Disabilities Act* (ADA Evaluation). All such inspections and evaluations
504 must be conducted at such times as are mutually agreeable to minimize the interruption of Seller's and any Seller's tenants'
505 business uses of the Property, if any.

506 If Buyer's Phase I Environmental Site Assessment recommends a Phase II Environmental Site Assessment, the
507 **Environmental Inspection Objection Deadline** will be extended by NA days (Extended Environmental Inspection Objection

508 Deadline) and if such Extended Environmental Inspection Objection Deadline extends beyond the **Closing Date**, the **Closing Date**
509 will be extended a like period of time. In such event, **Seller** **Buyer** must pay the cost for such Phase II Environmental Site
510 Assessment.

511 Notwithstanding Buyer's right to obtain additional environmental inspections of the Property in this § 10.6.5, Buyer has the
512 Right to Terminate under § 25.1, on or before **Environmental Inspection Objection Deadline**, or if applicable, the Extended
513 Environmental Inspection Objection Deadline, based on any unsatisfactory results of Environmental Inspection, in Buyer's sole
514 subjective discretion.

515 Buyer has the Right to Terminate under § 25.1, on or before **ADA Evaluation Objection Deadline**, based on any
516 unsatisfactory ADA Evaluation, in Buyer's sole subjective discretion.

517 **10.7. Conditional Upon Sale of Property.** This Contract is conditional upon the sale and closing of that certain property
518 owned by Buyer and commonly known as NA. Buyer has the Right to Terminate
519 under § 25.1 effective upon Seller's receipt of Buyer's Notice to Terminate on or before **Conditional Sale Deadline** if such
520 property is not sold and closed by such deadline. This § 10.7 is for the sole benefit of Buyer. If Seller does not receive Buyer's
521 Notice to Terminate on or before **Conditional Sale Deadline**, Buyer waives any Right to Terminate under this provision.

522 **10.8. Existing Leases; Modification of Existing Leases; New Leases.** Seller states that none of the Leases to be assigned
523 to the Buyer at the time of Closing contain any rent concessions, rent reductions or rent abatements except as disclosed in the
524 Lease or other writing received by Buyer. Seller will not amend, alter, modify, extend or cancel any of the Leases nor will Seller
525 enter into any new leases affecting the Property without the prior written consent of Buyer, which consent will not be unreasonably
526 withheld or delayed.

527 11. TENANT ESTOPPEL STATEMENTS.

528 **11.1. Tenant Estoppel Statements Conditions.** Buyer has the right to review and object to any Estoppel Statements.
529 Seller must obtain and deliver to Buyer on or before **Tenant Estoppel Statements Deadline**, statements in a form and substance
530 reasonably acceptable to Buyer, from each occupant or tenant at the Property (Estoppel Statement) attached to a copy of the Lease
531 stating:

- 532 **11.1.1.** The commencement date of the Lease and scheduled termination date of the Lease;
533 **11.1.2.** That said Lease is in full force and effect and that there have been no subsequent modifications or
534 amendments;
535 **11.1.3.** The amount of any advance rentals paid, rent concessions given, and deposits paid to Seller;
536 **11.1.4.** The amount of monthly (or other applicable period) rental paid to Seller;
537 **11.1.5.** That there is no default under the terms of said Lease by landlord or occupant; and
538 **11.1.6.** That the Lease to which the Estoppel is attached is a true, correct and complete copy of the Lease demising
539 the premises it describes.

540 **11.2. Tenant Estoppel Statements Objection.** Buyer has the Right to Terminate under § 25.1, on or before **Tenant**
541 **Estoppel Statements Objection Deadline**, based on any unsatisfactory Estoppel Statement, in Buyer's sole subjective discretion,
542 or if Seller fails to deliver the Estoppel Statements on or before **Tenant Estoppel Statements Deadline**. Buyer also has the
543 unilateral right to waive any unsatisfactory Estoppel Statement.
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545

CLOSING PROVISIONS

546 12. CLOSING DOCUMENTS, INSTRUCTIONS AND CLOSING.

547 **12.1. Closing Documents and Closing Information.** Seller and Buyer will cooperate with the Closing Company to
548 enable the Closing Company to prepare and deliver documents required for Closing to Buyer and Seller and their designees. If
549 Buyer is obtaining a new loan to purchase the Property, Buyer acknowledges Buyer's lender is required to provide the Closing
550 Company, in a timely manner, all required loan documents and financial information concerning Buyer's new loan. Buyer and
551 Seller will furnish any additional information and documents required by Closing Company that will be necessary to complete this
552 transaction. Buyer and Seller will sign and complete all customary or reasonably required documents at or before Closing.

553 **12.2. Closing Instructions.** Colorado Real Estate Commission's Closing Instructions **Are** **Are Not** executed with
554 this Contract.

555 **12.3. Closing.** Delivery of deed from Seller to Buyer will be at closing (Closing). Closing will be on the date specified as
556 the **Closing Date** or by mutual agreement at an earlier date. The hour and place of Closing will be as designated by
557 Mutual Agreement of the Buyer and Seller.

558 **12.4. Disclosure of Settlement Costs.** Buyer and Seller acknowledge that costs, quality, and extent of service vary
559 between different settlement service providers (e.g., attorneys, lenders, inspectors and title companies).

560 **13. TRANSFER OF TITLE.** Subject to tender of payment at Closing as required herein and compliance by Buyer with the
561 other terms and provisions hereof, Seller must execute and deliver a good and sufficient General Warranty deed
562 to Buyer, at Closing, conveying the Property free and clear of all taxes except the general taxes for the year of Closing. Except as

563 provided herein, title will be conveyed free and clear of all liens, including any governmental liens for special improvements
564 installed as of the date of Buyer's signature hereon, whether assessed or not. Title will be conveyed subject to:

565 **13.1.** Those specific Exceptions described by reference to recorded documents as reflected in the Title Documents
566 accepted by Buyer in accordance with **Record Title**,

567 **13.2.** Distribution utility easements (including cable TV),

568 **13.3.** Those specifically described rights of third parties not shown by the public records of which Buyer has actual
569 knowledge and which were accepted by Buyer in accordance with **Off-Record Title** and **New ILC or New Survey**,

570 **13.4.** Inclusion of the Property within any special taxing district, and

571 **13.5.** Any special assessment if the improvements were not installed as of the date of Buyer's signature hereon, whether
572 assessed prior to or after Closing, and

573 **13.6.** Other ^{NA} _____.

574 **14. PAYMENT OF ENCUMBRANCES.** Any encumbrance required to be paid will be paid at or before Closing from the
575 proceeds of this transaction or from any other source.

576 **15. CLOSING COSTS, CLOSING FEE, ASSOCIATION FEES AND TAXES.**

577 **15.1. Closing Costs.** Buyer and Seller must pay, in Good Funds, their respective closing costs and all other items required
578 to be paid at Closing, except as otherwise provided herein.

579 **15.2. Closing Services Fee.** The fee for real estate closing services must be paid at Closing by Buyer Seller
580 **One-Half by Buyer and One-Half by Seller** **Other** _____.

581 **15.3. Status Letter and Record Change Fees.** Any fees incident to the issuance of Association's statement of
582 assessments (Status Letter) must be paid by None Buyer Seller **One-Half by Buyer and One-Half by Seller**.
583 Any record change fee assessed by the Association including, but not limited to, ownership record transfer fees regardless of name
584 or title of such fee (Association's Record Change Fee) must be paid by None Buyer Seller **One-Half by Buyer**
585 **and One-Half by Seller**.

586 **15.4. Local Transfer Tax.** **The Local Transfer Tax** of ^{NA} _____ % of the Purchase Price must be paid at Closing by
587 None Buyer Seller **One-Half by Buyer and One-Half by Seller**.

588 **15.5. Private Transfer Fee.** Private transfer fees and other fees due to a transfer of the Property, payable at Closing, such
589 as community association fees, developer fees and foundation fees, must be paid at Closing by None Buyer Seller
590 **One-Half by Buyer and One-Half by Seller**. The Private Transfer fee, whether one or more, is for the following association(s):
591 ^{NA} _____ in the total amount of ^{NA} _____ % of the Purchase Price or \$ ^{NA} _____.

592 **15.6. Water Transfer Fees.** The Water Transfer Fees can change. The fees, as of the date of this Contract, do not exceed
593 \$ ^{NA} _____ for:

594 Water Stock/Certificates Water District
595 Augmentation Membership Small Domestic Water Company _____
596 and must be paid at Closing by None Buyer Seller **One-Half by Buyer and One-Half by Seller**

597 **15.7. Sales and Use Tax.** Any sales and use tax that may accrue because of this transaction must be paid when due by
598 None Buyer Seller **One-Half by Buyer and One-Half by Seller**.

599 **16. PRORATIONS.** The following will be prorated to the **Closing Date**, except as otherwise provided:

600 **16.1. Taxes.** Personal property taxes, if any, special taxing district assessments, if any, and general real estate taxes for the
601 year of Closing, based on **Taxes for the Calendar Year Immediately Preceding Closing** **Most Recent Mill Levy and**
602 **Most Recent Assessed Valuation**, adjusted by any applicable qualifying seniors property tax exemption, qualifying disabled
603 veteran exemption or **Other** _____.

604 **16.2. Rents.** Rents based on **Rents Actually Received** **Accrued**. At Closing, Seller will transfer or credit to
605 Buyer the security deposits for all Leases assigned, or any remainder after lawful deductions, and notify all tenants in writing of
606 such transfer and of the transferee's name and address. Seller must assign to Buyer all Leases in effect at Closing and Buyer must
607 assume Seller's obligations under such Leases.

608 **16.3. Association Assessments.** Current regular Association assessments and dues (Association Assessments) paid in
609 advance will be credited to Seller at Closing. Cash reserves held out of the regular Association Assessments for deferred
610 maintenance by the Association will not be credited to Seller except as may be otherwise provided by the Governing Documents.
611 Buyer acknowledges that Buyer may be obligated to pay the Association, at Closing, an amount for reserves or working capital.
612 Any special assessment assessed prior to **Closing Date** by the Association will be the obligation of Buyer Seller. Except
613 however, any special assessment by the Association for improvements that have been installed as of the date of Buyer's signature
614 hereon, whether assessed prior to or after Closing, will be the obligation of Seller. Seller represents that the Association
615 Assessments are currently payable at approximately \$ ^{NA} _____ per ^{NA} _____ and that there are no unpaid regular
616 or special assessments against the Property except the current regular assessments and ^{NA} _____. Such
617 assessments are subject to change as provided in the Governing Documents. Seller agrees to promptly request the Association to
618 deliver to Buyer before **Closing Date** a current Status Letter.

619 **16.4. Other Prorations.** Water and sewer charges, propane, interest on continuing loan, and ^{NA} _____.
620 **16.5. Final Settlement.** Unless otherwise agreed in writing, these prorations are final.

621 **17. POSSESSION.** Possession of the Property will be delivered to Buyer on **Possession Date** at **Possession Time**, subject to
622 the Leases as set forth in § 10.6.1.7.

623
624 If Seller, after Closing, fails to deliver possession as specified, Seller will be subject to eviction and will be additionally liable
625 to Buyer for payment of \$ ^{500.00} _____ per day (or any part of a day notwithstanding § 18.1) from **Possession Date** and
626 **Possession Time** until possession is delivered.

627

GENERAL PROVISIONS

628 **18. DAY; COMPUTATION OF PERIOD OF DAYS, DEADLINE.**

629 **18.1. Day.** As used in this Contract, the term "day" means the entire day ending at 11:59 p.m., United States Mountain
630 Time (Standard or Daylight Savings as applicable).

631 **18.2. Computation of Period of Days, Deadline.** In computing a period of days, when the ending date is not specified,
632 the first day is excluded and the last day is included (e.g., three days after MEC). If any deadline falls on a Saturday, Sunday or
633 federal or Colorado state holiday (Holiday), such deadline **Will** **Will Not** be extended to the next day that is not a
634 Saturday, Sunday or Holiday. Should neither box be checked, the deadline will not be extended.

635 **19. CAUSES OF LOSS, INSURANCE; DAMAGE TO INCLUSIONS AND SERVICES; CONDEMNATION; AND**
636 **WALK-THROUGH.** Except as otherwise provided in this Contract, the Property, Inclusions or both will be delivered in the
637 condition existing as of the date of this Contract, ordinary wear and tear excepted.

638 **19.1. Causes of Loss, Insurance.** In the event the Property or Inclusions are damaged by fire, other perils or causes of
639 loss prior to Closing in an amount of not more than ten percent of the total Purchase Price (Property Damage), and if the repair of
640 the damage will be paid by insurance (other than the deductible to be paid by Seller), then Seller, upon receipt of the insurance
641 proceeds, will use Seller's reasonable efforts to repair the Property before **Closing Date**. Buyer has the Right to Terminate under
642 § 25.1, on or before **Closing Date** if the Property is not repaired before **Closing Date** or if the damage exceeds such sum. Should
643 Buyer elect to carry out this Contract despite such Property Damage, Buyer is entitled to a credit at Closing for all insurance
644 proceeds that were received by Seller (but not the Association, if any) resulting from damage to the Property and Inclusions, plus
645 the amount of any deductible provided for in the insurance policy. This credit may not exceed the Purchase Price. In the event
646 Seller has not received the insurance proceeds prior to Closing, the parties may agree to extend the **Closing Date** to have the
647 Property repaired prior to Closing or, at the option of Buyer, (1) Seller must assign to Buyer the right to the proceeds at Closing, if
648 acceptable to Seller's insurance company and Buyer's lender; or (2) the parties may enter into a written agreement prepared by the
649 parties or their attorney requiring the Seller to escrow at Closing from Seller's sale proceeds the amount Seller has received and
650 will receive due to such damage, not exceeding the total Purchase Price, plus the amount of any deductible that applies to the
651 insurance claim.

652 **19.2. Damage, Inclusions and Services.** Should any Inclusion or service (including utilities and communication
653 services), system, component or fixture of the Property (collectively Service) (e.g., heating or plumbing), fail or be damaged
654 between the date of this Contract and Closing or possession, whichever is earlier, then Seller is liable for the repair or replacement
655 of such Inclusion or Service with a unit of similar size, age and quality, or an equivalent credit, but only to the extent that the
656 maintenance or replacement of such Inclusion or Service is not the responsibility of the Association, if any, less any insurance
657 proceeds received by Buyer covering such repair or replacement. If the failed or damaged Inclusion or Service is not repaired or
658 replaced on or before Closing or possession, whichever is earlier, Buyer has the Right to Terminate under § 25.1, on or before
659 **Closing Date**, or, at the option of Buyer, Buyer is entitled to a credit at Closing for the repair or replacement of such Inclusion or
660 Service. Such credit must not exceed the Purchase Price. If Buyer receives such a credit, Seller's right for any claim against the
661 Association, if any, will survive Closing. Seller and Buyer are aware of the existence of pre-owned home warranty programs that
662 may be purchased and may cover the repair or replacement of such Inclusions.

663 **19.3. Condemnation.** In the event Seller receives actual notice prior to Closing that a pending condemnation action may
664 result in a taking of all or part of the Property or Inclusions, Seller must promptly notify Buyer, in writing, of such condemnation
665 action. Buyer has the Right to Terminate under § 25.1, on or before **Closing Date**, based on such condemnation action, in Buyer's
666 sole subjective discretion. Should Buyer elect to consummate this Contract despite such diminution of value to the Property and
667 Inclusions, Buyer is entitled to a credit at Closing for all condemnation proceeds awarded to Seller for the diminution in the value
668 of the Property or Inclusions but such credit will not include relocation benefits or expenses, or exceed the Purchase Price.

669 **19.4. Walk-Through and Verification of Condition.** Buyer, upon reasonable notice, has the right to walk through the
670 Property prior to Closing to verify that the physical condition of the Property and Inclusions complies with this Contract.

671 **20. RECOMMENDATION OF LEGAL AND TAX COUNSEL.** By signing this Contract, Buyer and Seller acknowledge
672 that the respective broker has advised that this Contract has important legal consequences and has recommended the examination
673 of title and consultation with legal and tax or other counsel before signing this Contract.

674 **21. TIME OF ESSENCE, DEFAULT AND REMEDIES.** Time is of the essence for all dates and deadlines in this Contract.
675 This means that all dates and deadlines are strict and absolute. If any payment due, including Earnest Money, is not paid, honored
676 or tendered when due, or if any obligation is not performed timely as provided in this Contract or waived, the non-defaulting
677 party has the following remedies:

678 **21.1. If Buyer is in Default:**

679 **21.1.1. Specific Performance.** Seller may elect to cancel this Contract and all Earnest Money (whether or not paid
680 by Buyer) will be paid to Seller and retained by Seller. It is agreed that the Earnest Money is not a penalty, and the Parties agree
681 the amount is fair and reasonable. Seller may recover such additional damages as may be proper. Alternatively, Seller may elect
682 to treat this Contract as being in full force and effect and Seller has the right to specific performance or damages, or both.

683 **21.1.2. Liquidated Damages, Applicable.** This § 21.1.2 applies unless the box in § 21.1.1. is checked. Seller
684 may cancel this Contract. All Earnest Money (whether or not paid by Buyer) will be paid to Seller, and retained by Seller. It is
685 agreed that the Earnest Money specified in § 4.1 is LIQUIDATED DAMAGES, and not a penalty, which amount the parties agree
686 is fair and reasonable and (except as provided in §§ 10.4, 22, 23 and 24), said payment of Earnest Money is SELLER'S ONLY
687 REMEDY for Buyer's failure to perform the obligations of this Contract. Seller expressly waives the remedies of specific
688 performance and additional damages.

689 **21.2. If Seller is in Default:** Buyer may elect to treat this Contract as canceled, in which case all Earnest Money received
690 hereunder will be returned and Buyer may recover such damages as may be proper. Alternatively, Buyer may elect to treat this
691 Contract as being in full force and effect and Buyer has the right to specific performance or damages, or both.

692 **22. LEGAL FEES, COST AND EXPENSES.** Anything to the contrary herein notwithstanding, in the event of any arbitration
693 or litigation relating to this Contract, prior to or after **Closing Date**, the arbitrator or court must award to the prevailing party all
694 reasonable costs and expenses, including attorney fees, legal fees and expenses.

695 **23. MEDIATION.** If a dispute arises relating to this Contract, (whether prior to or after Closing) and is not resolved, the parties
696 must first proceed, in good faith, to mediation. Mediation is a process in which the parties meet with an impartial person who helps
697 to resolve the dispute informally and confidentially. Mediators cannot impose binding decisions. Before any mediated settlement is
698 binding, the parties to the dispute must agree to the settlement, in writing. The parties will jointly appoint an acceptable mediator
699 and will share equally in the cost of such mediation. The obligation to mediate, unless otherwise agreed, will terminate if the entire
700 dispute is not resolved within thirty days of the date written notice requesting mediation is delivered by one party to the other at
701 that party's last known address (physical or electronic as provided in § 27). Nothing in this Section prohibits either party from
702 filing a lawsuit and recording a *lis pendens* affecting the Property, before or after the date of written notice requesting mediation.
703 This section will not alter any date in this Contract, unless otherwise agreed.

704 **24. EARNEST MONEY DISPUTE.** Except as otherwise provided herein, Earnest Money Holder must release the Earnest
705 Money following receipt of written mutual instructions, signed by both Buyer and Seller. In the event of any controversy regarding
706 the Earnest Money, Earnest Money Holder is not required to release the Earnest Money. Earnest Money Holder, in its sole
707 subjective discretion, has several options: (1) wait for any proceeding between Buyer and Seller; (2) interplead all parties and
708 deposit Earnest Money into a court of competent jurisdiction, (Earnest Money Holder is entitled to recover court costs and
709 reasonable attorney and legal fees incurred with such action); or (3) provide notice to Buyer and Seller that unless Earnest Money
710 Holder receives a copy of the Summons and Complaint or Claim (between Buyer and Seller) containing the case number of the
711 lawsuit (Lawsuit) within one hundred twenty days of Earnest Money Holder's notice to the parties, Earnest Money Holder is
712 authorized to return the Earnest Money to Buyer. In the event Earnest Money Holder does receive a copy of the Lawsuit, and has
713 not interplead the monies at the time of any Order, Earnest Money Holder must disburse the Earnest Money pursuant to the Order
714 of the Court. The parties reaffirm the obligation of **Mediation**. This Section will survive cancellation or termination of this
715 Contract.

716 **25. TERMINATION.**

717 **25.1. Right to Terminate.** If a party has a right to terminate, as provided in this Contract (Right to Terminate), the
718 termination is effective upon the other party's receipt of a written notice to terminate (Notice to Terminate), provided such written
719 notice was received on or before the applicable deadline specified in this Contract. If the Notice to Terminate is not received on or
720 before the specified deadline, the party with the Right to Terminate accepts the specified matter, document or condition as
721 satisfactory and waives the Right to Terminate under such provision.

722 **25.2. Effect of Termination.** In the event this Contract is terminated, all Earnest Money received hereunder will be
723 returned and the parties are relieved of all obligations hereunder, subject to §§ 10.4, 22, 23 and 24.

724 **26. ENTIRE AGREEMENT, MODIFICATION, SURVIVAL; SUCCESSORS.** This Contract, its exhibits and specified
725 addenda, constitute the entire agreement between the parties relating to the subject hereof, and any prior agreements pertaining
726 thereto, whether oral or written, have been merged and integrated into this Contract. No subsequent modification of any of the
727 terms of this Contract is valid, binding upon the parties, or enforceable unless made in writing and signed by the parties. Any right
728 or obligation in this Contract that, by its terms, exists or is intended to be performed after termination or Closing survives the
729 same. Any successor to a Party receives the predecessor's benefits and obligations of this Contract.

730 **27. NOTICE, DELIVERY, AND CHOICE OF LAW.**

731 **27.1. Physical Delivery and Notice.** Any document, or notice to Buyer or Seller must be in writing, except as provided in
732 § 27.2, and is effective when physically received by such party, any individual named in this Contract to receive documents or
733 notices for such party, the Broker, or Brokerage Firm of Broker working with such party (except any notice or delivery after
734 Closing must be received by the party, not Broker or Brokerage Firm).

735 **27.2. Electronic Notice.** As an alternative to physical delivery, any notice, may be delivered in electronic form to Buyer
736 or Seller, any individual named in this Contract to receive documents or notices for such party, the Broker or Brokerage Firm of
737 Broker working with such party (except any notice or delivery after Closing must be received by the party; not Broker or
738 Brokerage Firm) at the electronic address of the recipient by facsimile, email or ^{NA}_____.

739 **27.3. Electronic Delivery.** Electronic Delivery of documents and notice may be delivered by: (1) email at the email
740 address of the recipient, (2) a link or access to a website or server provided the recipient receives the information necessary to
741 access the documents, or (3) facsimile at the Fax No. of the recipient.

742 **27.4. Choice of Law.** This Contract and all disputes arising hereunder are governed by and construed in accordance with
743 the laws of the State of Colorado that would be applicable to Colorado residents who sign a contract in Colorado for real property
744 located in Colorado.

745 **28. NOTICE OF ACCEPTANCE, COUNTERPARTS.** This proposal will expire unless accepted in writing, by Buyer and
746 Seller, as evidenced by their signatures below, and the offering party receives notice of such acceptance pursuant to § 27 on or
747 before **Acceptance Deadline Date** and **Acceptance Deadline Time**. If accepted, this document will become a contract between
748 Seller and Buyer. A copy of this Contract may be executed by each party, separately, and when each party has executed a copy
749 thereof, such copies taken together are deemed to be a full and complete contract between the parties.

750 **29. GOOD FAITH.** Buyer and Seller acknowledge that each party has an obligation to act in good faith including, but not
751 limited to, exercising the rights and obligations set forth in the provisions of **Financing Conditions and Obligations, Title**
752 **Insurance, Record Title and Off-Record Title, New ILC, New Survey and Property Disclosure, Inspection, Indemnity,**
753 **Insurability and Due Diligence.**

754

ADDITIONAL PROVISIONS AND ATTACHMENTS
--

755 **30. ADDITIONAL PROVISIONS.** (The following additional provisions have not been approved by the Colorado Real Estate
756 Commission.)

757 This entire contract and the City's obligation to proceed under its terms is expressly conditioned upon the consent and approval of the City Council of the City
758 of Grand Junction. If such consent and approval is not obtained on or before December 15, 2016, then this contract shall automatically become void and of
759 no effect.

760 The parties hereto represent to each other that this Contract and the sale and purchase of the Property hereby contemplated were brought about without the
761 efforts of any brokers or agents and that neither party has engaged or dealt with any brokers or agents in connection with this Contract. Each party agrees to
762 defend, indemnify and hold the other harmless from any claim for real estate brokerage commissions or finder's fees asserted by any other party as a result
763 of dealings claimed to have been conducted with the respective party.

764 **31. ATTACHMENTS.**

765 **31.1.** The following attachments **are a part** of this Contract:

766 NA

767
768
769
770
771 **31.2.** The following disclosure forms **are attached** but are **not** a part of this Contract:

772 NA

773
774
775
776

777

SIGNATURES

778

Buyer's Name: City of Grand Junction, a home rule municipality Buyer's Name: _____

Buyer's Signature Date Buyer's Signature Date

Address: 250 North 5th Street Address: _____
Grand Junction, CO 81501

Phone No.: 970-244-1508 Phone No.: _____

Fax No.: 970-244-1456 Fax No.: _____

Email Address: gregc@gjcity.org Email Address: _____

779 [NOTE: If this offer is being countered or rejected, do not sign this document. Refer to § 32]

Seller's Name: Mesa Pawn & Loan Inc. Pension & Profit Sharing Plan Seller's Name: _____

Seller's Signature Date Seller's Signature Date

Address: _____ Address: _____

Phone No.: _____ Phone No.: _____

Fax No.: _____ Fax No.: _____

Email Address: _____ Email Address: _____

780

781 **32. COUNTER; REJECTION.** This offer is Countered Rejected.
782 Initials only of party (Buyer or Seller) who countered or rejected offer _____

783

END OF CONTRACT TO BUY AND SELL REAL ESTATE

33. BROKER'S ACKNOWLEDGMENTS AND COMPENSATION DISCLOSURE.

(To be completed by Broker working with Buyer)

Broker Does Does Not acknowledge receipt of Earnest Money deposit and, while not a party to the Contract, agrees to cooperate upon request with any mediation concluded under § 23. Broker agrees that if Brokerage Firm is the Earnest Money Holder and, except as provided in § 24, if the Earnest Money has not already been returned following receipt of a Notice to Terminate or other written notice of termination, Earnest Money Holder will release the Earnest Money as directed by the written mutual instructions. Such release of Earnest Money will be made within five days of Earnest Money Holder's receipt of the executed written mutual instructions, provided the Earnest Money check has cleared.

Broker is working with Buyer as a Buyer's Agent Seller's Agent Transaction-Broker in this transaction.

This is a Change of Status.

Brokerage Firm's compensation or commission is to be paid by Listing Brokerage Firm Buyer Other _____.

Brokerage Firm's Name: _____

Broker's Name: _____

Broker's Signature Date

Address: _____

Phone No.: _____
Fax No.: _____
Email Address: _____

34. BROKER'S ACKNOWLEDGMENTS AND COMPENSATION DISCLOSURE.

(To be completed by Broker working with Seller)

Broker **Does** **Does Not** acknowledge receipt of Earnest Money deposit and, while not a party to the Contract, agrees to cooperate upon request with any mediation concluded under § 23. Broker agrees that if Brokerage Firm is the Earnest Money Holder and, except as provided in § 24, if the Earnest Money has not already been returned following receipt of a Notice to Terminate or other written notice of termination, Earnest Money Holder will release the Earnest Money as directed by the written mutual instructions. Such release of Earnest Money will be made within five days of Earnest Money Holder's receipt of the executed written mutual instructions, provided the Earnest Money check has cleared.

Broker is working with Seller as a **Seller's Agent** **Buyer's Agent** **Transaction-Broker** in this transaction.

This is a **Change of Status**.

Brokerage Firm's compensation or commission is to be paid by **Seller** **Buyer** **Other** _____.

Brokerage Firm's Name: _____
Broker's Name: _____

Broker's Signature Date

Address: _____
Phone No.: _____
Fax No.: _____
Email Address: _____

784



Grand Junction City Council

Regular Session

Item #4.a.i.

Meeting Date: November 2, 2016

Presented by: Jodi Romero,
Financial Operations
Director

Submitted by: Jodi Romero,
Financial Operations
Director

Department: Administration

Information

SUBJECT:

Proposed Ordinance Making Supplemental Appropriations to the 2016 Budget of the City of Grand Junction, Colorado for the transfer of funds to the Employee Retiree Health Trust Fund.

RECOMMENDATION:

Staff recommends setting a public hearing for November 16th for the Supplemental Appropriation Ordinance authorizing the transfer of funds to the Employee Retiree Health Trust.

EXECUTIVE SUMMARY:

This request is to appropriate certain sums of money to defray the necessary expenses and liabilities of the accounting funds of the City of Grand Junction. Appropriations are made on a fund level and represent the authorization by City Council to spend according to the adopted or amended budget. Specifically, this supplemental appropriation is necessary to transfer the portion of the refunds received from the City's healthcare provider over the previous 10 years based on employee contribution rates of \$761,613 to the Employee Retiree Health Trust.

BACKGROUND OR DETAILED INFORMATION:

Since 1998, the employees have funded an Employee Retiree Health Plan ("Plan") designed and underwritten to provide affordable health care coverage to bridge the age gap between retirement or disability and Medicare eligibility. Since inception, there have been over 1,300 employee participants contributing an average of 7 years into the

Plan. Of those, 10% have reached eligibility and retired on the Plan. Public Works and Public Safety employees have comprised the strong majority of these. Currently there are 69 retirees on the Plan.

In the City Council workshop on May 2nd, 2016 the Plan was discussed. Several recommendations were made to City Council including the establishment of a formal trust to account for the benefit and manage the funds, as well as the transfer of a portion of refunds received from the City's health insurance carrier to the trust. At the request of City Council, Council Member Traylor Smith worked with staff to review financial models designed to re-establish the financial solvency of the Plan and reported to the Council at the workshop. The preferred model included an infusion of funds.

Establishing a formal Trust provides a long term investment strategy for the Plan with higher rates of return than are available through more restrictive City investments. The Trust will be managed by the Board of Trustees (the "Board") who will have fiduciary responsibility over the Plan including communication to and representation of plan participants, and administration of the Plan including design changes to stabilize the Plan. The Board is in the process of being established and will be comprised of seven members to include one each from our existing board members for the Fire, Police, and General ICMA retirement plans, City Manager, Human Resources Director, Financial Operations Director, and a citizen from the local professional finance community. The City Attorney, Benefits Specialist, and Risk Manager will serve as staff to the Board. It is anticipated that the Board will select ICMA RC as the administrator of the Plan.

The refunds from the City's health care provider are accumulated in the Self Insurance Fund which accounts for providing workman's compensation, property and liability, and health insurance to the departments of the City. The City's medical and prescription drug plans are experience rated with a shared funding agreement with our health care provider. If health care utilization is above or below expected losses, the City or RMHP pays that difference to the other party. For the last ten years, the City has had positive claims experience resulting in refunds for all but two of those years. Because employees pay a portion of premiums, that same percentage was applied to calculate the portion of refunds (2006-2015) attributable to employee contributions. This amount is recommended as a transfer from the Self Insurance Fund to the Employee Retiree Health Trust.

FISCAL IMPACT:

The recommended transfer would decrease the fund balance within the Self Insurance Fund to \$4.3 million projected ending fund balance for 2016 which is still well above the target fund balance for the fund.

SUGGESTED MOTION:

I MOVE to (approve or deny) Introduce a Proposed Ordinance Making Supplemental Appropriations to the 2016 Budget of the City of Grand Junction, Colorado and Set a Hearing for November 16, 2016.

Attachment

ATTACHMENT 1 – Proposed 2016 Second Supplemental Appropriation Ordinance

ORDINANCE NO. ____

**AN ORDINANCE MAKING SUPPLEMENTAL APPROPRIATIONS TO THE 2016
BUDGET OF THE CITY OF GRAND JUNCTION, COLORADO**

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

That the following sums of money be appropriated from unappropriated fund balance and additional revenues to the funds indicated for the year ending December 31, 2016, to be expended from such funds as follows:

Fund Name	Fund #	Appropriation
Self Insurance Fund	404	\$761,613

INTRODUCED AND ORDERED PUBLISHED IN PAMPHLET FORM this ____ day
of _____, 2016

PASSED, ADOPTED AND ORDERED PUBLISHED IN PAMPHLET FORM this ____
____ day of _____, 2016.

President of the Council

Attest:

City Clerk



Grand Junction City Council

Regular Session

Item #5.a.i.

Meeting Date: November 2, 2016

Presented by: Ken Watkins, Fire Chief

Submitted by: Chuck Mathis, Fire Marshal

Department: Fire

Information

SUBJECT:

Ordinance Adopting Amendments to the 2012 Edition of the International Fire Code and Prescribing Regulations Governing Outdoor Burning, Restricted, and Unrestricted Burning; Providing for the Issuance of Permits for Certain Burning Activities and Defining Extinguishment Authority

RECOMMENDATION:

Adopt an ordinance prescribing regulations governing outdoor burning including restricted and unrestricted burning, provide for the issuance of permits for certain burning activities and define extinguishment authority in the City of Grand Junction.

EXECUTIVE SUMMARY:

Outdoor burning, including open burning and recreational fires has been a topic for City Council consideration. Research by staff is recommending an ordinance to restrict outdoor burning within City limits as a matter of public safety. Exceptions for agriculture burning and maintenance of waterways, fire mitigation and training and specific allowances for cooking and recreational fires are included.

BACKGROUND OR DETAILED INFORMATION:

On May 16, 2016 staff presented an overview to City Council on open burning within the Grand Junction Fire Department response area. The presentation included information on the City's burn permit program, properties permitted in the City and rural fire protection district, brush fire and emergency medical incidents related to open burning and current City ordinances. In addition, a comparison of open burning and permit requirements in other western slope communities was presented.

Based on City Council feedback, the fire department conducted further research on open burning permit locations, property size, burning practices of local irrigation companies, enforcement of restrictions on burning, and progress of a proposed county-wide permit system. City Council was provided a follow-up and update on these topics through a City Manager's Office Memorandum dated August 30, 2016.

Staff developed the proposed ordinance and submitted a draft copy to City Council on September 23, 2016. The draft ordinance restricts all outdoor burning, open burning, recreational fires, and bonfires with some exceptions. It restricts the burning of trash and household waste, vegetative material and burning for salvage operations. The following exceptions are included in the ordinance:

- Prescribed burning for fire prevention and pest control.
- Maintenance of canals, irrigation and drainage ditches governed by a Drainage District or Canal Irrigation Company/District to include private and/or incorporated laterals.
- Agricultural burns as permitted by Mesa County and State of Colorado regulations.
- Ceremonial bonfires for non-profit organizations, religious institutions, school districts, or governments.
- Cooking fires in open-flame cooking devices that use wood, gas or charcoal as fuel, including outdoor kitchens, BBQ smoke houses, BBQ smokers or in-ground cooking pits.
- Recreational fires that use wood, liquid or gas-fueled open-flame devices in the form of portable outdoor fireplaces, heaters and decorative devices such as tiki-torches, lanterns, candles, etc. This includes permanent outdoor fireplaces.
- Professional firework displays.
- Burning (flaring) of natural gas is allowed at the sewer treatment plant and oil and gas wells.
- Fire suppression or fire department training activities.
- Valid construction or operational permits involving burning and/or open flames issued by the Grand Junction Fire Department.

The majority of outdoor burning complaints that the fire department or dispatch receives within City limits is for recreational fires in make-shift fire pits. In comparison, complaints outside of the City in the rural protection district are more often for trash burning or open burning of larger properties. With most of the burn permits issued in the City being for smaller parcels, staff believes that restricting outdoor burning is reasonable. The intent of the attached ordinance is to provide for public safety, reduce nuisance burning and community complaints, while also allowing reasonable exceptions.

Approval of the proposed ordinance will reduce the number of burn permits issued by the fire department for most properties in the City. The Fire Department will still issue burn permits for special situations and exceptions such as prescribed burning, bonfires, professional firework displays, and construction/operational permits. Staff plans for

residents to utilize the Mesa County Burn Permit System for agriculture burn permits and open burning permits issued for properties in the Grand Junction Rural Fire Protection District.

FISCAL IMPACT:

Burn permit revenue will decrease from \$29,450 in 2016 to an estimated \$11,000 in 2017. However, the fire department will capture part-time labor savings of \$7,000 with moving to the Mesa County Burn Permit System. These adjustments have been tentatively made in the 2017 budget.

SUGGESTED MOTION:

I MOVE to (approve or deny) Ordinance No. 4724 – An Ordinance Adopting Amendments to the 2012 Edition of the International Fire Code and Prescribing Regulations Governing Outdoor Burning, Restricted, and Unrestricted Burning; Providing for the Issuance of Permits for Certain Burning Activities and Defining Extinguishment Authority on Final Passage and Order Final Publication in Pamphlet Form.

Attachment

ATTACHMENT 1 – Proposed Ordinance

CITY OF GRAND JUNCTION, COLORADO

ORDINANCE NO. ____

AN ORDINANCE ADOPTING AMENDMENTS TO THE 2012 EDITION OF THE INTERNATIONAL FIRE CODE AND PRESCRIBING REGULATIONS GOVERNING OUTDOOR BURNING, RESTRICTED AND UNRESTRICTED BURNING; PROVIDING FOR THE ISSUANCE OF PERMITS FOR CERTAIN BURNING ACTIVITIES AND DEFINING EXTINGUISHMENT AUTHORITY

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

That the Code of Ordinances of the City of Grand Junction also known as the Grand Junction Municipal Code (GJMC) is hereby amended as follows: (the numbers of the sections hereby adopted are intended to be consistent with the existing numbering system of the GJMC and the City Clerk or her designee is authorized to number and codify the sections in accordance with that system.)

1. GJMC 15.44.040 (c) the following definitions shall be amended to read (*these have just been regrouped – no text has changed*):

(i) Section 202, General Definitions. Section 202, Residential Group R-3 Care facilities within a dwelling, shall be amended to read as follows:

Care facilities for five or fewer persons receiving care that are within a single-family dwelling are permitted to comply with the International Residential Code.

(ii) Section 202, General Definitions. Section 202, Residential Group R-4, the last paragraph, shall be amended to read as follows:

Group R-4 occupancies shall meet the requirements for construction as defined for Group R-3, except as otherwise provided for in the International Building Code or shall comply with the International Residential Code.

2. GJMC 15.44.040 (d) the following definitions shall be amended to read:

(i) Section 202. General Definitions. Section 202 the following definitions shall be amended to read as follows and/or adopted to be included as a definition.

BONFIRE. An outdoor fire utilized for ceremonial purposes which is limited to a solid wood fuel size of 8 feet in diameter and 4 feet high and conducted by non-profit organizations, religious institutions, school districts, or governments.

FIRE OFFICIAL. The Fire Chief or other designated authority charged with the administration and enforcement of GJMC 15.44 and/or the most recently adopted version of the IFC as a duly authorized designee.

HOUSEHOLD WASTE. Any waste including garbage and trash, derived from households including single and multiple residences, hotels and motels and other places used for temporary or permanent human habitation;

NONATTAINMENT AREA. An area which has been designated under the Clean Air Act as nonattainment for one or more of the national ambient air quality standards by the federal environmental protection agency;

OPEN BURNING. Any manner of burning, whether caused, suffered or allowed, not in a device or chamber designed to achieve combustion, where the products of combustion are emitted, directly or indirectly, into the open air; open burning does not include detonation of manufactured explosives. The burning of materials wherein products of combustion are emitted directly into the ambient air without passing through a stack or chimney from an enclosed chamber. Open burning does not include road flares, smudge pots and similar devices associated with safety or occupational uses typically considered open flames, recreational fires or portable outdoor fire places. For the purposes of this definition, a chamber shall be regarded as enclosed when, during the time combustion occurs, only apertures, ducts, stacks, flues or chimneys necessary to provide combustion air and permit the escape of exhaust gas are open;

PORTABLE OUTDOOR FIREPLACE. A portable, outdoor, solid-fuel-burning fireplace that may be constructed of steel, concrete, clay or other noncombustible material. A portable outdoor fireplace may be open in design or may be equipped with a small hearth opening and a short chimney or chimney opening in the top (i.e. commercially purchased metal or stone chimeneas, fireplaces, and burn bowls utilized for outdoor purposes);

RECREATIONAL FIRE. An outdoor fire burning materials other than rubbish or household waste where the fuel being burned is not contained in an incinerator, outdoor fireplace, portable outdoor fire place, barbeque grill or barbeque pit and has a total fuel area of 3 feet (914 mm) or less in diameter and 2 feet (610 mm) or less in height for pleasure, religious, ceremonial, cooking, warmth or similar purpose (i.e. fire pits, fire rings, campfires);

RUBBISH. Combustible and noncombustible waste materials, including residue from the burning of coal, wood, coke, or other combustible material, paper, rags, cartons, tin cans, metals, mineral matter, glass crockery, dust and discarded refrigerators, and heating, cooking or incinerator type appliances.

SALVAGE OPERATION. Any operation to salvage or reclaim any material for use or sale, such as reprocessing of used motor oils, metals, wire, chemicals, shipping containers, or drums, and specifically including automobile graveyards and junkyards; and

VEGETATIVE MATERIAL. Plant material, including:

(1) bushes, shrubs and clippings from bushes and shrubs resulting from maintenance of yards or other private or public lands. Nothing shall be larger than 1" in diameter;

(2) field stubble, grass and weeds in fields, and vegetation along fences, ditches/ditch banks; and

(3) wood waste, including chipped tree stumps, tree limbs, bark, and scraps resulting from maintenance of trees. Nothing shall be larger than 1" in diameter and shall not have been treated with any compound(s) containing chromium, copper, arsenic, pentachlorophenol, creosote, tar or paint.

3. GJMC 15.44.040 (e) shall be amended with the addition of the following:

e) Section 307.1 General. Section 307.1 shall be amended by addition of the following subsection:

307.1.4 Outdoor Burning. (a) Any outdoor burning not expressly allowed, not expressly prohibited or not otherwise specifically addressed under section 307 or GJMC 8.08.010

(NUISANCES) shall be conducted only pursuant to GJMC Chapter 15.44 and pursuant to and in accordance with a permit issued by the Grand Junction Fire Department (GJFD) or its designee.

(b) Outdoor Burning as allowed or prohibited in this section 307 is not considered a stationary source for purposes of applicability of other air quality regulations.

(c) Outdoor Burning regulations do not extend to indoor burning practices which are subject to the requirements stated in the most recently adopted version of the International Fire Code (IFC) and/or by City ordinance.

(d) Where conflicts occur between this section 307 and the section 202 definitions amended and/or adopted and the most recently adopted version of the IFC, the provisions of this section 307 and the section 202 definitions amended and/or adopted shall apply. Nothing shall preclude the Fire Official designated by the IFC from enforcing regulatory provisions provided in the most recently adopted version of the IFC that are more restrictive in nature than this section 307.

(e) Requirements that are essential for the public safety of an existing or proposed burning activity which are not specifically provided for by section 307 or by the most recently adopted version of the IFC shall be determined by the City's Fire Official.

(f) Unrestricted burning:

(1) Maintenance of canals, irrigation and drainage ditches owned and/or operated by a Drainage District or Canal and/or Irrigation Company or District to include private and/or incorporated laterals.

(2) Agricultural Burns as permitted by Mesa County and State of Colorado regulations. Agricultural burns shall comply with the process and safety provisions provided in the applicable County and/or State permitting procedures and regulations.

(3) Ceremonial bonfires approved by the Fire Official conducted by non-profit organizations, religious institutions, school districts or governments that are subject to regulatory, process and safety provisions stated in the most recently adopted IFC.

(4) Open-flame cooking devices in the form of LP-gas or charcoal burner grills that are subject to regulatory and safety provisions stated in the most recently adopted IFC.

(5) Solid-wood fueled cooking fires utilized in outdoor kitchens (permanent masonry fireplaces/pizza ovens), barbecue (also BBQ) smoke houses, BBQ smokers and in-ground cooking pits or devices.

(6) Solid-wood fueled, liquid-fueled or gas-fueled open-flame recreational devices in the form of portable outdoor fireplaces, heaters and decorative devices such as tiki-torches,

lanterns, candles or similar items that are subject to regulatory and safety provisions stated in the most recently adopted IFC. These include permanent outdoor fireplaces approved in accordance with the International Residential Code or International Building Code.

(7) Permanent fuel gas outdoor fire places built in accordance with International Residential Code or International Building Code.

(8) Recreational fires located in developed municipal, county or state approved picnic or campground areas contained in permanent fire pits or fire grates.

(9) Professional firework displays in accordance with State law(s) and the most recent locally adopted version of the IFC.

(10) Burning (flaring) of natural gas at the sewer treatment plant and when performed in conjunction with drilling, completion and workover operations of oil and gas wells and when the flaring operation of the wells is reasonably necessary in the opinion of the well operator to avoid serious hazard to safety.

(11) Fire suppression or Grand Junction Fire Department (GJFD) training activities,

(12) Valid construction or operational permits involving burning and/or open flames issued by the GJFD in accordance with GJMC and the most recently adopted version of the IFC as amended.

(g) Restricted burning:

(1) All outdoor burning, open burning, recreational fires and bonfires unless expressly permitted by this section 307.

(2) Where burning is allowed by this section 307 or other legal means, the burning of household waste or rubbish is prohibited including, but not limited to:

(a) natural or synthetic rubber products, including tires;

(b) waste oil and/or used oil filters and any waste automotive, machine fluid or lubricant, pesticide, herbicide and/or any other chemical, process fluid or the constituents thereof;

(c) insulated wire;

(d) plastic, including polyvinyl chloride ("PVC") pipe, tubing, and connectors;

(e) tar, asphalt, asphalt shingles, or tar paper;

(f) railroad ties;

(g) wood, wood waste, or lumber which has been painted, stained or which has been treated with preservatives containing arsenic, chromium, pentachlorophenol, or creosote;

(h) batteries;

(i) motor vehicle bodies;

(j) pathogenic wastes; and

(k) asbestos or asbestos containing materials.

(3) This section applies to any kind of salvage operation as defined herein; open burning as part of any salvage operation is prohibited.

(4) When burning vegetative material as defined herein is allowed, activities shall maintain strict adherence to conditions below:

(i) Prescribed burns for fire fuels management, as back fires to prevent or control wildfire or for other similar, specific may be allowed by the Fire Official on a case-by-case basis when the prescribed burn is i) permitted in advance and ii) the permittee does not deviate from the activity-specific permit requirements required by the Fire Official.

(ii) Agricultural burns shall be for management, control or eradication of pestilence, plague and/or other disease, insects, vermin or other agricultural emergency(ies.)

(iii) Prescribed burning for the purposes of recognized silvicultural, range or wildlife management practices, prevention and control of disease or pests and reducing the impact of wildland fire may be allowed by the Fire Official.

(iv) Notwithstanding i, ii and iii above, burning of vegetative material is prohibited in the event of the State and/or Mesa County imposing ozone, PM 10, 2.5 or other nonattainment area(s) restrictions or otherwise declaring a "no burn" day on a "high pollution day" as defined by GJMC 8.20.030 or the imposition of any other general or specific air quality controls.

(v) Burning of vegetative material is prohibited when atmospheric conditions or local circumstances such as drought make such fires hazardous; burning is not permitted when sustained winds exist or are the prevailing condition and/or when a red flag warning has been issued by the National Weather Service.

(vi) Burning is not prohibited, including but not limited to burning pursuant to a valid open burning permit; when the Fire Chief or his designee issues burn restrictions and/or a burn ban in accordance with GJMC 15.44 it may be prohibited in accordance with the specific restrictions and/or ban issued.

(vii) Burning of vegetative material shall:

(A) be conducted at least 50 feet from any structure (including combustible fences), occupied dwelling, workplace or any other place where people congregate, which is on property owned by or under possessory control of, another person;

(B) burning shall begin no earlier than one hour after sunrise and shall be extinguished no later than one hour before sunset;

(C) burning shall at all times be attended by a competent person until fully extinguished and the person shall be in immediate possession of a valid open burning permit;

(D) the attendant to the burning shall have an adequate extinguishing source available for immediate use equivalent for the type and size of the fire;

(E) the owner or agent shall notify GJFD or their designee prior to burning by obtaining a valid open burning permit for the time period in which the burning is taking place;

(F) the burning of vegetative material in excess of 1-inch in diameter is prohibited;

(G) the burning of trees stumps, grass clippings and leaves is prohibited;

(H) no person shall burn upon the land of another without permission of the owner thereof;

(I) the vegetative material to be burned shall be as dry as practicable.

4. GJMC 15.44.040 (f) is hereby deleted and replaced with:

(f) 307.3 Extinguishment authority. Section 307.3 is deleted and replaced with:

307.3 Extinguishment authority. When open burning or other types of burning creates or adds to a hazardous situation; or when parameters set forth in this section 307, GJMC 15.44, and the most recently adopted version of the IFC have not been followed or a required permit for the open burning or other burning activities has not been obtained, the Fire Official is authorized to order the extinguishment of the open burning or other burning activities. Extinguishment may be by the permit holder, another competent person or the Fire Department personnel.

INTRODUCED ON FIRST READING AND ORDERED PUBLISHED in pamphlet form
this 5th day of October, 2016.

PASSED, ADOPTED, and ordered published in pamphlet form this ____ day of ____
_____, 2016.

Mayor and President of the Council

ATTEST:

City Clerk



Grand Junction City Council

Regular Session

Item #6.a.

Meeting Date: November 2, 2016

Presented by: Greg Caton, City Manager
Greg Lanning, Public Works
Director

Submitted by: Greg Lanning,
Public Works
Director

Department: Public Works

Information

SUBJECT:

Consideration of Additional Funding for Street Maintenance

RECOMMENDATION:

Based on results of public outreach efforts and discussion with stakeholders including the Grand Junction Chamber of Commerce, the consensus was to increase the investment in street maintenance now in order to improve the condition of streets.

If City Council decides to increase the investment, staff recommends that Council direct staff to draft a ballot question asking the voters to redirect funds accumulating for the early payoff of the Riverside Parkway debt to street maintenance.

EXECUTIVE SUMMARY:

Infrastructure has been identified by City Council as one of the three areas of emphasis for public policy action. As such, Council has heard capital funding presentations over the last several months including long term funding to improve the condition of the roads. During the April 25, 2016 Council workshop, council identified road maintenance as one of the top capital spending priorities. During the August 1, 2016 workshop, Council discussed potential funding options and directed staff to solicit additional input from the public and other stakeholders. A memo, similar to this report, was handed out at the October 3, 2016 budget workshop.

Street maintenance funding is an annual need and often competes with other worthy projects throughout the city. Studies have shown a decline in pavement condition from a Pavement Condition Index ("PCI") of 78 in 2004 to a current PCI of 69. Forecast

modelling indicates that funding needs to nearly double from existing funding in order to improve pavement conditions and move the PCI rating back to a level of 73. If the funding is not increased, the PCI will not improve and the cost of improving the condition 5 years from now will be nearly twice as much.

The City Manager's Recommended Budget for 2017 includes \$3.5 million derived from existing resources for street maintenance (up from \$2.8 million in 2016), which is a 25% increase. However additional resources will be needed in order to improve the pavement condition to a level that preserves one of the City's largest and costliest assets, meets community expectations for level of service, and supports economic development into the future.

BACKGROUND OR DETAILED INFORMATION:

Street maintenance has been discussed throughout the year in various Council workshops. At the August 1, 2016 workshop, staff presented an update on street maintenance with the most recent condition of the roads measured by the pavement condition index (PCI) of 69, on a scale of 0 to 100. Over the next five years, funding at 2016 levels (\$2.8 million per year) will result in a PCI of 67.5; funding at \$3.8 million per year will result in a PCI of 68 and funding at \$6.6 million per year will result in a PCI of 73. Potential sources of funding were also discussed at the workshop. These options included; a one-time use of \$3.5 million in accumulated TABOR excess funds from the Riverside Parkway early retirement account for debt service in order to overlay the Riverside Parkway in 2017; use of \$3.8 million in accumulated TABOR excess funds from the Riverside Parkway early retirement account for several years of debt service in order to increase funding for road maintenance; and ask the Citizens for a vote to authorize an increase in sales tax road maintenance.

Currently the City has authorization from the voters beginning in 2007 to retain TABOR excess in order to pay the Riverside Parkway debt. By Council resolution that excess was further directed to be accumulated to pay the debt off early in order to save interest. At the time the debt was issued (2004) the rate was 4.78% and because of a robust economy the payoff year was estimated to be within 10 to 12 years. However, as a result of the recession in 2009 and 2010 and a struggling economy the payoff year was extended. In 2012 Council was able to take advantage of a favorable market and after public outreach and input, authorized the use of accumulated TABOR excess funds to refinance the debt to a 2.26% rate realizing \$7.5 million in interest savings. Currently, the payoff year is expected to be 2021 which only pays the debt off a few years early and saves another \$820,750 in interest savings. The estimated ending balance of TABOR excess funds accumulated at 12/31/16 is \$11.2 million.

The City's street infrastructure is valued at over \$266 million. Given the nature of how pavement can deteriorate, like most assets, investments early on in the life of a road in the form of pavement preservation and minor repairs and overlays will help avoid very

costly repairs when left untreated. A pavement condition of 69 is considered fair, but only a point away from a satisfactory rating.

Public Outreach

As a result of the August 1, Council workshop presentation and discussion, staff was directed by City Council to reach out for additional input and determine in part, how our community feels about the condition of our roads. Options for funding street maintenance were presented and ranged from no change in funding (\$2.8 million per year) to investing an additional \$4.8 million for a total of \$7.6 million per year in order to improve the condition of the streets.

Open Houses

Open houses were offered at City Hall on August 18 at 2 p.m., and August 24 at 5:30 p.m. Several staff were available to present information and answer questions ranging from the maintenance and condition of roads to past and future funding options. Several 24" x 36" displays were prepared to easily convey in graphic form the condition and past funding of street maintenance. Photographs of pavement conditions with the associated PCI helped the audience understand the significance and range of performance measures. The range of options discussed above were also posted on a similar sized display and open house participants were encouraged to apply a marker next to their preferred option. In addition to the poster board displays, pamphlets were prepared and available at the entrance table.

Only a handful of citizens attended the open houses. However, the discussions and input were nonetheless valuable. The participants that indicated a preferred option all chose either \$6.6 million or \$7.6 million per year investment in street maintenance.

Grand Junction Area Chamber of Commerce-Letter of Support (Attached)

City staff was invited to join the Chamber during a regular business meeting the morning of August 18, 2016. The same displays and handouts described above aided with the presentation. The Chamber was very engaged in the discussion and had several good questions and suggestions for city staff. The Chamber later deliberated on the issue and sent correspondence with a summary of their thoughts, including suggestions for additional information, communication and outreach. They asked whether the City could find funding for street maintenance within the existing budget and asked if Council intended to go back to the voters for funding tied to the Parkway debt payments.

Given this feedback, staff met again to follow up with the Chamber on September 6, 2016. The meeting was very productive, with the Chamber helping with suggestions for outreach and messaging. The Chamber helped simplify the message the 'catch-up number'; the estimated amount required to achieve the same PCI if deferred.

The 'Catch-Up' Number

- Part I: Funding continued at current levels (\$2.8 million) for 5 years yields a PCI of 67.5
- Part II: Funding necessary to get from PCI of 67.5 five years from now, to a PCI of 73 would cost \$52.3 million.

Continuing to simplify and summarize the group concluded around \$800,000 would be saved for early payment of the Parkway debt, roughly \$22 million could be saved in road maintenance.

Paving Contractors

City staff also met with paving contractors on August 31, 2016 to discuss the condition of the roads, funding, and collect their thoughts on the future of street maintenance. The paving contractors were in favor of enhanced funding. But also of note, we learned local contractors could easily absorb the additional workload if the program was expanded by hiring additional workforce if necessary.

Survey

City staff also conducted a survey using an existing internet survey resource used to conduct other research of city interest in the past. Questions were developed around the same options discussed. As of October 17, 121 responses had been submitted and 78.5% of those responding indicated a preferred option of either \$6.6 million or \$7.6 million per year investment in street maintenance.

Horizon Drive District - Letter of Support (Attached)

Additional Outreach

In addition to these outreach efforts, there have been road conversations throughout town, including the 'Coffee with the City Manager' sessions. There have been news articles and television reports on the cost of street maintenance and the city budget in general.

FISCAL IMPACT (OPTIONS):

Should City Council direct staff to prepare a ballot question, and the voters approve redirecting the accumulating TABOR excess funds from the early payoff of the Riverside Parkway Debt to road maintenance, the Riverside Parkway Debt will be paid through the full term of 2024 and an additional \$820,750 in interest will be paid in 2022, 2023, and 2024. Based on the estimated TABOR excess of \$1.2 million on average per year and the accumulated fund balance of \$11.2 million at 12/31/2016, with interest

additional funds available for road maintenance for the next five years would be between \$17.5 and \$17.8 million. This would be added to existing resources to invest the \$30 million needed to improve the road infrastructure.

SUGGESTED MOTION (OPTIONAL):

I MOVE to direct staff to draft a ballot question asking the voters to redirect funds accumulating for the early payoff of the Riverside Parkway debt to street maintenance.

Attachments

ATTACHMENT #1 – Horizon Drive BID Letter of Support

ATTACHMENT #2 – Chamber of Commerce Letter of Support

ATTACHMENT #1

Horizon Drive District

Letter of Support



October 4, 2016



City Council
250 North Fifth Street
Grand Junction, Colorado 81501

Greetings, Mayor Norris and Council members:

Greg Caton attended the Horizon Drive Business Improvement District's September board meeting, and we discussed the current state of the City's infrastructure and streets. Due to the continuing deterioration over the few last years as maintenance budgets were diverted to more pressing matters, the pavement condition index (PCI) currently rates Grand Junction streets overall at 69 out of a possible 100. We understand that an investment of approximately \$30M made now could bring roads up to an acceptable index of 73. However, if the pavement condition continues to decline for an additional five more years, an investment of approximately \$52.3M would be required to reach the same acceptable index of 73.

Our board discussed the dilemma that City Council faces regarding utilization of excess funds from the TABOR override to fund road repairs. Voters approved using the funds in 2007, although the ballot question was only specific to the Riverside Parkway. Mr. Caton told us that City Council is not legally required to put the change of use on the ballot. The Council could instead pass a resolution to use these funds for the necessary road improvements.

Grand Junction roadways are rapidly approaching a crisis situation and we look to our elected leaders to make the critical decision to take appropriate fiscal action to lessen this crisis. The Horizon Drive Business Improvement District board fully supports a Council resolution to use excess funds from the TABOR override to bring the PCI on major Grand Junction thoroughfares up to an acceptable level.

Best regards,


Jay Moss, President

ATTACHMENT #2

Chamber of Commerce

Letter of Support



October 26, 2016

City Manager Greg Caton
City of Grand Junction
225 North 5th Street
Grand Junction, CO 81501
(delivered electronically)

Dear Mr. Caton,

On behalf of the Grand Junction Area Chamber of Commerce board I want to thank you for meeting with us twice to discuss the current state of our streets and the need for immediate maintenance in order to avoid even more costly repairs at a later date.

The Chamber Board would urge the Grand Junction City Council to place a question before the voters in the next city election asking that the funding being collected above the Tabor limit to pay off the Riverside Parkway bonds early be redirected to street maintenance. City staff have estimated that this will save taxpayers approximately \$22 million in deferred repairs at a cost of \$800,000 more in interest to pay off the bonds on time.

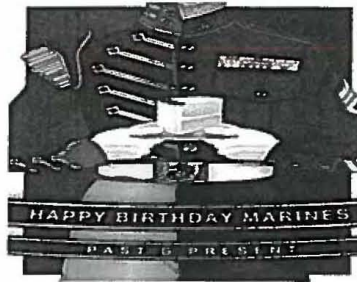
While we understand that the City may not need a vote to this, our view is that in order to be transparent and build trust for future funding questions it is best for the City to ask voters to move the funds. The Chamber helped encourage support by voters of both Riverside Parkway questions and may be willing to also help educate voters of the need for this action should Council place it on the ballot.

Let us know if you have any questions or need further information from us on this important issue.

Sincerely,

A handwritten signature in black ink that reads 'Matthew Breman'. The signature is fluid and cursive, written over a thin horizontal line.

Matthew Breman
Chairman of the Board



241st Birthday Celebration of the United States Marine Corps

Marine Corps Birthday Party, Nov 12, 1800hrs. Grand Junction Elks Club, 4th and Pitken. Open to all, FREE: Paid by a Few Good Men & Women Who Gave All . BYOB, Open to all. Greg; 970-208-5620



Be It Known By All Free Men & Women, In Honor of Our Peacekeepers of The Army, Navy, Coast Guard, Air Force and Marines: A Parade Will Be Held on Saturday, November 12, 2016. Commencing at 2pm. To Be Held On Main Street, Grand Junction, Colorado, USA. Review Stand Will be at Four & Main Street USA

**For Entry Information Contact George Delhanty @ 970-245-4156.
Press Inquiry to Greg Merschel 970-208-5620**



CITY COUNCIL MEETING

CITIZEN PRESENTATION

Date: _____

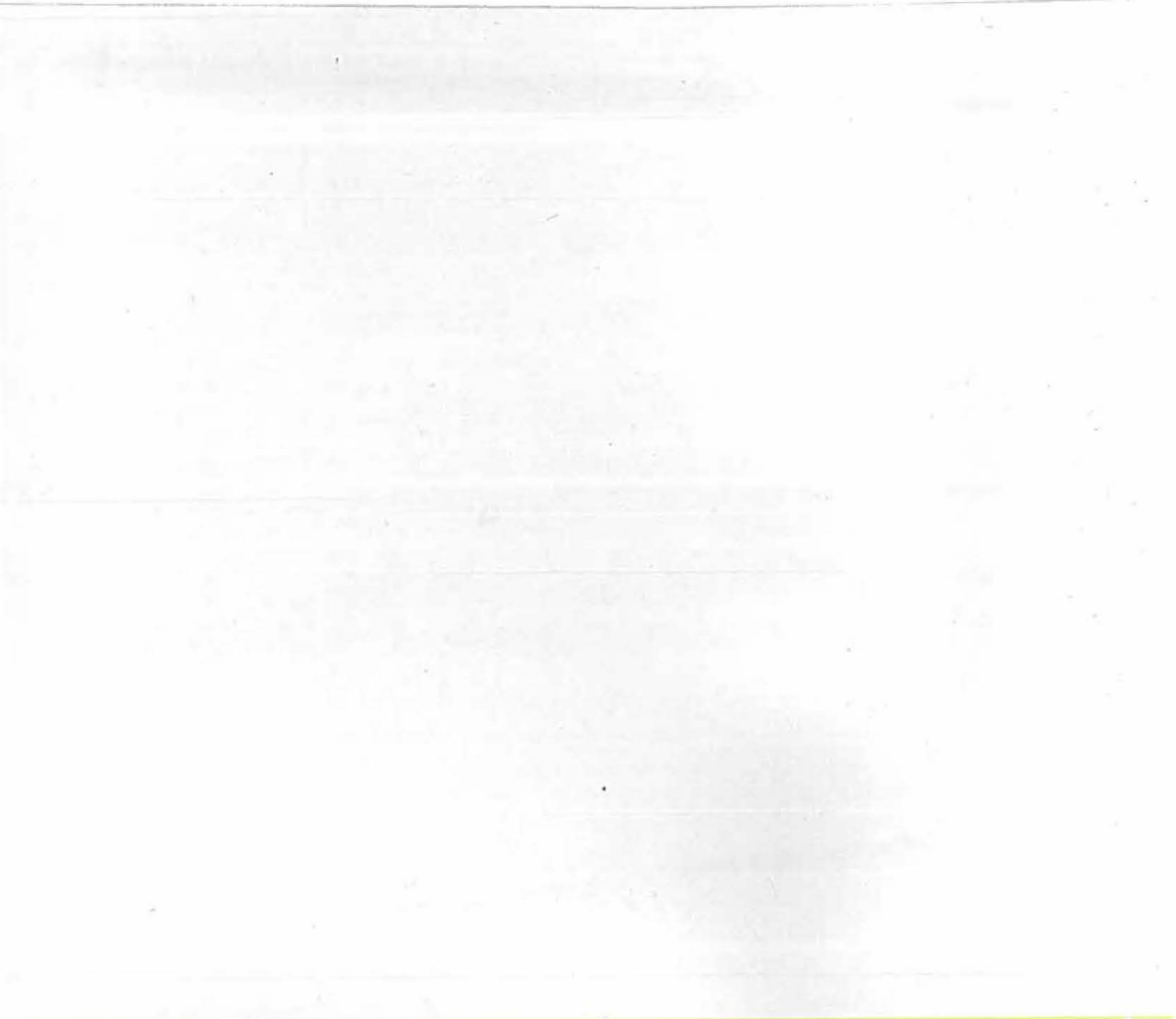
Citizen's Name: Bruce Lohmiller

Address: 3032 Wisconsin Street #208

Phone Number: _____

Subject: Maniwa "Afi" Israel Museum Presentation"
Medical Marijuana

Please include your address, zip code and telephone number. They are helpful when we try to contact you in response to your questions, comments or concerns. Thank you.



The stated purpose of this ordinance is to make Grand Junction the most livable city. I submit to this City Council that this community has already achieved that distinction. Outside of its drastically fluctuating economy at times and a lack of diversity with regard to industry, I have returned here to Grand Junction CO over the last 30 years because for me it has always been the most livable community because of the people here, but sadly not because of this or any other previous administration which has governed it.

Here on the western slope we enjoy a particular lifestyle. We enjoy camping, fishing, hunting, the great outdoors and bonfires. To that end, as staff has discovered, to many of us here in the city, that includes fire pits in our back yards where we can step out of our back door roast marshmallows, make s'mores and enjoy the fruits of our labors with friends and family.

The problem here isn't that we need to adopt an amendment to an ordinance that is already painfully and clearly defined. The problem here is that the ordinance already in place is not enforced.

In 2011, I purchased a home here in the city limits. I spent thousands of dollars on landscaping. It was suggested by my close friends who have spent their lives here that I build a fire pit. As a law abiding citizen I contacted the city planning department for any requirements associated with building one. The planning department referred me to the fire department who in turn directed me to a web page where I was able to download the parameters needed to comply with the city's ordinance already in place. When my fire pit was completed and before using it I contacted Grand Junction fire department to request that they come out and inspect it. I was told, "They do not do that, they only come out if someone complains."

Which begs the question, what's the point in having an ordinance or code if it isn't going to be enforced or followed up on?

Now, it didn't too long before someone complained. Indeed, a complaint was filed after the first time I put it to use. Subsequently, I received a call from a representative of Grand Junction fire department to tell me that they now needed to come inspect my fire pit. To which I happily complied.

My fire pit was found to be in full compliance and according to her one of the best she had seen for some time. She also informed me that I would not be hearing from them in the future and up until now it hasn't been an issue.

Indeed, as I previously stated, the problem here is not that we need an amendment to an ordinance that is clearly defined. The problem here is that you folks don't enforce the laws that are already in place.

If we are going to be good neighbors, if we are going to learn to get along, individual rights need to be respected and defended for all not just a few who can't appreciate our quality of life here on the western slope and the city of Grand Junction. Those responsible for obstructing such good neighborly behavior are the ones who need to be held accountable for the public's safety.

The premise for this Ordinance to Adopt Amendments to the 2012 Edition of the International Fire Code is that it's in the interest of air quality and public safety. I can speculate based on my own experience with city staff that their research is likely sorely flawed and simply another attempt to undermine our quality of life here in the city of Grand Junction.

A good leader is an even better follower. If you truly represent the needs of the people of this city as our elected officials, you would focus your attention towards jobs and industry not against fire pits, families, or the way of life we enjoy here in the valley.

The City of Grand Junction is and always has been the most livable community west of the Rockies. If you can't appreciate our way of life here then perhaps you should look elsewhere. Indeed, consider the inner city of Denver, LA, Chicago or New York where ordinances like these became necessary because

the air quality was compromised by vehicle emissions and excess or for reasons of public safety as a result of the proximity of homes. Considering the number of residents in the valley who heat their homes with pellet stoves all winter long to offset the cost of gas and the embers which escape in a light show from their flews which this ordinance excludes. I can only conclude that this amendment is not for the purpose of air quality or public safety. It is simply another attack on our on our quality of life here in the valley and within the city limits.

Therefore, as a home owner and resident of the city for more than five years, I MOVE to deny Ordinance No. 4724 – An Ordinance Adopting Amendments to the 2012 Edition of the International Fire Code and Prescribing regulations Governing Outdoor Burning, Restricted, and Unrestricted Burning; Providing for the issuance of Permits for Certain Burning Activities and Defining Extinguishment Authority on Final Passage and Order Final Publication in Pamphlet Form.

Respectfully submitted,

Michael C. Day

November 2, 2016
