



ARCHULETA COUNTY
BOARD OF COUNTY COMMISSIONERS

PLEDGE OF ALLEGIANCE

MOMENT OF SILENCE

DISCLOSURES AND/OR CONFLICT OF INTEREST

APPROVAL OR ADJUSTMENTS TO AGENDA

* Executive Session - Specific Agenda Topic

PUBLIC COMMENTS FROM THE FLOOR*

This is an opportunity during the session for the public to address the Commissioner. Please step up to the podium, **STATE YOUR NAME AND ADDRESS FOR THE RECORD** and keep your comments to 3 minutes (**the Board is not required to discuss your comment or make a decision regarding your comment, under this section**).

ACKNOWLEDGEMENTS

A. Archuleta County Fair Royalty

REPORTS

A. Treasurer's Semiannual Report

Colorado Revised Statutes require the treasurer to report semiannually to the Board of County Commissioners. This report will include January through June 2016.

Presenter	Betty Diller
Presenter's Title	Archuleta County Treasurer

Documents:

[2016-07 SEMIANNUAL REPORT.PDF](#)

BOARD OF EQUALIZATION

A. Assessor's Report To The CBOE Regarding Taxable Property And Appeals For 2016

Assessor report to the CBOE of the total assessed value of all taxable property and submits a list of all real and personal property protests and the status/outcome of each protest. Also a list of all owners that failed to return a Personal Property Declaration Schedule.

Presenter	Natalie Woodruff
Presenter's Title	Assessor

LOCAL LICENSING AUTHORITY

A. **Consideration Of The Renewal Of A Retail Marijuana Store For Delany & Associates, LLC DbA Good Earth Meds, Located At 600 Cloman Blvd., Units 1 And 2**

This is a renewal of a Retail Marijuana Store for Delany & Associates, LLC dba Good Earth Meds located at 600 Cloman Blvd., Units 1 and 2. There are no changes, the application is complete and the proper fees have been paid. The Sheriff's office completed the background checks, Building, Planning, Emergency Operations, Pagosa Fire Protection District and San Juan Basin Health Department have inspected the premises and there are no objections.

Presenter Tonya McCann
Presenter's Title Executive Assistant

Documents:

[2016 RETAIL MARIJUANA CENTER RENEWAL.PDF](#)
[2016 RETAIL MARIJUANA RENEWAL SUPPORTING DOCUMENTS.PDF](#)

B. **Consideration Of The Renewal Of A Retail Marijuana Cultivation Facility License For Delany & Associated, LLC DbA Good Earth Meds, Located At 600 Cloman Boulevard, Units 5, 6, 7 And 8.**

This is a renewal of a Retail Marijuana Cultivation Facility for Delany & Associates, LLC dba Good Earth Meds located at 600 Cloman Blvd., Units 5, 6, 7, and 8. There are no changes, the application is complete and the proper fees have been paid. The Sheriff's office completed the background checks, Building, Planning, Emergency Operations, Pagosa Fire Protection District and San Juan Basin Health Department have inspected the premises and there are no objections.

Presenter Tonya McCann
Presenter's Title Executive Assistant

Documents:

[2016 RETAIL OPTIONAL PREMISES CULTIVATION RENEWAL.PDF](#)
[2016 RETAIL MARIJUANA RENEWAL SUPPORTING DOCUMENTS.PDF](#)

C. **Consideration Of Approval Of A Retail Marijuana Optional Premises Cultivation Center License For San Juan Strains, Inc.**

This is a request for approval of a Retail Marijuana Optional Premises Cultivation Center License for San Juan Strains, Inc. located at 95 Industrial Circle. The application is complete and the proper fees have been submitted. Fingerprints have been submitted to the Colorado Bureau of Investigations and background check reports have been received by the Sheriff. The Building and Planning Departments, Sheriff, Fire District and San Juan Basin Health have inspected the premises and approved the premises for operation.

Presenter Tonya McCann
Presenter's Title Executive Assistant

Documents:

[20160713143801529.PDF](#)

BOARD OF ADJUSTMENTS HEARING

A. Board Of Adjustment Public Hearing Of Heitz Request For A Affordable Storage Variance From Road & Bridge Design Standards, In Section 20, T35N R2W NMPM, At 4340B US Hwy 160W And 122 Meadows Dr.

Jeff Heitz, dba A Affordable Storage LLC, and represented by Duke Eggleston, Eggleston Kosnik LLC; has applied for Variance from *Archuleta County Road & Bridge Design Standards* Sec. 27.1.7.3 Design Standards for Driveways, to construct a commercial access to County Gravel Road Standards in Sec. 27.2.3 (PLN16-037). Applicant's property includes two parcels at 4340B US Hwy 160 W and 122 Meadows Dr.

This item was opened and continued at the Board of Adjustment meeting on June 7, 2016. Applicant is requesting a further continuance to allow time for CDOT to approve required US Highway 160 access permits, to the regular meeting of August 16, 2016.

Presenter John Shepard, AICP
Presenter's Title Planning Manager

B. Board Of Adjustment Public Hearing Of Perrie Request For Frontier Building Variances From Landscaping And Driveway Standards In The Commercial (C) Zone, Lots 9-13 Correction Plat II Old West Landing At 40 County Road 600 & 10 Solomon Drive

James Perrie has applied for the Frontier Building Variances for property owned by Philip J. Perrie and Rachella Perrie, Lots 9, 10, 11, 12 & 13, of Correction Plat II – Old West Landing, located at 40 County Road 600 and 10 Solomon Drive, Pagosa Springs, CO. The specific requests are to vary from Section 5.4.3.1 of the Archuleta County Land Use Regulations requiring landscaping of a minimum of 15% of commercial sites; Section 5.4.3.2 requiring a 40' landscaped buffer for commercial development along US Highway 160; and Section 5.4.3.3 requiring a 5-10' landscaped buffer along a major arterial (Piedra Road). Applicant is also requesting Variance from Section 27.1.7.3.A of the Archuleta County Road and Bridge Design Standards to allow an existing driveway to remain too close to the intersection with County Road 600. (PLN16-069)

Applicant has made a concurrent request for Use by Right Site Plan approval for Retail and Office use in the Commercial (C) zone, an Administrative approval. (PLN16-068)

Presenter John Shepard, ACIP
Presenter's Title Planning Manager

Documents:

[PLN16-069_FRONTIER_BLDG-BOA_20160719-STAFF_REPORT.PDF](#)
[PLN16-069_A1-AREAMAPS.PDF](#)
[PLN16-069_A2-REVIEWCOMMENTS.PDF](#)
[PLN16-069_A3-FRONTIER_BLDG-VARIANCENARRATIVE.PDF](#)
[PLN16-069_A4-FRONTIER_BLDG-SITEPLAN.PDF](#)

LAND USE REGULATION HEARING

A. Consideration Of Resolution 2016 - _____ Denying The Two Rivers Pit Major Sand & Gravel Permit In Section 11, T33N R2W NMPM

This request is to consider and approve a Resolution memorializing denial of the Two Rivers Gravel Pit Major Sand & Gravel Permit, proposed in Section 11, T33N R2W NMPM at 12500 County Road 500. (Case file 2015-035SG)

Presenter John Shepard, AICP
Presenter's Title Planning Manager

Documents:

[2015-035SG TWO RIVERS PIT RESOLUTION 2016-XX.PDF](#)

CONSENT AGENDA

A. PAYROLL, PAYABLE WARRANTS AND PURCHASE CARDS

July 6, 2016 - July 19, 2016

B. Airport Five Year Engineering Contract

Having complied with all FAA and County procedures, Aviation, Inc., Denver CO, was awarded a five year engineering contract for Archuleta County Airport. The contract was negotiated and approved by the Finance Department and now goes before the BOCC for approval and signature.

Responsible Staff: Kate Alfred, Airport Manager

Documents:

[20160711103750916.PDF](#)

C. Colorado Works And The Colorado Child Care Assistance Program (CCCAP) MOU

Background: The Colorado Department of Human Services requests each county enter into a Memorandum of Understanding (MOU) annually, designating that county as local administrative entity for Colorado Works and the Colorado Child Care Assistance Program (CCCAP). The agreement specifies authority and responsibilities of each party.

Fiscal Impact: The MOU is required to receive the state allocation for Colorado Works Program and the Colorado Child Care Assistance Program.

Recommended Action: Approve MOU between the Board of County Commissioners of Archuleta County and the Colorado State Department of Human Services to administer the Colorado Works Program and the Colorado Child Care Assistance Program from July 1, 2016 through June 30, 2017 with signature authority of the Chairman of the Board.

Presentor	Matthew A. Dodson, LCSW
Presentor's Title	Director, Archuleta County Department of Human Services

Documents:

[COLORADO WORKS MOU FINAL FY 2016-7.PDF](#)

D. Memorandum Of Understanding Between Archuleta County And Hotline County Connection Center (HCCC)

This Memorandum of Understanding (MOU) is developed in partnership between Prowers County and Archuleta County with confirmation by the State of Colorado. The purpose of the joint agreement is to facilitate the Hotline County Connection Center (HCCC-Prowers County) with answering and processing of Child Welfare (CW) related Archuleta County Hotline calls.

Annual allotment of reports is 48. Total Annual Cost for Call Coverage Services \$ 0.

Action requested: Approve MOU and sign letter requesting that the State of Colorado Department of Human Services provide Information Gathering services for our county on an after-hours basis. It is understood that the Hotline County Connection Center (HCCC) will answer our calls of suspected child abuse and neglect, provide Information Gathering Services and document those initial reports in the statewide reporting system. It is also understood that all screening, assessment and decision-making responsibilities remain with Archuleta County.

Presenter Matthew A. Dodson, LCSW
Presenter's Title Director, Archuleta County Department of Human Services

Documents:

[ARCHULETA COUNTY AND CW HOTLINE.PDF](#)

E. Renewal Of The Buck Stops Here, LLC DBA The Buck Stops Here Market And Eatery Hotel And Restaurant

Responsible Staff: Flora Goheen, Administrative Assistant

Presenter Bentley Henderson
Presenter's Title County Administrator

Documents:

[THE BUCK STOPS HERE, LLC 2016.PDF](#)

F. Consideration Of Resolution 2016 - _____ Consolidating 2 Lots Into 1 Pagosa Highlands Estates Owned By Mark Mahlum And Linda Mahlum

This request is to consider the Resolution authorizing the consolidation of Lots 104 and 105 Pagosa Highlands Estates, to become Lot 104X owned by Mark Mahlum and Linda Mahlum

Presenter Bentley Henderson
Presenter's Title County Administrator

Documents:

G. Consideration Of Resolution 2016 - _____ Consolidating 2 Lots Into 1 Pagosa Highlands Estates Owned By Bruce C. Redd And Roberta E. Stellman-Redd

This request is to consider the Resolution authorizing the consolidation of Lots 252 and 253 Pagosa Highlands Estates, to become Lot 252X owned by Bruce C. Redd and Roberta E. Stellman-Redd

Presenter Bentley Henderson
Presenter's Title County Administrator

Documents:

NEW BUSINESS

A. Consideration And Approval Of A Proposal To Supply Multifunction Copy/Scan/Printer Equipment

On May 18, 2016, the County released RFP number 4295-16-001, being a Request for Proposals for Multifunction Copy/Scan/Printer Machines, to replace existing equipment which is quite old and increasingly unreliable.

A total of 17 firms requested the proposal guidelines. A total of 4 proposals were received. The 4 proposals were evaluated and scored against the criteria contained in the RFP guidelines by a committee which consisted of: Rich Valdez (County Sheriff), Natalie Woodruff (County Assessor), Gabe Cersonsky (IT and Network Administrator) and Larry Walton (Finance Director).

The ranking of the Vendor/Equipment fell out as follows:

<u>Rank</u>	<u>Score</u>	<u>Vendor</u>	<u>Equipment</u>
1	470	Capital Business Systems	Canon
2	450	Capital Business Systems	Ricoh
3	410	Toner Mountain Copiers	Xerox
4	315	ImageNet	Samsun

While "lease cost" only makes up 30% of the evaluation scoring, it turns out that the preferred Vendor/Equipment Proposal was also estimated to be the least expensive and likely to result in operating costs roughly \$22,000 less than our current budget for this cost.

Based on the evaluation scores and resulting ranking, the Committee recommends approval of the Capital Business Systems (Canon) proposal.

Presenter Larry Walton
Presenter's Title Finance Director

Documents:

B. Letter Of Cooperation From The Board Of County Commissioners To Southwest Water Conservation District

For your consideration is a letter from the Board of County Commissioners encouraging cooperative efforts between the Southwest Water Conservation District and the San Juan Water Conservancy District.

Presenter Bentley Henderson
Presenter's Title County Administrator

Documents:

[PROFFITT BOCC LETTER DRAFT.PDF](#)
[WHITING SWCD LETTER.PDF](#)

C. Facilities Planning Process

Provided for your consideration is the attached Facilities Development timeline and Development synopsis.

Timeline - The Board of County Commissioners may adopt the timeline as submitted adopt the timeline with amendments or choose to an alternative process.

Synopsis - The synopsis provides the Board with various development scenarios that have been presented. Of the alternatives for consideration available to the Board, the Board may, choose to eliminate certain options or specifically identify those options that are best suited for additional consideration analysis.

Presenter Bentley Henderson
Presenter's Title County Administrator

Documents:

[COURTHOUSE TIMELINE REVISED MW.PDF](#)
[COURTHOUSE SYNOPSIS .PDF](#)

PUBLIC COMMENTS FROM THE FLOOR

This is an opportunity during the session for the public to address the Commissioners on a subject not covered on the agenda. Please step up to the podium, **STATE YOUR NAME AND ADDRESS FOR THE RECORD** and keep your comments to 3 minutes (**the Board is not required to discuss your comment or make a decision regarding your comment, under this section**).

MEDIA QUESTIONS

COMMISSIONER COMMENTS

EXECUTIVE SESSION

Per C.R.S. 24-6-402(4) the Board of County Commissioners will hold an executive session to discuss matters identified below:

For purposes of the Board receiving legal advice pursuant to C.R.S. 24-6-402(4)(b) regarding pending legal cases.

Presenter Todd Starr
Presenter's Title County Attorney

ADJOURNMENT OF THE REGULAR BOCC MEETING

All meetings to be held in the Archuleta County Administration Offices
398 Lewis Street, unless otherwise stated.
All Regular and Special BoCC Meetings are recorded.

Office Of The Treasurer
Archuleta County
P. O. Box 790
Pagosa Springs, CO 81147



(970)264-8325
Fax (970)264-8329

July 19, 2016

Treasurer's Semiannual Report

Adjusted Balances as of June 30, 2016

Cash on Hand	\$	900.00
Operating	\$	3,779,477.04
Non-Interest Bearing	\$	67,164.46
Clerk's Petty Cash	\$	3,650.66
Jail Commissary	\$	-4,224.02
Extension Office	\$	8,188.29
Casa Reserve	\$	29,403.05
COLOTRUST Holding	\$	16,263,993.74
CSAFE Fairfield Settlement	\$	499,007.94
Federal Agency Bonds	\$	4,000,000.00
Certificates of Deposit	\$	24,235.92
Total Cash	\$	24,671,797.08

At the end of June 2016, total cash was \$24,671,797.08. The increase in the adjusted cash balance is \$3,460,912.08 over last year.

Goals

The goals of our cash management policy continue to reflect the priorities of public funds: safety, liquidity, and yield.

Investments

Our investment revenue for the last six months was \$69,466.04. Our investments include federal agency bonds, certificates of deposit, interest bearing accounts, and local government investment pools.

Strategy

This spring, we shifted our strategy from keeping enough money in our operating account to accrue credit earnings as offset our banking expenses to earning a higher rate elsewhere and paying for our banking expenses. Thus, we have moved most of the balance of our operating account to COLOTRUST.

Additionally, because we are required to keep enough liquid cash to pay county obligations, we considered the possible scenarios involving remodeling or construction of jail and court facilities. Without a decision on the project(s), we do not know how much cash will be called upon and when it will be needed. The prudent choice on our part must be to place proceeds from all matured or called investments into deposit investments. The rate we receive for deposit investments is less than half of the rate we could get for time investments. Until a decisive plan is made, we are unable to make any changes in our strategy.



**Archuleta County
Local Licensing Authority**
398 Lewis Street
P.O. Box 1507
Pagosa Springs, CO 81147
(970) 264-8401

APPLICATION FOR MARIJUANA BUSINESS

NEW LICENSE
 MODIFICATION

LICENSE RENEWAL
Delany & Associates

A SEPARATE LICENSE APPLICATION IS REQUIRED FOR EACH LICENSE TYPE

<input type="checkbox"/>	Medical Center License
<input type="checkbox"/>	Medical Center and Cultivation License
<input type="checkbox"/>	Medical Marijuana-Infused Product Manufacturer
<input type="checkbox"/>	

<input checked="" type="checkbox"/>	Retail Center License
<input type="checkbox"/>	Retail Optional Premises Cultivation License
<input checked="" type="checkbox"/>	Retail Store and Cultivation License
<input type="checkbox"/>	Retail Marijuana-Infused Product Manufacturer

Applicant is applying as:

Documents to be submitted by type of entity:

<input type="checkbox"/>	Corporation* <input type="checkbox"/> Certificate of Incorporation
<input type="checkbox"/>	Partnership* <input type="checkbox"/> Partnership agreement <input type="checkbox"/> Husband and Wife Partnership (no written agreement)
<input type="checkbox"/>	Limited Liability Company* <input type="checkbox"/> Articles of Organization <input checked="" type="checkbox"/> Operating Agreement
<input type="checkbox"/>	Sole Proprietorship**
<input type="checkbox"/>	Other: Attach copy of agreements creating association or relationship between the parties.

*Certificate of Good Standing or Statement of Trade Named filed with the Colorado Secretary of State

**Sole Proprietorship (Individual) requires Verification of Lawful Presence per State Law (Signed Affidavit and Photo ID)

BUSINESS INFORMATION

Applicant's Legal Business Name/Trade Name (DBA) Delano + Associates LLC Good Earth Meds	12 Digit Parcel ID Number	Zone District
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Street Address of Business 600 Claman Blvd #1	Business Phone Number (970) 731-3202
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Mailing Address Box 1149	City PS	State CO	Zip 81147
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PRIMARY CONTACT PERSON

Primary Contact Person for Business Bill Delano	Primary Contact Phone Number (970) 731-3202	Primary Contact Cell Number (970) 946-8281
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Primary Contact Email Address
bdelano@centrodel.net

Primary Contact Address 22 Wessel Dr.	City PS	State CO	Zip 81147
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STATE MARIJUANA LICENSE NUMBERS

Medical Marijuana Center Number: 402-00489

Retail Marijuana Center Number: 402R-00247

Medical Optional Premises Cultivation Number: 403-00726

Retail Optional Premises Cultivation Number: 403R-00328

Medical Infused Products Number: N/A

Retail Infused Products Number: N/A

Does the Applicant, as listed on Page 1 of this application, have legal possession of the premises for at least 1 year from the date that this license will be issued by virtue of ownership, lease or other arrangement?		Yes	No
		X	
<input type="checkbox"/> Own	<input checked="" type="checkbox"/> Lease	<input type="checkbox"/> Other	
If leased, list the name of landlord and tenant, and date of expiration, EXACTLY as they appear on the lease			
Landlord	Tenant	Expires	
CIP	Deling & Assoc. LLC	7-1-17	
Does the Applicant propose to have food for retail sale at this location?		Yes	No
		X	
If yes, describe the items:			
Packaged			

For the Retail Marijuana Optional Premises Cultivation facilities, do you perform cold water extractions?	Yes	No
		X
For the Retail Marijuana Infused Product Manufacturer facilities, what type(s) of extraction do you perform?		
<input type="checkbox"/> Butane	<input type="checkbox"/> Propane	<input type="checkbox"/> Carbon Dioxide
<input type="checkbox"/> Isopropanol	<input type="checkbox"/> Acetone	<input type="checkbox"/> Heptane
<input type="checkbox"/> Ethanol	<input checked="" type="checkbox"/> None	
<input type="checkbox"/> Other: _____		

CHANGE TRADE NAME OR CORPORATE NAME/STRUCTURE

<input type="checkbox"/> Change of Trade Name / DBA only (attach the following supporting documents) <ol style="list-style-type: none"> Statement of Trade Name filed with the Secretary of State. 	
<input type="checkbox"/> Corporate Name/Structure Change (attach the following supporting documents) <ol style="list-style-type: none"> Certificate of Amendment filed with the Secretary of State, or Statement of Change filed with the Secretary of State, Minutes of Corporate meeting, Limited Liability Members meeting, Partnership agreement, <u>and</u> Operating Agreement. 	
Old Trade Name	New Trade Name

MODIFICATION OF PREMISES

Note: Licensees may not modify or add to their licensed premises until approved by State and Local Authority

Describe change proposed:		
Is the proposed change in compliance with local building codes and zoning regulations?	Yes	No
<p>Attach the following supporting documents:</p> <ul style="list-style-type: none"> <input type="checkbox"/> A floor plan of the current licensed premises, drawn to scale on 8-1/2 x 14" or 11x17" paper, showing the layout of the dispensary and the principal uses of the floor area including a depiction of where any services other than the dispensing of marijuana are proposed to occur on the licensed premise. The plan must also indicate separation of those areas open to non-patients, and the location of the steel or solid wood door and any safes as well as any doors or windows. <input type="checkbox"/> Lease that is revised due to the modification. <input type="checkbox"/> Planning/Zone Confirmation Form <input type="checkbox"/> Building Code Confirmation Form <input type="checkbox"/> Fire Code Confirmation Form <input type="checkbox"/> San Juan Basin Health Department Approval 		

All Applicants for a Retail and/or Medical Marijuana Business Establishments in Archuleta County are responsible for understanding Archuleta County Ordinance #12-2014, enabling the operation of certain operations pursuant to and consistent with Article XVII, Section 14 of the Colorado Constitution and all other applicable State laws.

I declare, under penalty of perjury, that this application has been examined by me; that the statements made herein are made in good faith and, to the best of my knowledge and belief, are true, correct and complete.

Applicant Signature 	Applicant Title Owner	Date 5.10.17
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Received By	Title	Date
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Retail Store
(Copy)

Colorado Marijuana Licensing Authority Business License Renewal Application

License Types & Fees (See Application Checklist for details on license types and fees.)

- | | | |
|--|--|--|
| <input checked="" type="checkbox"/> Retail Marijuana Store

<input type="checkbox"/> Retail Marijuana Cultivation

<input type="checkbox"/> Retail Marijuana Test Facility | <input checked="" type="checkbox"/> Tier 1 = 3600 or fewer plants

<input type="checkbox"/> Tier 2 = 3601 – 6000 plants

<input type="checkbox"/> Tier 3 = 6001–10200 plants | <input type="checkbox"/> Retail Marijuana Products Manufacturer

<input type="checkbox"/> Conversion Retail

<input type="checkbox"/> Retail/Medical Marijuana Combined Use

<input type="checkbox"/> Affiliated Business Retail Marijuana |
|--|--|--|

Applicant's Legal Business Name (Please Print) Delany & Associates, LLC		Marijuana License Number 402R-00247
Trade Name (DBA) (Provide Trade Name Registration) Good Earth Meds		Website Address www.goodearthmeds.com

Physical Address

Street Address of Marijuana Business 600 Cloman Blvd. #1		City Pagosa Springs	State CO	ZIP 81147
Business Phone Number (970) 731-3202	Business Fax Number (970) 731-3208	Email Address bdelany@centurytel.net		

Mailing Address (If different from Business Address)

Address PO Box 1149		City Pagosa Springs	State CO	ZIP 81147
Primary Contact Person for Business William (Bill) Delany		Title Owner/Mgr	Primary Contact Phone Number (970) 731-2175	
Primary Contact Address (city, state ZIP) 22 Weasel Drive , Pagosa Springs, Co, 81147		Primary Contact Fax Number (970) 731-3202		

Federal Taxpayer ID 27-0843997	Colorado Sales Tax License # 01285435-0001	Email Address bdelany@centurytel.net
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Type of Business Structure			
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Partnership	<input checked="" type="checkbox"/> Limited Liability Company
<input type="checkbox"/> C Corporation	<input type="checkbox"/> S Corporation	<input type="checkbox"/> Publicly Traded Corporation	<input type="checkbox"/> Trust <input type="checkbox"/> Other _____

1. Is the licensee (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation) or manager under the age of twenty-one years? Yes No

2. Has the licensee (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation) or manager ever (in Colorado or any other state): Yes No

(a) been denied a privileged license (ie: Liquor, Gaming, Racing and Marijuana)?

(b) had a privileged license (ie: Liquor, Gaming, Racing and Marijuana) suspended or revoked?

(c) had interest in another entity that had a privileged (ie: Liquor, Gaming, Racing and Marijuana) license denied, suspended or revoked?

If you answered yes to 2a, b or c, explain in detail on a separate sheet.

3. Does the applicant of this application, have legal possession of the premises by virtue of ownership, lease or other arrangement? Attach all documentation showing legal possession; deed, title, sale or lease agreements, etc.

Ownership Lease Other (Explain in Detail) _____

(a) If leased, list name of landlord and tenant, and date of expiration, EXACTLY as they appear on the lease:

Landlord CIP	Tenant Delany & Associates, LLC	Expires 6-30-2017
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4. Are the licensed premises within 1000 feet of a school (as defined in 12-43.3 104 (15) C.R.S.), alcohol or drug treatment facility, principal campus of a college, university, or seminary, or a residential childcare facility? If "yes", then include a copy of a waiver or ordinance from the local jurisdiction where the business is located. Yes No

5. Has a Medical Marijuana Center license application (same license class), that was located within 1000 feet of the premises, been denied within the preceding year? If "yes" explain in detail. Yes No

6. Within the last year, has there been a change in ownership or ownership allocation, a transfer of stock, a change in the incorporation or in the corporate by-laws, or any other change affecting ownership or organizational structure of the licensee licensed establishment? If yes, explain in detail on a separate sheet and attach copies of all available documentation concerning the changes. Yes No
7. In the past year, has the licensee (including all parent or subsidiary companies, if any) filed for bankruptcy, been sued, had a civil judgment rendered against it, had a tax lien filed against it, or become delinquent in the payment or filing of any taxes, interest, penalties or judgments owed to the State of Colorado, the United States government or the government of any other state. If Yes, explain in detail on a separate sheet and attach copies of all available documentation. Yes No

8. List the full name and ownership percentage of every owner or entity, including lending agencies, who have a right to share in the revenues of medical marijuana, whether as an owner, assignee, landlord, or otherwise to whom any interest or share in the profits of medical marijuana has been pledged or hypothecated as security for a debt or deposited as a security for the performance of an act or to secure the performance of a contract of sale.

Name	Title	Own. % Business Associated with	Effective Own. % in Applicant
William J Delany	Owner/Mgr	62%	62%
James V Diffey	Co-Owner	38%	38%
N/A			

9. Describe any new financing or new lines of credit obtained or applied for since the last renewal submission, including a description of the purpose for the financing or lines of credit.
 We paid off some existing loans on William Delany's personal credit cards this year. We are debt free.

10. List all debt that has been retired or eliminated since the last renewal.
 Chase Credit Card (William Delany) paid off.
 AT&T Credit Card (William Delany) paid off.

11. Describe any material changes in financial position since the last renewal.
 Paid off all debt.

12. Provide a copy of all new lease amendments or lease extensions since the last renewal period.

13. Describe any other material financial agreements, which are not covered by previous requests.
 N/A

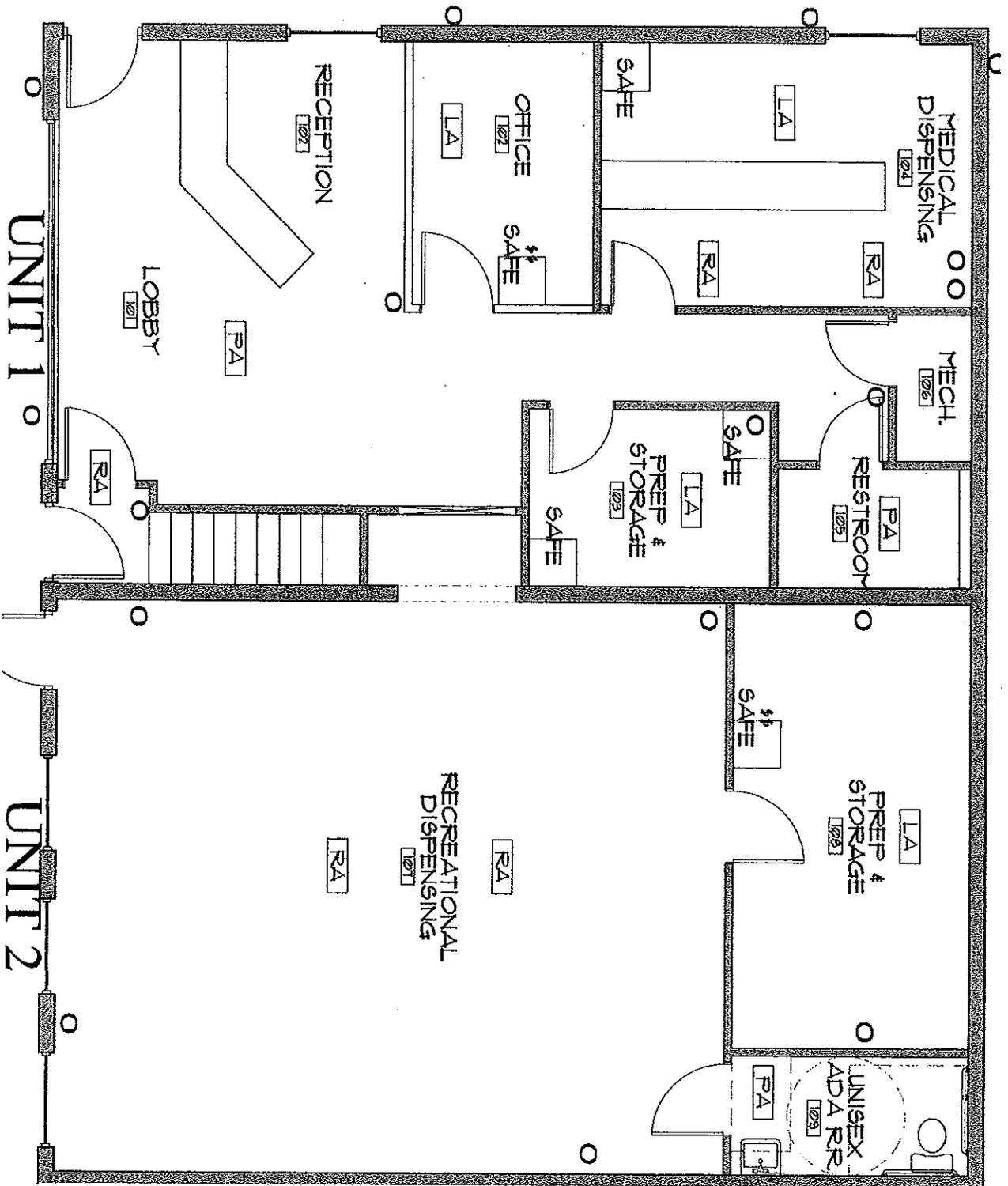
14. In the past year, has the licensee (including all parent or subsidiary companies, if any) been indicted, served with a criminal summons, charged with, or convicted of ANY crime or offense in any manner? Include ALL offenses regardless of class of crime or outcome, even if the charges were dismissed or you were found not guilty. If Yes, explain in detail on a separate sheet and attach it to your application. Provide official documentation from the court showing the final disposition for any charge that was: (1) controlled substance related; (2) any felony. Yes No

Attach copies of all notes and security instruments, and any written agreement, or details of any oral agreement, by which any person (including partnerships, corporations, limited liability companies, etc.) will share in the profit or gross proceeds of this establishment, and any agreement relating to the business which is contingent or conditional in any way by volume, profit, sales, giving of advice or consultation.

Local Licensing Authority (To be filled out by licensee)

Local Licensing Authority Archuleta County BOCC		Address 398 Lewis Street, Pagosa Springs, Co, 81147	
Local Licensing Authority contact name Tonya McCann - Paralegal to County Attorney		Contact Phone 970-264-8401	Contact Email tmccann@archuletacounty.org
Current License Status With Local Authority Active		Date of Approval 07/07/15	Date of Expiration 09/05/15

15. Does the licensee have an approved Retail Cultivation License(s)? (Fill out a separate and complete application for renewal)
 What City or County? Archuleta County Yes No
16. Does the Retail licensee have evidence of a good and sufficient bond in the amount of \$5,000.00 in accordance with 12-43.3-304 C.R.S.? (Include updated evidence with renewal application) Yes No



FLOOR PLAN LEGEND:

- PA: PUBLIC ACCESS
 - LA: LIMITED ACCESS
 - RA: RESTRICTED ACCESS
 - O: SURVEILLANCE CAMERA
- LICENCE #:**
- 402-02409 (MED. STORE)
 - 402R-000247 (RETAIL STORE)



REMONDUS + ASSOCIATES
ARCHITECTURE
ENGINEERING

GOOD EARTH MEDS
600 CLOMAN, UNIT A1
PAGOSA SPRINGS, CO 81147

DRAWN BY: [Name]
 DATE: [Date]
 CHECKED BY: [Name]
 DATE: [Date]
 PROJECT NO.: [Number]
 SHEET NO.: [Number]
 TOTAL SHEETS: [Number]

A-101

PAGE: [Number]
 MAX: [Number]

OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO

CERTIFICATE OF FACT OF GOOD STANDING

I, Wayne W. Williams, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

DELANY & ASSOCIATES, LLC

is a

Limited Liability Company

formed or registered on 09/01/2009 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20091467660 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 05/11/2016 that have been posted, and by documents delivered to this office electronically through 05/12/2016 @ 14:10:22 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 05/12/2016 @ 14:10:22 in accordance with applicable law. This certificate is assigned Confirmation Number 9647450 .



A handwritten signature in cursive script that reads 'Wayne W. Williams'.

Secretary of State of the State of Colorado

*****End of Certificate*****
Notice: A certificate issued electronically from the Colorado Secretary of State's Web site is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's Web site, <http://www.sos.state.co.us/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our Web site, <http://www.sos.state.co.us/> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."

LEASE

THIS LEASE dated July 1, 2014, is between CIP Partnership, the Landlord, and Delany and Assoc. DBA Good Earth Meds, William J. Delany, owner/manager, the Tenant.

The Landlord, for and in consideration of the covenants and agreements hereinafter mentioned, to be kept and performed by the Tenant, does hereby lease to the Tenant, the premises situated in Archuleta County of the State of Colorado, described as follows:

CIP Unit 1,2,5,6,7 & 8

Property Address

600 Cloman Blvd, Pagosa Springs, CO.

Legal Description

Said premises, with the appurtenances, are to be leased to the Tenant from July 1, 2014, until June 30, 2017 at and for the rental of \$109,200 payable in monthly installments of \$ 2,800.00 per month, for the first twelve months and then \$3,150 per month for the following twenty four months. Said rent is to be paid on or before the 10th day of each and every month during the term of this lease at the office of the Landlord or as the Landlord may direct in writing. The Tenant further covenants with the Landlord that Tenant has received said premises in good order and condition, and at expiration of the term of this lease will yield up said premises to the Landlord in as good order and condition as when the same were entered upon by the Tenant, loss by fire, inevitable accident and ordinary wear excepted, and will keep said premises in good repair during said term at Tenant's own expense.

IT IS FURTHER AGREED by the Tenant that no part of the premises will be sublet, nor will this lease be assigned, without the written consent of the Landlord being first obtained. Tenant will not use or permit the premises to be used for any purposes prohibited by the laws of the United States or of the State of Colorado or in the ordinances of the county or town in which the premises is located.

IT IS MUTUALLY AGREED that if, after the expiration of this lease, the Tenant shall remain in possession of said premises and continue to pay rent with a written agreement as to such possession, then the Tenant shall be regarded as a tenant from month to month at a monthly rental payable in advance equivalent to the last month's rent hereunder, and subject to all the terms and provisions of this lease.

IT IS FURTHER MUTUALLY AGREED that in case said premises are left vacant and any part of the rent herein reserved be unpaid, then the Landlord may, without in wise being obligated to do so and without terminating this lease, re-take possession of said premises and rent the same for such rent and upon conditions as the Landlord may think best, making such changes and repairs as may be required, giving credit for the amount of rent so received less all expenses of such changes and repairs, and the Tenant shall be liable for the balance of the rent herein reserved until the expiration of the term of this lease.

IT IS AGREED that if the Tenant shall be in arrears in the payment of any installment of rent, or any portion thereof, or in default of any of the covenants or agreements herein contained to be performed by the Tenant which default shall be uncorrected for a period of three (3) days after Landlord has given written notice pursuant to applicable law, Landlord may, at Landlord's option, undertake any of the following remedies without limitation: (a) declare the term of the lease ended; (b) terminate the Tenant's right to possession of the premises and reenter and repossess the premises pursuant to applicable provisions of the Colorado Forcible Entry and Detainer Statute; (c) recover all present and future damages, costs and other relief to which the Landlord is entitled; (d) pursue Landlord's lien remedies; (d) pursue breach of contract remedies; and/or (f) pursue any and all available remedies in law or equity. In the event possession is terminated by a reason of default prior to expiration of the term, the Tenant shall be responsible for the rent occurring for the remainder of the term, subject to the Landlord's duty to mitigate such damages. Pursuant to applicable law [13-40-104(d.5), (e.5) and 13-40-107.5, C.R.S.] which is incorporated by this reference, in the event repeated or substantial default(s) under the lease occur, the Landlord

may terminate the tenant's possession upon a written Notice to Quit, without a right to cure. Upon such termination, the Landlord shall have available any and all of the above-listed remedies.

This lease shall be subordinate to all existing and future security interests on the premises. All notices shall be in writing and be personally delivered or sent by first class mail, unless otherwise provided by law, to the respective parties at the address immediately below their signature. If any term or provision of this lease shall be invalid or unenforceable, the remainder of this lease shall not be affected thereby and shall be valid and enforceable to the full extent permitted by law. This lease shall be binding on the parties, their personal representatives, successors and assigns. The singular shall be deemed to include the plural.

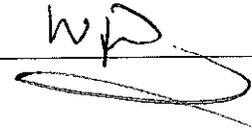
ADDITIONAL PROVISIONS:

If any regulation should change, making this operation illegal, tenant has option to void lease.

Not to ever be considered real property will be the tenant installed security equipment and DVR, grow lights, air conditioners, motion detectors and any other security related equipment tenant might install



Michael C. Branch



Delany and Assoc.

Landlord: CIP Partnership

Tenant: Bill Delany
PO Box 1149

Address: PO Box 1333

Address: PO Box 1149

Pagosa Springs, CO 81147
Phone: 970-264-2135

Pagosa Springs, CO 81147.
Phone: 746-8281_____

**Amended Operating Agreement
Delany and Associates, LLC d/b/a Good Earth Meds**

This Amended Operating Agreement (the "Agreement") is made by the "Member" whose name is:

William Delany

In consideration of the mutual covenants and conditions herein, the Member agrees as follows:

ARTICLE I. ORGANIZATION

Formation.

1.1. Formation. The Member has formed a limited-liability company under the Colorado Limited-Liability Company Act (currently Title 7, Article 80, of the Colorado Revised Statutes) by filing a Articles of Organization with the Colorado Secretary of State.

Governing Law.

1.2. Governing Law. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Colorado, including the Colorado Limited-Liability Company Act, (the "Act") as amended from time to time, without regard to Colorado's conflicts of laws principles. The rights and liabilities of the Member shall be determined pursuant to the Act and this Agreement. To the extent that any provision of this Agreement is inconsistent with any provision of the Act, this Agreement shall govern to the extent permitted by the Act.

Name.

1.3. Name. The name of the company shall be Delany and Associates, LLC d/b/a Good Earth Meds (the "Company.")

Term.

1.4. Term. The term of the Company commenced on the filing of the Articles of Organization and shall be perpetual unless dissolved as provided in this Agreement.

Office and Agent.

1.5. Office and Agent. The principal office of the Company shall be at, 600 Cloman Boulevard #1, Pagosa Springs, Colorado 81147, with the registered agent as William Delany.

Purpose of Company.

1.6. Purpose of Company. The Company is organized for the purpose of legal cannabis sales and production.

ARTICLE II. MEMBERSHIP INTERESTS, VOTING AND MANAGEMENT

Initial Member.

2.1. Member. The sole member, owning 100%, is William Delany.

Liability of Member and Managers.

2.2. Liability of Member and Managers. All debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Member or Manager shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Member or acting as a Manager of the Company.

New Member.

2.3. New Member. New Member can be and will be admitted as put forth under Colorado law and as decided by the sole Member.

Upon the admission of a new Member or Member, as the case may be, to the Company, the capital accounts of Member, and the calculations that are based on the capital accounts, shall be adjusted appropriately.

ARTICLE III. CAPITAL ACCOUNTS

Capital Contributions.

3.1. Capital Contributions. Each original Member to this Agreement shall make an initial capital contribution ("Capital Contribution") to the Company as necessary.

Additional Contributions.

3.2. Additional Contributions. If, at any time or times hereafter, the sole Member shall determine that additional capital is required by the Company, the sole Member shall determine the amount of such additional capital and the anticipated time such additional capital will be required; whether such additional capital shall be provided by the Member by way of

additional Capital Contributions or by way of loans from Member. No member shall be obligated, at any time, to guarantee or otherwise assume or become liable for any obligations of the Company or to make any additional Capital Contributions, advances, or loans to the Company, unless such obligations are specifically accepted and agreed to by such Member.

ARTICLE IV. MANNER OF ACTING

Officers and Agents of the Company.

4.1. Officers and Agents of the Company. Mr. William Delany is the sole Member of the Company to date, accordingly, any and all actions shall be pursuant to his decision making authority.

Meetings of Voting Member.

4.2. Meetings of Voting Member. No regular, annual, special or other meetings of Voting Member are required to be held, unless and until additional Member are involved and allocated ownership. Any action that may be taken at a meeting of Voting Member may be taken without a meeting by written consent in accordance with the Act. Meetings of the Voting Member, for any purpose or purposes, may be called at any time by a majority of the Voting Member. The Voting Member may designate any place as the place of meeting for any meeting of the Voting Member. If no designation is made, the place of meeting shall be the principal place of business of the Company.

Quorum.

4.3. Quorum. If additional Member are relevant, Member holding at least 67% of the Voting Capital in the Company represented in person, by telephonic participation, or by proxy, shall constitute a quorum at any meeting of Voting Member. In the absence of a quorum at any such meeting, a majority of the Voting Member so represented may adjourn the meeting from time to time for a period not to exceed 60 days without further notice. However, if the adjournment is for more than 60 days, or if after the adjournment a new record date is fixed for another meeting, a notice of the adjourned meeting shall be given to each Voting Member. The Voting Member present at a duly organized meeting may continue to transact business only as previously provided on the agenda until adjournment, notwithstanding the withdrawal during such meeting of that number of Voting Member whose absence would cause less than a quorum.

Action by Written Consent.

4.4. Action by Written Consent. The Voting Member may take action without a meeting, without prior notice and without a vote if a consent or consents in writing, setting forth the action so taken, shall be signed by the Voting Member having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all Voting Member entitled to vote thereon were present and voted.

ARTICLE V. ALLOCATIONS AND DISTRIBUTIONS

Allocations of Profits and Losses.

5.1. Allocations of Profits and Losses. Profits and Losses shall be allocated among the Member in proportion to their Percentage Ownership Interests. Any special allocations necessary to comply with the requirements set forth in Internal Revenue Code Section 704 and the corresponding Regulations, including, without limitation, the qualified income offset and minimum gain chargeback provisions contained therein, shall be made if the Voting Member deem these actions to be appropriate.

Distributions.

5.2. Distributions. Subject to applicable law and any limitations elsewhere in this Agreement, the Voting Member shall determine the amount and timing of all distributions of cash, or other assets, by the Company. Except as otherwise provided in this Agreement, distributions shall be made to Member in proportion to their Percentage Ownership Interests. Except as otherwise provided in this Agreement, the decision as to whether to make distributions shall be within the sole discretion of the Voting Member.

Distributions shall be made only to the Member who, according to the books and records of the Company, are the holders of record on the actual date of distribution. The Voting Member may base a determination that a distribution of cash may be made on a balance sheet, profit and loss statement, cash flow statement of the Company, or other relevant information. Neither the Company nor the Member shall incur any liability for making distributions.

Form of Distribution.

5.3. Form of Distribution. No Member has the right to demand and receive any distribution from the Company in any form other than money. No Member may be compelled to accept from the Company a distribution of any asset in kind in lieu of a proportionate distribution of money being made to other Member except on the dissolution and winding up of the Company.

ARTICLE VI. PROHIBITION ON TRANSFER OR ASSIGNMENT OF INTERESTS

Involuntary Transfer of a Membership Interest.

6.1 Involuntary Transfer of a Membership Interest. A creditor's charging order or lien on a Member's Membership interest, bankruptcy of a Member, or other involuntary transfer of Member's Membership interest, shall constitute a material breach of this Agreement by such Member. The creditor, transferee or other claimant, shall only have the rights of an assignee, and shall have no right to become a Member, or to participate in the management of the business and affairs of the Company as a Member or Manager under any circumstances, and shall be entitled only to receive the share of profits and losses, and the return of capital, to which the Member would otherwise have been entitled. The Voting Member, including a Voting Member whose interest is the subject of the charging order, lien, bankruptcy, or involuntary transfer, may unanimously elect, by written notice that is provided to the creditor, transferee or other claimant, at any time, to purchase all or any part of Membership interest that was the subject of the creditor's charging order, lien, bankruptcy, or other involuntary transfer, at a price that is equal to one-half (1/2) of the book value of such interest, adjusted for profits and losses to the date of purchase. The Member agree that such valuation is a good-faith attempt at fixing the value of the interest, after taking into account that the interest does not include all of the rights of a Member or Manager, and after deducting damages that are due to the material breach of this Agreement.

ARTICLE VII. ACCOUNTING, RECORDS AND REPORTING

Books and Records.

7.1. Books and Records. The Company shall maintain complete and accurate accounts in proper books of all transactions of or on behalf of the Company. The Company's books and accounting records shall be kept in accordance with such accounting principles (which shall be consistently applied throughout each accounting period) as the Voting Member may determine to be convenient and advisable. The Company shall maintain at its principal office all of the following:

A current list of the full name and last-known business or residence address of each Member in the Company set forth in alphabetical order, together with, for each Member, the Voting Capital account and Nonvoting Capital account, including entries to these accounts for contributions and distributions; the Ownership Interest, Percentage Ownership and Voting Interests; a copy of the Articles of Organization and any and all amendments thereto together with executed copies of any powers of attorney pursuant to which the Articles of Organization or any amendments thereto have been executed; copies of the Company's federal, state and local-income tax or information returns and reports, if any, for the six most recent taxable years; a copy of this Agreement and any and all amendments hereto together with executed copies of any powers of attorney pursuant to which this Agreement or any amendments thereto have been executed; copies of the financial statements of the Company, if any, for the six most recent Fiscal Years; the Company's books and records as they relate to the internal affairs of the Company for at least the current and past four Fiscal Years; true and full information regarding the status of the business and financial condition of the Company; and true and full information regarding the amount of cash and a description and statement of the agreed value of any other property or services contributed by each Member and which each Member has agreed to contribute in the future, and the date on which each became a Member.

Accountings.

7.2. Accountings. As soon as is reasonably practicable after the close of each Fiscal Year, the Voting Member shall make or cause to be made a full and accurate accounting of the affairs of the Company as of the close of that Fiscal Year and shall prepare or cause to be prepared a balance sheet as of the end of such Fiscal Year, a profit and loss statement for that Fiscal Year and a statement of Member' equity showing the respective Capital Accounts of the Member as of the close of such Fiscal Year and the distributions, if any, to Member during such Fiscal Year, and any other statements and information necessary for a complete and fair presentation of the financial condition of the Company, all of which shall be furnished to each Member. In addition, the Company shall furnish to each Member financial information regarding the Company that is necessary for such Member to complete such Member's federal and state income tax returns. The Company shall also furnish a copy of the Company's tax returns to any Member requesting the same. On such accounting being made, profits and losses during such Fiscal Year shall be ascertained and credited or debited, as the case may be, in the books of account of the Company to the respective Member as herein provided.

Filings.

7.3. Filings. The Voting Member, at Company expense, shall cause the income tax returns for the Company to be prepared and timely filed with the appropriate authorities. The Voting Member, at Company expense, shall also cause to be prepared and timely filed with appropriate federal and state regulatory and administrative bodies amendments to, or restatements of, the Articles of Organization and all reports required to be filed by the Company with those entities under the Act or other then current applicable laws, rules, and regulations. If the Company is required by the Act to execute or file any document and fails, after demand, to do so within a reasonable period of time or refuses to do so, any Member may prepare, execute and file that document with the Colorado Secretary of State.

Bank Accounts.

7.4. Bank Accounts. The Company shall maintain its funds in one or more separate bank accounts in the name of the Company, and shall not permit the funds of the Company to be mingled in any fashion with the funds of any other person.

Tax Matters Partner.

7.5. Tax Matters Partner. The Voting Member may, in their exclusive discretion, appoint, remove and replace a Tax Matters Partner at any time or times. The Voting Member shall from time to time cause the Company to make such tax elections as they deem to be in the interests of the Company and the Member generally. The Tax Matters Partner, as defined in Internal Revenue Code Section 6231, shall represent the Company (at the Company's expense) in connection with all examinations of the Company's affairs by tax authorities, including resulting judicial and administrative proceedings, and shall expend the Company funds for professional services and costs associated therewith.

ARTICLE VIII. DISSOLUTION AND WINDING UP

Dissolution.

8.1. Dissolution. The Company shall be dissolved, its assets shall be disposed of, and its affairs wound up on the first to occur of: the entry of a decree of judicial dissolution pursuant to the Act; or the unanimous approval of the Voting Member.

Winding Up.

8.2. Winding Up. On the occurrence of an event specified in Section 8.1, the Company shall continue solely for the purpose of winding up its affairs in an orderly manner, liquidating its assets and satisfying the claims of its creditors. The Voting Member shall be responsible for overseeing the winding up and liquidation of Company, shall take full account of the assets and liabilities of Company, shall cause such assets to be sold or distributed, and shall cause the proceeds, to the extent sufficient, to be applied and distributed as provided in Section 9.4. The Voting Member shall give written notice of the commencement of winding up by mail to all known creditors and claimants whose addresses appear on the records of the Company.

Distributions in Kind.

8.3. Distributions in Kind. Any noncash assets distributed to the Member shall first be valued at their fair market value to determine the profit or loss that would have resulted if such assets were sold for such value. Such profit or loss shall then be allocated pursuant to this Agreement, and the Members' Capital Accounts shall be adjusted to reflect such allocations. The amount distributed and charged against the Capital Account of each Member receiving an interest in a distributed asset shall be the fair market value of such interest (net of any liability secured by such asset that such Member assumes or takes subject to). The fair market value of such asset shall be determined by the Voting Member, or if any Voting Member objects, by an independent appraiser (and any such appraiser must be recognized as an expert in valuing the type of asset involved) selected by a Majority of the Voting Member.

Order of Payment of Liabilities on Dissolution.

8.4. Order of Payment of Liabilities on Dissolution. After a determination that all known debts and liabilities of the Company in the process of winding up, including, without limitation, debts and liabilities to Member who are creditors of the

Company, have been paid or adequately provided for, the remaining assets shall be distributed to the Member in proportion to their positive Capital Account balances, after taking into account profit and loss allocations for the Company's taxable year during which liquidation occurs.

Provisions for Payment of Liabilities.

8.5. Provisions for Payment of Liabilities. The Company may make: (1) reasonable provisions to pay all claims and obligations, including all contingent, conditional or unmatured contractual claims, known to the Company, and (2) such provision as will be reasonably likely to be sufficient to provide compensation for any claim against the Company which is the subject of a pending action, suit or proceeding to which the Company is a party, and (3) such provision as will be reasonably likely to be sufficient to provide compensation for claims that have not been made known to the Company or that have not arisen but that, based on facts known to the Company, are likely to arise or become known to the Company within 10 years after the date of dissolution.

Compliance with Regulations.

8.6. Compliance with Regulations. All payments to the Member on the winding up and dissolution of Company shall be strictly in accordance with the positive capital account balance limitation and other requirements of Regulations Section 1.704-1(b)(2)(ii)(d), as the voting Member deem appropriate.

Limitations on Payments Made in Dissolution.

8.7. Limitations on Payments Made in Dissolution. Except as otherwise specifically provided in this Agreement, each Member shall only be entitled to look solely to the assets of the Company for the return of such Member's positive Capital Account balance and shall have no recourse for such Member's Capital Contribution or share of profits (on dissolution or otherwise) against any other Member.

Statement of Dissolution.

8.8. Statement of Dissolution. The Voting Member conducting the winding up of the affairs of the Company shall cause to be filed in the office of, and on a form prescribed by the Colorado Secretary of State, a Statement of Dissolution of the Articles of Organization on the completion of the winding up of the affairs of the Company.

ARTICLE IX. EXCULPATION AND INDEMNIFICATION

Exculpation of Member.

9.1. Exculpation of Member. No Member shall be liable to the Company or to the other Member for damages or otherwise with respect to any actions taken or not taken in good faith and reasonably believed by such Member to be in or not opposed to the best interests of the Company, except to the extent any related loss results from fraud, gross negligence or willful or wanton misconduct on the part of such Member or the material breach of any obligation under this Agreement or of the fiduciary duties owed to the Company or the other Member by such Member.

Indemnification by Company.

9.2. Indemnification by Company. The Company shall indemnify, hold harmless and defend the Member, in their capacity as Member, Managers, or officers, from and against any loss, expense, damage or injury suffered or sustained by them by reason of any acts or omissions arising out of their activities on behalf of the Company or in furtherance of the interests of the Company, including but not limited to any judgment, award, settlement, reasonable attorney's fees and other costs or expenses incurred in connection with the defense of any actual or threatened action, proceeding or claim, if the acts or omissions were not performed or omitted fraudulently or as a result of gross negligence or willful misconduct by the indemnified party. Reasonable expenses incurred by the indemnified party in connection with any such proceeding relating to the foregoing matters may be paid or reimbursed by the Company in advance of the final disposition of such proceeding upon receipt by the Company of (i) written affirmation by the person requesting indemnification of its good-faith belief that it has met the standard of conduct necessary for indemnification by the Company and (ii) a written undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined by a court of competent jurisdiction that such person has not met such standard of conduct, which undertaking shall be an unlimited general obligation of the indemnified party but need not be secured.

Insurance.

9.3. Insurance. The Company shall have the power to purchase and maintain insurance on behalf of any person who is or was a Member or an agent of the Company against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as a Member or an agent of the Company, whether or not the Company would have the power to indemnify such person against such liability under Section 10.1 or under applicable law.

ARTICLE XI. MISCELLANEOUS

Authority.

10.1. Authority. This Agreement constitutes a legal, valid and binding agreement of the Member, enforceable against the Member in accordance with its terms. The Member is empowered and duly authorized to enter into this Agreement (including the power of attorney herein) under every applicable governing document, partnership agreement, trust instrument, pension plan, charter, articles of incorporation, bylaw provision or the like. The person, if any, signing this Agreement on behalf of the Member is empowered and duly authorized to do so by the governing document or trust instrument, pension plan, charter, articles of incorporation, bylaw provision, board of directors or stockholder resolution or the like.

Notices.

10.2. Notices. Except as otherwise expressly provided herein, any notice, consent, authorization or other communication to be given hereunder shall be in writing and shall be deemed duly given and received when delivered personally, when transmitted by facsimile if receipt is acknowledged by the addressee, one business day after being deposited for next-day delivery with a nationally recognized overnight delivery service, or three business days after being mailed by first-class mail, charges and postage prepaid, properly addressed to the party to receive such notice at the following address, or such other address as shall have been designated in accordance with this Section:

NAME:

William Delany

Severability.

10.3. Severability. If any provision of this Agreement, or the application of such provision to any person or circumstance, shall be held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those to which it is held to be invalid or unenforceable, shall not be affected thereby.

Binding Effect.

10.4. Binding Effect. This Agreement shall bind and inure to the benefit of the parties and their respective Successors.

Counterparts.

10.5. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Further Assurances.

10.6. Further Assurances. Each Member shall provide such further information with respect to the Member as the Company may reasonably request, and shall execute such other and further certificates, instruments and other documents, as may be necessary and proper to implement, complete and perfect the transactions contemplated by this Agreement.

Headings; Gender; Number; References.

10.7. Headings; Gender; Number; References. The headings of the Sections hereof are solely for convenience of reference and are not part of this Agreement. As used herein, each gender includes each other gender, the singular includes the plural and vice versa, as the context may require. All references to Sections and subsections are intended to refer to Sections and subsections of this Agreement, except as otherwise indicated.

Amended.

10.8. Amended. This is an Amended Operating Agreement, all previous Operating Agreement pertaining to Delany and Associates, LLC d/b/a Good Earth Meds shall be deemed null and void.

Dated: September 17, 2015

William Delany: 100% Member

This Operating Agreement is for a Colorado limited-liability company. The Colorado Limited-Liability Company Act (the "Act") is currently located at Title 7, Article 80 of the Colorado Revised Statutes.

IN WITNESS WHEREOF, the parties hereto have executed this Operating Agreement effective as of the day and year above written.



William Delany

9.21.2015

Date

AXXIS AUDIO
309 SOUTH CAMINO DEL RIO
DURANGO, CO 81301
PH#: 970.259.7100

May 9, 2016

Good Earth Meds
Attention: Bill Delany
600 Cloman Blvd., #1
Pagosa Springs, CO 81147

Re: Good Earth Meds
600 Cloman Blvd., Units 1, 2, 5, 6, 7 and 8
Pagosa Springs, CO 81147

Dear Mr. Delany:

This is to certify that there is a Honeywell Security System at the above address/units.
This system includes the following:

Motion detectors, door contacts and CCTV system

The system is monitored on a 24 hour basis for burglary, fire and environmental in a non-supervised mode by UL Certified Central Station.

Security Partners LLC.
4420 W. Diablo Dr.
Las Vegas, NV 89118
UL Applicant Subscriber No: 514543-001

Any further questions may be directed to this office at (970) 259-7100.

Yours truly,



Katherine A. Howard
Office Manager

**WAIVER AND RELEASE OF LIABILITY
AND
AGREEMENT TO INDEMNIFY ARCHULETA COUNTY**

Release of Archuleta County From Liability to License Applicant and Licensee

By applying for a license pursuant to the Colorado Medical Marijuana Code (CRS §12-43.3-101, et seq.) and/or the Colorado Retail Marijuana Code (C.R.S. § 12-43.4-101, et seq.), and (if it is approved and issued) by accepting a license, from the Archuleta County Board of County Commissioners acting as the Archuleta County Local Licensing Authority, the applicant/licensee, and each of them, waives and releases Archuleta County, and its elected officials, employees, agents, insurers and attorneys, and each of them, from any liability for injuries, damages, costs and expenses of any nature whatsoever that result or relate to the investigation, arrest or prosecution of business owners, operators, employees, clients or customers of the applicant/licensee for a violation of state or federal laws, rules or regulations relating to marijuana.

Agreement to Indemnify Archuleta County

By applying for a license pursuant to the Colorado Medical Marijuana Code (CRS §12-43.3-101, et seq.) and/or the Colorado Retail Marijuana Code (C.R.S. § 12-43.4-101, et seq.), and (if it is approved and issued) by accepting a license, from the Archuleta County Board of County Commissioners acting as the Archuleta County Local Licensing Authority, the applicant/licensee, and each of them, jointly and severally if more than one, agrees to indemnify, defend and hold harmless Archuleta County, and its elected officials, employees, agents, insurers and attorneys, and each of them, against all liability, claims and demands, of any nature whatsoever, including, but not limited to, those arising from bodily injury, sickness, disease, death, property loss and property damage, arising out of or in any manner related to the operation of the medical marijuana business that is the subject of the license.

THE UNDERSIGNED AGREES TO THE RELEASE AND AGREEMENT ABOVE.

Signed on 5.12.16


Applicant

I further agree to release and hold harmless any person releasing such information to the Archuleta County Sheriff's Office from any and all liability or claims that I may have against that person arising out of the release of such information.

I further agree to release and hold harmless Archuleta County, its elected officials, officers, agents and employees from any and all liability or claims which I may have arising out of the disclosure of such information to the Archuleta County Sheriff's Office for use by the Archuleta County Sheriff's Office in the consideration of my application for a Marijuana License, the disclosure or release of any information or documents by the Archuleta County Sheriff's Office or agents thereof collected during the application process to any person or entity lawfully empowered to obtain such information or documents.

This Affidavit is made for purposes of inducing the Local Licensing Authority of Archuleta County, Colorado, to approve the aforementioned Marijuana business license application. This Affidavit is made with the knowledge and consent by me; and if this Affidavit for any reason proves to be false, the Archuleta County Marijuana Authority may revoke the license previously issued to me in reliance upon this Affidavit and said revocation may be accomplished without the necessity of any hearing.

WJD

Signature of Applicant

State of Colorado)
County of Archuleta) ss

The foregoing Affidavit was subscribed and sworn to before me this 8th day of May, 2016, by William DeLany

Witness my hand and official seal.
My commission expires April 7 2017.

Christian B. Chiffons
Notary Public
State of Colorado
Notary ID 20134024160
My Commission Expires April 7, 2017

[Signature]

Notary Public

Affirmation & Consent

I, William DeLany, as an authorized agent for the applicant, state under penalty for offering a false instrument for recording pursuant to §18-5-114 C.R.S. that the entire Marijuana Business Operations Application Form, statements, attachments, and supporting schedules are true and correct to the best of my knowledge and belief, and that this statement is executed with the knowledge that misrepresentation or failure to reveal information requested may be deemed sufficient cause for the refusal to issue a Marijuana Business license by the Archuleta County. Further, I am aware that later discovery of an omission or misrepresentation made in the above statements may be grounds for the denial of a temporary Marijuana application or the revocation of the license. I am voluntarily submitting this application to the Archuleta County Licensing Authority under oath with full knowledge that I may be charged with perjury or other crimes for intentional omissions and misrepresentations pursuant to Colorado law or for offering a false instrument for recording pursuant to §18-5-114 C.R.S. I further consent to any background investigation necessary to determine my present and continuing suitability and that this consent continues as long as I hold an Archuleta County Marijuana Business License, and for 90 days following the expiration or surrender of such Marijuana License.

Print Full Legal Agent Name clearly below:

Applicant's Business Name <i>DeLany + Associates, LLC</i>		Trade Name (DBA) <i>Good Earth Meds</i>	
Legal Agent Last Name (Please Print) <i>DeLany</i>	Legal Agent First Name <i>William</i>	Legal Agent Middle Name <i>John</i>	
Signature 		Date <i>5.10.17</i>	

Investigation Authorization Authorization to Release Information

I, William J Delany, as an authorized agent for the applicant, hereby authorize the Colorado Marijuana Licensing Authority, the Marijuana Enforcement Division, (hereafter, the Investigatory Agencies) to conduct a complete investigation into my personal background, using whatever legal means they deem appropriate. I hereby authorize any person or entity contacted by the Investigatory Agencies to provide any and all such information deemed necessary by the Investigatory Agencies. I hereby waive any rights of confidentiality in this regard. I understand that by signing this authorization, a financial record check may be performed. I authorize any financial institution to surrender to the Investigatory Agencies a complete and accurate record of such transactions that may have occurred with that institution, including, but not limited to, internal banking memoranda, past and present loan applications, financial statements and any other documents relating to my personal or business financial records in whatever form and wherever located. I understand that by signing this authorization, a financial record check of my tax filing and tax obligation status may be performed. I authorize the Colorado Department of Revenue to surrender to the Investigatory Agencies a complete and accurate record of any and all tax information or records relating to me. I authorize the Investigatory Agencies to obtain, receive, review, copy, discuss and use any such tax information or documents relating to me. I authorize the release of this type of information, even though such information may be designated as "confidential" or "non-public" under the provisions of state or federal laws. I understand that by signing this authorization, a criminal history check will be performed. I authorize the Investigatory Agencies to obtain and use from any source, any information concerning me contained in any type of criminal history record files, wherever located. I understand that the criminal history record files contain records of arrests which may have resulted in a disposition other than a finding of guilt (i.e., dismissed charges, or charges that resulted in a not guilty finding). I understand that the information may contain listings of charges that resulted in suspended imposition of sentence, even though I successfully completed the conditions of said sentence and was discharged pursuant to law. I authorize the release of this type of information, even though this record may be designated as "confidential" or "non-public" under the provisions of state or federal laws.

The Investigatory Agencies reserve the right to investigate all relevant information and facts to their satisfaction. I understand that the Investigatory Agencies may conduct a complete and comprehensive investigation to determine the accuracy of all information gathered. However, the State of Colorado, Investigatory Agencies, and other agents or employees of the State of Colorado shall not be held liable for the receipt, use, or dissemination of inaccurate information. I, on behalf of the applicant, its legal representatives, and assigns, hereby release, waive, discharge, and agree to hold harmless, and otherwise waive liability as to the State of Colorado, Investigatory Agencies, and other agents or employees of the State of Colorado for any damages resulting from any use, disclosure, or publication in any manner, other than a willfully unlawful disclosure or publication, of any material or information acquired during inquiries, investigations, or hearings, and hereby authorize the lawful use, disclosure, or publication of this material or information. Any information contained within my application, contained within any financial or personnel record, or otherwise found, obtained, or maintained by the Investigatory Agencies, shall be accessible to law enforcement agents of this or any other state, the government of the United States, or any foreign country.

Print Full Legal Name of Authorized Agent clearly below:

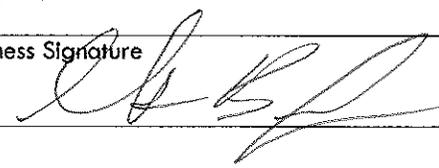
Applicant's Business Name		Trade Name (DBA)	
Delany & Associates, LLC		Good Earth Meds	
Legal Agent Last Name (Please Print)	Legal Agent First Name	Legal Agent Middle Name	
Delany	William	John	
Legal Agent Title	Signature	Date	
Owner/Mgr		7-23-15	

INVESTIGATION AUTHORIZATION AUTHORIZATION TO RELEASE INFORMATION

I, William DeLan, as an authorized agent for the applicant, hereby authorize the Archuleta County Local Licensing Authority, through the Archuleta County Sheriff's Office (hereafter, the Investigative Agency) to conduct a complete investigation into my personal background, using whatever legal means they deem appropriate. I hereby authorize any person or entity contacted by the Investigative Agency to provide any and all information deemed necessary by the Investigative Agency. I hereby waive any rights of confidentiality in this regard. I understand that by signing this authorization, a financial record check may be performed. I authorize any financial institution to surrender to the Investigative Agency a complete and accurate record of such transactions that may have occurred with that institution, including but not limited to, internal banking memoranda, past and present loan applications, financial statements, and any other documents relating to my personal or business financial records in whatever form and wherever located. I understand that by signing this authorization, a financial record check of my tax filing and tax obligation status may be performed. I authorize the Colorado Department of Revenue to surrender to the Investigative Agencies a complete and accurate record of any and all tax information or records relating to me. I authorize the Investigative Agency to obtain, receive, review, copy, discuss and use any such tax information or documents relating to me. I authorize the release of this type of information, even though such information may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws. I understand that by signing this authorization, a criminal history check will be performed. I authorize the Investigative Agency to obtain and use from any source, any information concerning me contained in any type of criminal history record files, wherever located. I understand that the criminal history record files contain records of arrests which may have resulted in a disposition other than a finding of guilt (i.e., dismissed charges, or charges that resulted in a not guilty finding). I understand that the information may contain listings of charges that resulted in suspended imposition of sentence, even though I successfully completed the conditions of said sentence and was discharged pursuant to law. I authorize the release of this type of information even though this record may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws.

The Investigative Agency reserves the right to investigate all relevant information and facts to their satisfaction. I understand that the Investigative Agency may conduct a complete and comprehensive investigation to determine the accuracy of all information gathered. However, Archuleta County, the Investigative Agency, and other agents of employees of Archuleta County shall not be held liable for the receipt, use, or dissemination of inaccurate information. I, on behalf of the applicant, its legal representatives, and assigns, hereby release, waive, discharge, and agree to hold harmless, and otherwise waive liability as to Archuleta County, the Investigative Agency, and other agents or employees of Archuleta County for any damages resulting from any use, disclosure, or publication in any manner, other than a willfully unlawful disclosure or publication, of any material or information acquired during inquiries, investigations, or hearings and hereby authorize the lawful use, disclosure, or publication of this material or information. Any information contained within my application, contained within any financial or personnel record, or otherwise found, obtained, or maintained by the Investigative Agency, shall be accessible to law enforcement agents of this or any other state, the government of the United States, or any foreign country.

Print Full Legal Agent Name clearly below:

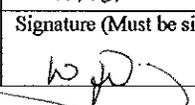
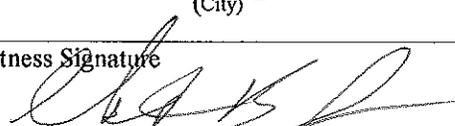
Applicant's Business Name <u>DeLan & Associates</u>		Trade Name (DBA) <u>Good Earth Meds</u>	
Legal Agent Last Name (Please Print) <u>DeLan</u>	Legal Agent First Name <u>William</u>	Legal Agent Middle Name <u>John</u>	
Legal Agent Title <u>Owner</u>	Signature (Must be signed in front of one witness) 		
Dated this <u>10th</u> day of <u>May</u> , 20 <u>16</u> at <u>5:20 PM</u> (time)			
<u>Pagosa Spring</u> (City)		<u>CO</u> (State)	
Witness Signature 			

APPLICANT'S REQUEST TO RELEASE INFORMATION

To: Boce

From: William De Jan

1. I/We hereby authorize and request all persons to whom this request is presented having information relating to or concerning the above named applicant to furnish such information to a duly appointed agent of the Archuleta County Marijuana Local Licensing Authority whether or not such information would otherwise be protected from the disclosure by any constitutional, statutory or common law privilege.
2. I/We hereby authorize and request all persons to whom this request is presented having documents relating to or concerning the above named applicant to permit a duly appointed agent of the Archuleta County Marijuana Local Licensing Authority to review and copy any such documents, whether or not such documents would otherwise be protected from disclosure by any constitutional, statutory, or common law privilege.
3. I/We hereby authorize and request the Colorado Department of Revenue to permit a duly appointed agent of the Archuleta County Marijuana Local Licensing Authority to obtain, receive, review, copy, discuss and use any such tax information or documents relating to or concerning the above named applicant, whether or not such information or documents would otherwise be protected from disclosure by any constitutional, statutory, or common law privilege.
4. If the person to whom this request is presented is a brokerage firm, bank, savings and loan, or other financial institution or an officer of the same, I/We hereby authorize and request that a duly appointed agent of the Archuleta County Marijuana Local Licensing Authority be permitted to review and obtain copies of any and all documents, records or correspondence pertaining to me/us, including but not limited to past loan information, notes co-signed by me/us, checking records, savings deposit records, safe deposit box records, and general ledger folio sheets.
5. I/We do hereby make, constitute, and appoint any duly appointed agent of the Archuleta County Marijuana local Licensing Authority, my/our true and lawful attorney in fact for me/us in my/our behalf and for my/our use and benefit:
 - (a) To request, review, copy, sign for, or otherwise act for investigative purposes with respect to documents and information in the possession of the person to whom this request is presented as I/we might;
 - (b) To name the person or entity to whom this request is presented and insert that person's name in the appropriate location in this request;
 - (c) To place the name of the agent presenting this request in the appropriate location on this request.
6. I grant to said attorney in fact full power and authority to do, take, and perform all and every act and thing whatsoever requisite, proper, or necessary to be done, in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as I/we might or could do it personally present, with full power of substitution or revocation, hereby ratifying and confirming all that said attorney in fact, or his substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted.
7. This power of attorney ends twenty-four (24) months from the date of execution.
8. The above named applicant has filed with the Archuleta County Marijuana Local Licensing Authority an application for a Marijuana Business License. Said applicant understands that it is seeking the granting of a privilege and acknowledges that the burden of proving its qualifications for a favorable determination is at all times on the applicant. Said applicant accepts any risk of adverse public notice, embarrassment, criticism, or other action of financial loss, which may result from action with respect to this application.
9. I/We do for myself/ourselves, my/our heirs, executors, administrators, successors, and assigns, hereby release, remise, and forever discharge the person to whom this request is presented, and his agents and employees from all and all manner or actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known or unknown, in law or equity, which the applicant ever had, now has, may have, or claims to have against the person to whom this request is being presented or his agents or employers arising out of or by reason of complying with the request.
10. I/We agree to indemnify and hold harmless the person to whom this request is presented and his agents and employees from and against all claims, damages, losses, and expenses, including reasonable attorney's fees arising out of or by reason of complying with this request.
11. A reproduction of this request by photocopying or similar process shall be for all intents and purposes as valid as the original.

Legal Agent Last Name (Please Print)	Legal Agent First Name	Legal Agent Middle Name
<u>De Jan</u>	<u>William</u>	<u>John</u>
Legal Agent Title	Signature (Must be signed in front of one witness)	
<u>owner</u>		
Dated this <u>10th</u> day of <u>May</u> , 20 <u>16</u> at <u>5:15 PM</u> (time)		
<u>Pagosa Springs</u> , <u>CO</u> (City) (State)		
Witness Signature		
		
Signature of Medical Marijuana Licensing agent presenting this request		Date

STATE COUNTY
COLORADO ARCHULETA

Must collect
taxes for:
**SALES TAX
LICENSE**

USE ACCOUNT NUMBER for all references	LIABILITY INFORMATION					ISSUE DATE			LICENSE VALID TO DECEMBER 31 2017
	county	city	industry type	liability date	month	day	year		
01285435-0001	48	0206	007	L 090115	Nov	25	15		

THIS LICENSE MUST BE POSTED AT THE FOLLOWING LOCATION
IN A CONSPICUOUS PLACE: 600 CLOMAN BLVD UNIT 1&2 PAGOSA SPRINGS CO 81147

**THIS LICENSE IS NOT
TRANSFERABLE**



DELANY & ASSOCIATES LLC
PO BOX 1149
PAGOSA SPRINGS CO 81147-1149

Executive Director
Department of Revenue

▲ Detach Here ▲

Letter Id: L1818099648

Important Verification Process

If you are new to Colorado sales tax visit: www.Colorado.gov/revenue/salestaxbasics

VERIFY that all information on your sales tax license is correct. Modify and update any errors you identify on the Internet through Revenue Online. Access your tax account, file returns, submit payments, verify sales tax licenses and view sales tax rates through Revenue Online at www.Colorado.gov/RevenueOnline

All the information you need to register is on this document; have it with you before you begin. Follow these easy steps.

1. Go to www.Colorado.gov/RevenueOnline
2. Click on the Sign Up (Individual or Business) link on the right.
3. Click on Continue.

Now click on: Enter Taxpayer Information. Click on the down arrow in the Account Type list and select Other. Use the first 8-digits of the account number shown on your license. Complete the rest of the screen.

Next click on: Enter Login Information and complete the screen (this is information YOU get to create for the account).

Next click on: Enter Account Information and complete the screen.

Your Letter ID is: L1818099648

Then click the Submit button. You will see a confirmation page on your screen. You should receive a confirmation email from the Colorado Department of Revenue. If you do not, check your Junk email folder. Once you have your Authorization Code return to Revenue Online via the link in your email. Enter the Login ID and Password you created.

1. Click on the Login button.
2. Enter the Authorization Code from your email (first time only).
3. Click Login. You should then be in your account. NOTE: If you have additional tax types registered under the same Account Number, such as withholding, you will be able to view those tax types through the account. You do not need to create separate Login IDs and Passwords for each tax in your account.

Filing Returns

To file a return, go to Revenue Online (www.Colorado.gov/RevenueOnline). You must file a return for each reporting period. If you have no tax to report, file a "zero" return. Tax reporting and payment are your responsibility. To avoid late penalties and interest, file online on or before the due date. If you discontinue sales, you may close your business location through Revenue Online.

Learn more and avoid unnecessary errors by attending our free sales tax classes! Sign up at www.TaxSeminars.state.co.us



**Archuleta County
Local Licensing Authority**
398 Lewis Street
P.O. Box 1507
Pagosa Springs, CO 81147
(970) 264-8401

APPLICATION FOR MARIJUANA BUSINESS

NEW LICENSE
 MODIFICATION

LICENSE RENEWAL

Delany & Associates

A SEPARATE LICENSE APPLICATION IS REQUIRED FOR EACH LICENSE TYPE

<input type="checkbox"/>	Medical Center License
<input type="checkbox"/>	Medical Center and Cultivation License
<input type="checkbox"/>	Medical Marijuana-Infused Product Manufacturer
<input type="checkbox"/>	

<input type="checkbox"/>	Retail Center License
<input checked="" type="checkbox"/>	Retail Optional Premises Cultivation License
<input checked="" type="checkbox"/>	Retail Store and Cultivation License
<input type="checkbox"/>	Retail Marijuana-Infused Product Manufacturer

Applicant is applying as:

Documents to be submitted by type of entity:

<input type="checkbox"/>	Corporation* <input type="checkbox"/> Certificate of Incorporation
<input type="checkbox"/>	Partnership* <input type="checkbox"/> Partnership agreement <input type="checkbox"/> Husband and Wife Partnership (no written agreement)
<input type="checkbox"/>	Limited Liability Company* <input type="checkbox"/> Articles of Organization <input type="checkbox"/> Operating Agreement
<input type="checkbox"/>	Sole Proprietorship**
<input type="checkbox"/>	Other: Attach copy of agreements creating association or relationship between the parties.

*Certificate of Good Standing or Statement of Trade Named filed with the Colorado Secretary of State

**Sole Proprietorship (Individual) requires Verification of Lawful Presence per State Law (Signed Affidavit and Photo ID)

BUSINESS INFORMATION				
Applicant's Legal Business Name/Trade Name (DBA)		12 Digit Parcel ID Number		Zone District
Wood Earth Meds				
Street Address of Business		Business Phone Number		
600 Cloman Blvd #1,2,5,6,7,8		(970) 731-3202		
Mailing Address	City	State	Zip	
Box 1144	PS	CO	8147	
PRIMARY CONTACT PERSON				
Primary Contact Person for Business		Primary Contact Phone Number		Primary Contact Cell Number
B. J. DeLam		(970) 731-3202		(970) 946-8281
Primary Contact Email Address				
bdelam@earthmed.net				
Primary Contact Address		City	State	Zip
600 Cloman Blvd #1		PS	CO	8147
STATE MARIJUANA LICENSE NUMBERS				
Medical Marijuana Center Number: <u>402-00489</u>				
Retail Marijuana Center Number: <u>403R-06328</u>				
Medical Optional Premises Cultivation Number: <u>403-00726</u>				
Retail Optional Premises Cultivation Number: <u>403R-00328</u>				
Medical Infused Products Number: <u>N/A</u>				
Retail Infused Products Number: <u>N/A</u>				

Does the Applicant, as listed on Page 1 of this application, have legal possession of the premises for at least 1 year from the date that this license will be issued by virtue of ownership, lease or other arrangement?		Yes	No
		X	
<input type="checkbox"/> Own	<input checked="" type="checkbox"/> Lease	<input type="checkbox"/> Other	
If leased, list the name of landlord and tenant, and date of expiration, EXACTLY as they appear on the lease			
Landlord CIP	Tenant Pelang + Assa LLC	Expires 7-1-17	
Does the Applicant propose to have food for retail sale at this location?		Yes	No
		X	
If yes, describe the items: Packaged			

For the Retail Marijuana Optional Premises Cultivation facilities, do you perform cold water extractions?	Yes	No
		X
For the Retail Marijuana Infused Product Manufacturer facilities, what type(s) of extraction do you perform?		
<input type="checkbox"/> Butane	<input type="checkbox"/> Propane	<input type="checkbox"/> Carbon Dioxide
<input type="checkbox"/> Isopropanol	<input type="checkbox"/> Acetone	<input type="checkbox"/> Heptane
<input type="checkbox"/> Ethanol	<input checked="" type="checkbox"/> None	<input type="checkbox"/> Other: _____

CHANGE TRADE NAME OR CORPORATE NAME/STRUCTURE

<input type="checkbox"/> Change of Trade Name / DBA only (attach the following supporting documents) <ol style="list-style-type: none"> Statement of Trade Name filed with the Secretary of State. 	
<input type="checkbox"/> Corporate Name/Structure Change (attach the following supporting documents) <ol style="list-style-type: none"> Certificate of Amendment filed with the Secretary of State, or Statement of Change filed with the Secretary of State, Minutes of Corporate meeting, Limited Liability Members meeting, Partnership agreement, and Operating Agreement. 	
Old Trade Name	New Trade Name

MODIFICATION OF PREMISES

Note: Licensees may not modify or add to their licensed premises until approved by State and Local Authority

Describe change proposed:

A

Is the proposed change in compliance with local building codes and zoning regulations?	Yes	No
--	-----	----

Attach the following supporting documents:

- A floor plan of the current licensed premises, drawn to scale on 8-1/2 x 14" or 11x17" paper, showing the layout of the dispensary and the principal uses of the floor area including a depiction of where any services other than the dispensing of marijuana are proposed to occur on the licensed premise. The plan must also indicate separation of those areas open to non-patients, and the location of the steel or solid wood door and any safes as well as any doors or windows.
- Lease that is revised due to the modification.
- Planning/Zone Confirmation Form
- Building Code Confirmation Form
- Fire Code Confirmation Form
- San Juan Basin Health Department Approval

All Applicants for a Retail and/or Medical Marijuana Business Establishments in Archuleta County are responsible for understanding Archuleta County Ordinance #12-2014, enabling the operation of certain operations pursuant to and consistent with Article XVII, Section 14 of the Colorado Constitution and all other applicable State laws.

I declare, under penalty of perjury, that this application has been examined by me; that the statements made herein are made in good faith and, to the best of my knowledge and belief, are true, correct and complete.

Applicant Signature <i>WP</i>	Applicant Title <i>owner</i>	Date <i>5-10-16</i>
----------------------------------	---------------------------------	------------------------

Received By	Title	Date
-------------	-------	------

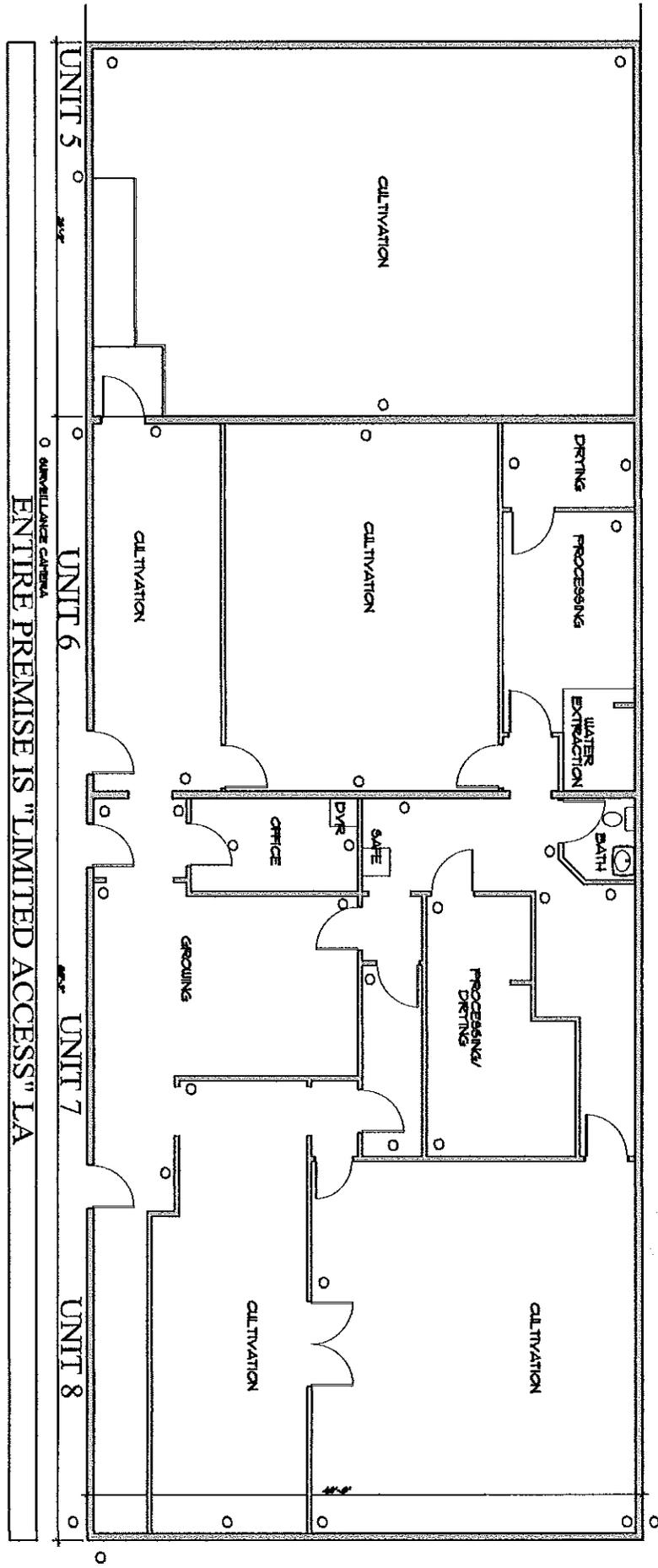
*Retail Optional
 Premises Cultivation*

Colorado Marijuana Licensing Authority
Business License Renewal Application

License Type (Check only ONE box per application. See website for fees and additional license type information)					
<input checked="" type="checkbox"/> Medical Marijuana Center (Select Type) <input type="checkbox"/> Type 1 (Up to 300 patients) <input type="checkbox"/> Type 2 (301 to 500 patients) <input type="checkbox"/> Type 3 (501 or more patients) <input type="checkbox"/> Medical Optional Premises Cultivation <input type="checkbox"/> Medical Marijuana-Infused Products Manufacturer <input type="checkbox"/> Medical Marijuana Testing Facility		<input type="checkbox"/> Affiliated Business <input type="checkbox"/> Other: _____ <input type="checkbox"/> Retail Marijuana Store <input type="checkbox"/> Retail Marijuana Products Manufacturer <input type="checkbox"/> Retail Marijuana Testing Facility		<input type="checkbox"/> Retail Marijuana Cultivation (Select Tier) <input checked="" type="checkbox"/> Tier 1 (Up to 1800 plants) <input type="checkbox"/> Tier 2 (1801 to 3600 plants) <input type="checkbox"/> Tier 3 (3601 or 6000 plants) <input type="checkbox"/> Tier 4 (6001 or 10200 plants) <input type="checkbox"/> Tier 5 (10201 or 13800 plants) <input type="checkbox"/> Tier 5+ (_____ plants in excess of 13801)	
Applicant's Legal Business Name (Please Print) Delany & Associates, LLC			Marijuana License Number 403R-00328		
Trade Name (DBA) (Provide Trade Name Registration) Good Earth Meds			Website Address www.goodearthmeds.com		
Physical Address					
Street Address of Marijuana Business 600 Cloman Blvd. #'s 5,6,7,8				Business Phone Number (970) 731-3202	
City Pagosa Springs	County Archuleta	State Co	ZIP 81147	Email Address bdelany@centurytel.net	
Mailing Address (if different from Physical Address)					
Address PO Box 1149		City Pagosa Springs		State Co	ZIP 81147
Primary Contact Person for Business Bill Delany			Title Owner		Primary Contact Phone Number (970) 946-8281
Primary Contact Address (city, state ZIP) 22 Weasel Drive				Primary Contact Email bdelany@centurytel.net	
Federal Taxpayer ID 27-0843397		Colorado Sales Tax License # 01284435--0001		Entity ID Number shown on Secretary of State Registration	
Type of Business Structure					
<input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> C Corporation		<input type="checkbox"/> Partnership <input type="checkbox"/> S Corporation		<input type="checkbox"/> Limited Partnership <input type="checkbox"/> Publicly Traded Corporation	
				<input checked="" type="checkbox"/> Limited Liability Company <input type="checkbox"/> Trust <input type="checkbox"/> Other _____	
1. Is the licensee (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation) or manager under the age of twenty-one years?					Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>
2. Has the licensee (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation) or manager within the last year (in Colorado or any other state);					Yes No
(a) been denied a privileged license (ie: Liquor, Gaming, Racing or Marijuana)?					<input type="checkbox"/> <input checked="" type="checkbox"/>
(b) had a privileged license (ie: Liquor, Gaming, Racing or Marijuana) suspended or revoked?					<input type="checkbox"/> <input checked="" type="checkbox"/>
(c) had interest in another entity that had a privileged (ie: Liquor, Gaming, Racing or Marijuana) license denied, suspended or revoked?					<input type="checkbox"/> <input type="checkbox"/>
If you answered yes to 2a, b or c, explain in detail on a separate sheet.					
3. Has the applicant, the applicant's parent company or any other intermediary business entity ever been denied a Marijuana license, withdrawn a Marijuana license or had any disciplinary action taken against any Marijuana license that they have held in this or any other jurisdiction, foreign or domestic? If YES, provide details on a separate sheet, including jurisdiction, type of action, and date of action.					Yes No <input type="checkbox"/> <input type="checkbox"/>
4. Within the past year, have there been any changes to the legal possession of the premises by virtue of ownership, lease or other arrangement? If you answered yes, explain in detail on another piece of paper and attach all NEW or UPDATED documentation (if not already provided this year) showing legal possession; deed, title, sale or lease agreements, lease amendments, lease extensions etc.					Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>
<input checked="" type="checkbox"/> Ownership <input type="checkbox"/> Lease <input type="checkbox"/> Other (Explain in Detail) <u>See attached COO</u>					
(a) If leased, list name of landlord and tenant, and date of expiration, EXACTLY as they appear on the lease:					
Landlord CIP		Tenant Delany & Associates, LLC		Expires 07/01/17	

5. Is the licensed Medical Marijuana premises within 1000 feet of a school (as defined in 12-43.3 104 (15) C.R.S.), alcohol or drug treatment facility, principal campus of a college, university, or seminary, or a residential childcare facility? If "yes", then include a copy of a waiver or ordinance from the local jurisdiction where the business is located		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
6. Has a Medical Marijuana Center license application (same license class), that was located within 1000 feet of the premises, been denied within the preceding year? If "yes" explain in detail.		Yes <input type="checkbox"/>	No <input type="checkbox"/>
7. Within the last year, has there been a change in ownership or ownership allocation, a transfer of stock, a change in the corporate structure or in the corporate by-laws, or any other change affecting ownership or organizational structure of the licensee or its subsidiaries/affiliates? If yes, explain in detail on a separate sheet and attach copies of all available documentation concerning the changes.		Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
8. In the past year, has the licensee (including all parent, subsidiary or affiliate companies, if any) filed for bankruptcy, been sued, had a civil judgment or tax lien filed against it, or become delinquent in the payment or filing of any taxes, interest, penalties or judgments owed to the State of Colorado, the United States government or the government of any other state. If yes, explain in detail on a separate sheet and attach copies of all available documentation.		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
9. List the full name and ownership percentage of every owner or entity, including lending agencies, who have a right to share in the revenues of marijuana, whether as an owner, assignee, landlord, or otherwise to whom any interest or share in the profits of marijuana has been pledged or hypothecated as security for a debt or deposited as a security for the performance of an act or to secure the performance of a contract of sale.			
Name	Title	Own. % Business Associated with	Effective Own. % in Applicant
William J Delany	Owner	100%	100%
Name	Title	Own. % Business Associated with	Effective Own. % in Applicant
Name	Title	Own. % Business Associated with	Effective Own. % in Applicant
Name	Title	Own. % Business Associated with	Effective Own. % in Applicant
Name	Title	Own. % Business Associated with	Effective Own. % in Applicant
10. Since the last renewal submission, have there been any new financing , promissory notes, or new lines of credit obtained or applied for? If yes, explain in detail on a separate sheet and attach all documentation.		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
11. Has any debt been retired or eliminated since the last renewal submission? If yes, explain in detail and attach all documentation.		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
12. Have there been any material changes in financial position since the last renewal submission? If yes, explain in detail on a separate sheet and attach all documentation.		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
13. Within the past year, has the licensee entered into any material financial arrangements, notes, security agreements, consulting agreements, any written or oral agreements, by which any person (including partnerships, corporations, limited liability companies, etc.) will share in the profit or gross proceeds of this establishment, and any agreement relating to the business which is contingent or conditional in any way by volume, profit, sales, giving of advice or consultation? If yes, explain in detail on a separate sheet and attach all documentation.		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
14. Within the past year, have there been any changes in ownership percentage of any owner or entity, including lending agencies, who have a right to share in the revenues of marijuana, whether as an owner, assignee, landlord, or otherwise to whom any interest or share in the profits of marijuana has been pledged or hypothecated as security for a debt or deposited as a security for the performance of an act or to secure the performance of a contract of sale? If yes, explain in detail on a separate sheet and attach all documentation.		Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
15. In the past year, has the licensee (including all parent, subsidiary or affiliate companies, if any) been indicted, served with a criminal summons, charged with, or convicted of ANY crime or offense in any manner? Include ALL offenses regardless of class of crime or outcome, even if the charges were dismissed or you were found not guilty. If Yes, explain in detail on a separate sheet and include with your application. Provide official documentation from the court showing the final disposition for any felony charge or those related to a controlled substance.		Yes <input type="checkbox"/>	No <input type="checkbox"/>
16. Are any owners renewing their Associated Key Licenses with this application? If yes, then each must submit the Owner/Associated Key Renewal Application (see website).		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Local Licensing Authority (To be filled out by licensee)			
Local Licensing Authority Archuleta County BOCC		Address 298 Lewis Street, Pagosa Springs, Co 81147	
Local Licensing Authority contact name Tonya McCann		Contact Phone 970-264-8308	Contact Email tmccann@archuletacounty.org
Current License Status With Local Authority Active		Date of Approval 09/05/15	Date of Expiration 09/05/16
17. Optional Premises Cultivation License (Medical Only)		Yes <input type="checkbox"/>	No <input type="checkbox"/>
Does the licensee have an approved Optional Premises License(s)?		<input type="checkbox"/>	<input type="checkbox"/>
What City or County? <u>Archuleta</u> OPC License # <u>N/A</u> Date of Expiration <u>09/05/16</u>			
18. Does the Applicant have evidence of a good and sufficient bond in the amount of \$5,000.00 in accordance with 12-43.3-304 and 12-43.4-303 C.R.S.? (Include updated evidence with renewal application)		Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

IPC Units existing 6/26/15



NORTH

NOT TO SCALE

FLOOR PLAN

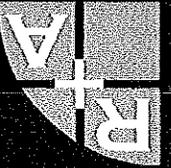
FLOOR PLAN
A-101

JOB NO: 2015-03-03
DATE: 2015-03-03
DRAWN BY: BAA

GOOD EARTH MEDS
600 CLOMAN
PAGOSA SPRINGS, CO 81147

REYNOLDS AND ASSOCIATES, P.C.
1275 N. 1ST AVENUE
DENVER, CO 80202
TEL: 303.733.1111
WWW.REYNOLDS-PC.COM

REYNOLDS + ASSOCIATES ARCHITECTURE ENGINEERING



OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO

CERTIFICATE OF FACT OF GOOD STANDING

I, Wayne W. Williams, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

DELANY & ASSOCIATES, LLC

is a

Limited Liability Company

formed or registered on 09/01/2009 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20091467660 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 05/11/2016 that have been posted, and by documents delivered to this office electronically through 05/12/2016 @ 14:10:22 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 05/12/2016 @ 14:10:22 in accordance with applicable law. This certificate is assigned Confirmation Number 9647450 .



A handwritten signature in cursive script that reads 'Wayne W. Williams'.

Secretary of State of the State of Colorado

*****End of Certificate*****
Notice: A certificate issued electronically from the Colorado Secretary of State's Web site is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's Web site, <http://www.sos.state.co.us/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our Web site, <http://www.sos.state.co.us/> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."

LEASE

THIS LEASE dated July 1, 2014, is between CIP Partnership, the Landlord, and Delany and Assoc. DBA Good Earth Meds, William J. Delany, owner/manager, the Tenant.

The Landlord, for and in consideration of the covenants and agreements hereinafter mentioned, to be kept and performed by the Tenant, does hereby lease to the Tenant, the premises situated in Archuleta County of the State of Colorado, described as follows:

CIP Unit 1,2,5,6,7 & 8

Property Address

600 Cloman Blvd, Pagosa Springs, CO.

Legal Description

Said premises, with the appurtenances, are to be leased to the Tenant from July 1, 2014, until June 30, 2017 at and for the rental of \$109,200 payable in monthly installments of \$ 2,800.00 per month, for the first twelve months and then \$3,150 per month for the following twenty four months. Said rent is to be paid on or before the 10th day of each and every month during the term of this lease at the office of the Landlord or as the Landlord may direct in writing. The Tenant further covenants with the Landlord that Tenant has received said premises in good order and condition, and at expiration of the term of this lease will yield up said premises to the Landlord in as good order and condition as when the same were entered upon by the Tenant, loss by fire, inevitable accident and ordinary wear excepted, and will keep said premises in good repair during said term at Tenant's own expense.

IT IS FURTHER AGREED by the Tenant that no part of the premises will be sublet, nor will this lease be assigned, without the written consent of the Landlord being first obtained. Tenant will not use or permit the premises to be used for any purposes prohibited by the laws of the United States or of the State of Colorado or in the ordinances of the county or town in which the premises is located.

IT IS MUTUALLY AGREED that if, after the expiration of this lease, the Tenant shall remain in possession of said premises and continue to pay rent with a written agreement as to such possession, then the Tenant shall be regarded as a tenant from month to month at a monthly rental payable in advance equivalent to the last month's rent hereunder, and subject to all the terms and provisions of this lease.

IT IS FURTHER MUTUALLY AGREED that in case said premises are left vacant and any part of the rent herein reserved be unpaid, then the Landlord may, without in wise being obligated to do so and without terminating this lease, re-take possession of said premises and rent the same for such rent and upon conditions as the Landlord may think best, making such changes and repairs as may be required, giving credit for the amount of rent so received less all expenses of such changes and repairs, and the Tenant shall be liable for the balance of the rent herein reserved until the expiration of the term of this lease.

IT IS AGREED that if the Tenant shall be in arrears in the payment of any installment of rent, or any portion thereof, or in default of any of the covenants or agreements herein contained to be performed by the Tenant which default shall be uncorrected for a period of three (3) days after Landlord has given written notice pursuant to applicable law, Landlord may, at Landlord's option, undertake any of the following remedies without limitation: (a) declare the term of the lease ended; (b) terminate the Tenant's right to possession of the premises and reenter and repossess the premises pursuant to applicable provisions of the Colorado Forcible Entry and Detainer Statute; (c) recover all present and future damages, costs and other relief to which the Landlord is entitled; (d) pursue Landlord's lien remedies; (d) pursue breach of contract remedies; and/or (f) pursue any and all available remedies in law or equity. In the event possession is terminated by a reason of default prior to expiration of the term, the Tenant shall be responsible for the rent occurring for the remainder of the term, subject to the Landlord's duty to mitigate such damages. Pursuant to applicable law [13-40-104(d.5), (e.5) and 13-40-107.5, C.R.S.] which is incorporated by this reference, in the event repeated or substantial default(s) under the lease occur, the Landlord

may terminate the tenant's possession upon a written Notice to Quit, without a right to cure. Upon such termination, the Landlord shall have available any and all of the above-listed remedies.

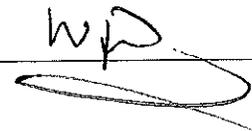
This lease shall be subordinate to all existing and future security interests on the premises. All notices shall be in writing and be personally delivered or sent by first class mail, unless otherwise provided by law, to the respective parties at the address immediately below their signature. If any term or provision of this lease shall be invalid or unenforceable, the remainder of this lease shall not be affected thereby and shall be valid and enforceable to the full extent permitted by law. This lease shall be binding on the parties, their personal representatives, successors and assigns. The singular shall be deemed to include the plural.

ADDITIONAL PROVISIONS:

If any regulation should change, making this operation illegal, tenant has option to void lease.

Not to ever be considered real property will be the tenant installed security equipment and DVR, grow lights, air conditioners, motion detectors and any other security related equipment tenant might install


Michael C. Branch


Delany and Assoc.

Landlord: CIP Partnership

Tenant: Bill Delany
PO Box 1149

Address: PO Box 1333

Address: PO Box 1149

Pagosa Springs, CO 81147
Phone: 970-264-2135

Pagosa Springs, CO 81147.
Phone: 746-8281_____

**Amended Operating Agreement
Delany and Associates, LLC d/b/a Good Earth Meds**

This Amended Operating Agreement (the "Agreement") is made by the "Member" whose name is:

William Delany

In consideration of the mutual covenants and conditions herein, the Member agrees as follows:

ARTICLE I. ORGANIZATION

Formation.

1.1. Formation. The Member has formed a limited-liability company under the Colorado Limited-Liability Company Act (currently Title 7, Article 80, of the Colorado Revised Statutes) by filing a Articles of Organization with the Colorado Secretary of State.

Governing Law.

1.2. Governing Law. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Colorado, including the Colorado Limited-Liability Company Act, (the "Act") as amended from time to time, without regard to Colorado's conflicts of laws principles. The rights and liabilities of the Member shall be determined pursuant to the Act and this Agreement. To the extent that any provision of this Agreement is inconsistent with any provision of the Act, this Agreement shall govern to the extent permitted by the Act.

Name.

1.3. Name. The name of the company shall be Delany and Associates, LLC d/b/a Good Earth Meds (the "Company.")

Term.

1.4. Term. The term of the Company commenced on the filing of the Articles of Organization and shall be perpetual unless dissolved as provided in this Agreement.

Office and Agent.

1.5. Office and Agent. The principal office of the Company shall be at, 600 Cloman Boulevard #1, Pagosa Springs, Colorado 81147, with the registered agent as William Delany.

Purpose of Company.

1.6. Purpose of Company. The Company is organized for the purpose of legal cannabis sales and production.

ARTICLE II. MEMBERSHIP INTERESTS, VOTING AND MANAGEMENT

Initial Member.

2.1. Member. The sole member, owning 100%, is William Delany.

Liability of Member and Managers.

2.2. Liability of Member and Managers. All debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Member or Manager shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Member or acting as a Manager of the Company.

New Member.

2.3. New Member. New Member can be and will be admitted as put forth under Colorado law and as decided by the sole Member.

Upon the admission of a new Member or Member, as the case may be, to the Company, the capital accounts of Member, and the calculations that are based on the capital accounts, shall be adjusted appropriately.

ARTICLE III. CAPITAL ACCOUNTS

Capital Contributions.

3.1. Capital Contributions. Each original Member to this Agreement shall make an initial capital contribution ("Capital Contribution") to the Company as necessary.

Additional Contributions.

3.2. Additional Contributions. If, at any time or times hereafter, the sole Member shall determine that additional capital is required by the Company, the sole Member shall determine the amount of such additional capital and the anticipated time such additional capital will be required; whether such additional capital shall be provided by the Member by way of

additional Capital Contributions or by way of loans from Member. No member shall be obligated, at any time, to guarantee or otherwise assume or become liable for any obligations of the Company or to make any additional Capital Contributions, advances, or loans to the Company, unless such obligations are specifically accepted and agreed to by such Member.

ARTICLE IV. MANNER OF ACTING

Officers and Agents of the Company.

4.1. Officers and Agents of the Company. Mr. William Delany is the sole Member of the Company to date, accordingly, any and all actions shall be pursuant to his decision making authority.

Meetings of Voting Member.

4.2. Meetings of Voting Member. No regular, annual, special or other meetings of Voting Member are required to be held, unless and until additional Member are involved and allocated ownership. Any action that may be taken at a meeting of Voting Member may be taken without a meeting by written consent in accordance with the Act. Meetings of the Voting Member, for any purpose or purposes, may be called at any time by a majority of the Voting Member. The Voting Member may designate any place as the place of meeting for any meeting of the Voting Member. If no designation is made, the place of meeting shall be the principal place of business of the Company.

Quorum.

4.3. Quorum. If additional Member are relevant, Member holding at least 67% of the Voting Capital in the Company represented in person, by telephonic participation, or by proxy, shall constitute a quorum at any meeting of Voting Member. In the absence of a quorum at any such meeting, a majority of the Voting Member so represented may adjourn the meeting from time to time for a period not to exceed 60 days without further notice. However, if the adjournment is for more than 60 days, or if after the adjournment a new record date is fixed for another meeting, a notice of the adjourned meeting shall be given to each Voting Member. The Voting Member present at a duly organized meeting may continue to transact business only as previously provided on the agenda until adjournment, notwithstanding the withdrawal during such meeting of that number of Voting Member whose absence would cause less than a quorum.

Action by Written Consent.

4.4. Action by Written Consent. The Voting Member may take action without a meeting, without prior notice and without a vote if a consent or consents in writing, setting forth the action so taken, shall be signed by the Voting Member having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all Voting Member entitled to vote thereon were present and voted.

ARTICLE V. ALLOCATIONS AND DISTRIBUTIONS

Allocations of Profits and Losses.

5.1. Allocations of Profits and Losses. Profits and Losses shall be allocated among the Member in proportion to their Percentage Ownership Interests. Any special allocations necessary to comply with the requirements set forth in Internal Revenue Code Section 704 and the corresponding Regulations, including, without limitation, the qualified income offset and minimum gain chargeback provisions contained therein, shall be made if the Voting Member deem these actions to be appropriate.

Distributions.

5.2. Distributions. Subject to applicable law and any limitations elsewhere in this Agreement, the Voting Member shall determine the amount and timing of all distributions of cash, or other assets, by the Company. Except as otherwise provided in this Agreement, distributions shall be made to Member in proportion to their Percentage Ownership Interests. Except as otherwise provided in this Agreement, the decision as to whether to make distributions shall be within the sole discretion of the Voting Member.

Distributions shall be made only to the Member who, according to the books and records of the Company, are the holders of record on the actual date of distribution. The Voting Member may base a determination that a distribution of cash may be made on a balance sheet, profit and loss statement, cash flow statement of the Company, or other relevant information. Neither the Company nor the Member shall incur any liability for making distributions.

Form of Distribution.

5.3. Form of Distribution. No Member has the right to demand and receive any distribution from the Company in any form other than money. No Member may be compelled to accept from the Company a distribution of any asset in kind in lieu of a proportionate distribution of money being made to other Member except on the dissolution and winding up of the Company.

ARTICLE VI. PROHIBITION ON TRANSFER OR ASSIGNMENT OF INTERESTS

Involuntary Transfer of a Membership Interest.

6.1 Involuntary Transfer of a Membership Interest. A creditor's charging order or lien on a Member's Membership interest, bankruptcy of a Member, or other involuntary transfer of Member's Membership interest, shall constitute a material breach of this Agreement by such Member. The creditor, transferee or other claimant, shall only have the rights of an assignee, and shall have no right to become a Member, or to participate in the management of the business and affairs of the Company as a Member or Manager under any circumstances, and shall be entitled only to receive the share of profits and losses, and the return of capital, to which the Member would otherwise have been entitled. The Voting Member, including a Voting Member whose interest is the subject of the charging order, lien, bankruptcy, or involuntary transfer, may unanimously elect, by written notice that is provided to the creditor, transferee or other claimant, at any time, to purchase all or any part of Membership interest that was the subject of the creditor's charging order, lien, bankruptcy, or other involuntary transfer, at a price that is equal to one-half (1/2) of the book value of such interest, adjusted for profits and losses to the date of purchase. The Member agree that such valuation is a good-faith attempt at fixing the value of the interest, after taking into account that the interest does not include all of the rights of a Member or Manager, and after deducting damages that are due to the material breach of this Agreement.

ARTICLE VII. ACCOUNTING, RECORDS AND REPORTING

Books and Records.

7.1. Books and Records. The Company shall maintain complete and accurate accounts in proper books of all transactions of or on behalf of the Company. The Company's books and accounting records shall be kept in accordance with such accounting principles (which shall be consistently applied throughout each accounting period) as the Voting Member may determine to be convenient and advisable. The Company shall maintain at its principal office all of the following:

A current list of the full name and last-known business or residence address of each Member in the Company set forth in alphabetical order, together with, for each Member, the Voting Capital account and Nonvoting Capital account, including entries to these accounts for contributions and distributions; the Ownership Interest, Percentage Ownership and Voting Interests; a copy of the Articles of Organization and any and all amendments thereto together with executed copies of any powers of attorney pursuant to which the Articles of Organization or any amendments thereto have been executed; copies of the Company's federal, state and local-income tax or information returns and reports, if any, for the six most recent taxable years; a copy of this Agreement and any and all amendments hereto together with executed copies of any powers of attorney pursuant to which this Agreement or any amendments thereto have been executed; copies of the financial statements of the Company, if any, for the six most recent Fiscal Years; the Company's books and records as they relate to the internal affairs of the Company for at least the current and past four Fiscal Years; true and full information regarding the status of the business and financial condition of the Company; and true and full information regarding the amount of cash and a description and statement of the agreed value of any other property or services contributed by each Member and which each Member has agreed to contribute in the future, and the date on which each became a Member.

Accountings.

7.2. Accountings. As soon as is reasonably practicable after the close of each Fiscal Year, the Voting Member shall make or cause to be made a full and accurate accounting of the affairs of the Company as of the close of that Fiscal Year and shall prepare or cause to be prepared a balance sheet as of the end of such Fiscal Year, a profit and loss statement for that Fiscal Year and a statement of Member' equity showing the respective Capital Accounts of the Member as of the close of such Fiscal Year and the distributions, if any, to Member during such Fiscal Year, and any other statements and information necessary for a complete and fair presentation of the financial condition of the Company, all of which shall be furnished to each Member. In addition, the Company shall furnish to each Member financial information regarding the Company that is necessary for such Member to complete such Member's federal and state income tax returns. The Company shall also furnish a copy of the Company's tax returns to any Member requesting the same. On such accounting being made, profits and losses during such Fiscal Year shall be ascertained and credited or debited, as the case may be, in the books of account of the Company to the respective Member as herein provided.

Filings.

7.3. Filings. The Voting Member, at Company expense, shall cause the income tax returns for the Company to be prepared and timely filed with the appropriate authorities. The Voting Member, at Company expense, shall also cause to be prepared and timely filed with appropriate federal and state regulatory and administrative bodies amendments to, or restatements of, the Articles of Organization and all reports required to be filed by the Company with those entities under the Act or other then current applicable laws, rules, and regulations. If the Company is required by the Act to execute or file any document and fails, after demand, to do so within a reasonable period of time or refuses to do so, any Member may prepare, execute and file that document with the Colorado Secretary of State.

Bank Accounts.

7.4. Bank Accounts. The Company shall maintain its funds in one or more separate bank accounts in the name of the Company, and shall not permit the funds of the Company to be mingled in any fashion with the funds of any other person.

Tax Matters Partner.

7.5. Tax Matters Partner. The Voting Member may, in their exclusive discretion, appoint, remove and replace a Tax Matters Partner at any time or times. The Voting Member shall from time to time cause the Company to make such tax elections as they deem to be in the interests of the Company and the Member generally. The Tax Matters Partner, as defined in Internal Revenue Code Section 6231, shall represent the Company (at the Company's expense) in connection with all examinations of the Company's affairs by tax authorities, including resulting judicial and administrative proceedings, and shall expend the Company funds for professional services and costs associated therewith.

ARTICLE VIII. DISSOLUTION AND WINDING UP

Dissolution.

8.1. Dissolution. The Company shall be dissolved, its assets shall be disposed of, and its affairs wound up on the first to occur of: the entry of a decree of judicial dissolution pursuant to the Act; or the unanimous approval of the Voting Member.

Winding Up.

8.2. Winding Up. On the occurrence of an event specified in Section 8.1, the Company shall continue solely for the purpose of winding up its affairs in an orderly manner, liquidating its assets and satisfying the claims of its creditors. The Voting Member shall be responsible for overseeing the winding up and liquidation of Company, shall take full account of the assets and liabilities of Company, shall cause such assets to be sold or distributed, and shall cause the proceeds, to the extent sufficient, to be applied and distributed as provided in Section 9.4. The Voting Member shall give written notice of the commencement of winding up by mail to all known creditors and claimants whose addresses appear on the records of the Company.

Distributions in Kind.

8.3. Distributions in Kind. Any noncash assets distributed to the Member shall first be valued at their fair market value to determine the profit or loss that would have resulted if such assets were sold for such value. Such profit or loss shall then be allocated pursuant to this Agreement, and the Members' Capital Accounts shall be adjusted to reflect such allocations. The amount distributed and charged against the Capital Account of each Member receiving an interest in a distributed asset shall be the fair market value of such interest (net of any liability secured by such asset that such Member assumes or takes subject to). The fair market value of such asset shall be determined by the Voting Member, or if any Voting Member objects, by an independent appraiser (and any such appraiser must be recognized as an expert in valuing the type of asset involved) selected by a Majority of the Voting Member.

Order of Payment of Liabilities on Dissolution.

8.4. Order of Payment of Liabilities on Dissolution. After a determination that all known debts and liabilities of the Company in the process of winding up, including, without limitation, debts and liabilities to Member who are creditors of the

Company, have been paid or adequately provided for, the remaining assets shall be distributed to the Member in proportion to their positive Capital Account balances, after taking into account profit and loss allocations for the Company's taxable year during which liquidation occurs.

Provisions for Payment of Liabilities.

8.5. Provisions for Payment of Liabilities. The Company may make: (1) reasonable provisions to pay all claims and obligations, including all contingent, conditional or unmatured contractual claims, known to the Company, and (2) such provision as will be reasonably likely to be sufficient to provide compensation for any claim against the Company which is the subject of a pending action, suit or proceeding to which the Company is a party, and (3) such provision as will be reasonably likely to be sufficient to provide compensation for claims that have not been made known to the Company or that have not arisen but that, based on facts known to the Company, are likely to arise or become known to the Company within 10 years after the date of dissolution.

Compliance with Regulations.

8.6. Compliance with Regulations. All payments to the Member on the winding up and dissolution of Company shall be strictly in accordance with the positive capital account balance limitation and other requirements of Regulations Section 1.704-1(b)(2)(ii)(d), as the voting Member deem appropriate.

Limitations on Payments Made in Dissolution.

8.7. Limitations on Payments Made in Dissolution. Except as otherwise specifically provided in this Agreement, each Member shall only be entitled to look solely to the assets of the Company for the return of such Member's positive Capital Account balance and shall have no recourse for such Member's Capital Contribution or share of profits (on dissolution or otherwise) against any other Member.

Statement of Dissolution.

8.8. Statement of Dissolution. The Voting Member conducting the winding up of the affairs of the Company shall cause to be filed in the office of, and on a form prescribed by the Colorado Secretary of State, a Statement of Dissolution of the Articles of Organization on the completion of the winding up of the affairs of the Company.

ARTICLE IX. EXCULPATION AND INDEMNIFICATION

Exculpation of Member.

9.1. Exculpation of Member. No Member shall be liable to the Company or to the other Member for damages or otherwise with respect to any actions taken or not taken in good faith and reasonably believed by such Member to be in or not opposed to the best interests of the Company, except to the extent any related loss results from fraud, gross negligence or willful or wanton misconduct on the part of such Member or the material breach of any obligation under this Agreement or of the fiduciary duties owed to the Company or the other Member by such Member.

Indemnification by Company.

9.2. Indemnification by Company. The Company shall indemnify, hold harmless and defend the Member, in their capacity as Member, Managers, or officers, from and against any loss, expense, damage or injury suffered or sustained by them by reason of any acts or omissions arising out of their activities on behalf of the Company or in furtherance of the interests of the Company, including but not limited to any judgment, award, settlement, reasonable attorney's fees and other costs or expenses incurred in connection with the defense of any actual or threatened action, proceeding or claim, if the acts or omissions were not performed or omitted fraudulently or as a result of gross negligence or willful misconduct by the indemnified party. Reasonable expenses incurred by the indemnified party in connection with any such proceeding relating to the foregoing matters may be paid or reimbursed by the Company in advance of the final disposition of such proceeding upon receipt by the Company of (i) written affirmation by the person requesting indemnification of its good-faith belief that it has met the standard of conduct necessary for indemnification by the Company and (ii) a written undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined by a court of competent jurisdiction that such person has not met such standard of conduct, which undertaking shall be an unlimited general obligation of the indemnified party but need not be secured.

Insurance.

9.3. Insurance. The Company shall have the power to purchase and maintain insurance on behalf of any person who is or was a Member or an agent of the Company against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as a Member or an agent of the Company, whether or not the Company would have the power to indemnify such person against such liability under Section 10.1 or under applicable law.

ARTICLE XI. MISCELLANEOUS

Authority.

10.1. Authority. This Agreement constitutes a legal, valid and binding agreement of the Member, enforceable against the Member in accordance with its terms. The Member is empowered and duly authorized to enter into this Agreement (including the power of attorney herein) under every applicable governing document, partnership agreement, trust instrument, pension plan, charter, articles of incorporation, bylaw provision or the like. The person, if any, signing this Agreement on behalf of the Member is empowered and duly authorized to do so by the governing document or trust instrument, pension plan, charter, articles of incorporation, bylaw provision, board of directors or stockholder resolution or the like.

Notices.

10.2. Notices. Except as otherwise expressly provided herein, any notice, consent, authorization or other communication to be given hereunder shall be in writing and shall be deemed duly given and received when delivered personally, when transmitted by facsimile if receipt is acknowledged by the addressee, one business day after being deposited for next-day delivery with a nationally recognized overnight delivery service, or three business days after being mailed by first-class mail, charges and postage prepaid, properly addressed to the party to receive such notice at the following address, or such other address as shall have been designated in accordance with this Section:

NAME:

William Delany

Severability.

10.3. Severability. If any provision of this Agreement, or the application of such provision to any person or circumstance, shall be held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those to which it is held to be invalid or unenforceable, shall not be affected thereby.

Binding Effect.

10.4. Binding Effect. This Agreement shall bind and inure to the benefit of the parties and their respective Successors.

Counterparts.

10.5. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Further Assurances.

10.6. Further Assurances. Each Member shall provide such further information with respect to the Member as the Company may reasonably request, and shall execute such other and further certificates, instruments and other documents, as may be necessary and proper to implement, complete and perfect the transactions contemplated by this Agreement.

Headings; Gender; Number; References.

10.7. Headings; Gender; Number; References. The headings of the Sections hereof are solely for convenience of reference and are not part of this Agreement. As used herein, each gender includes each other gender, the singular includes the plural and vice versa, as the context may require. All references to Sections and subsections are intended to refer to Sections and subsections of this Agreement, except as otherwise indicated.

Amended.

10.8. Amended. This is an Amended Operating Agreement, all previous Operating Agreement pertaining to Delany and Associates, LLC d/b/a Good Earth Meds shall be deemed null and void.

Dated: September 17, 2015

William Delany: 100% Member

This Operating Agreement is for a Colorado limited-liability company. The Colorado Limited-Liability Company Act (the "Act") is currently located at Title 7, Article 80 of the Colorado Revised Statutes.

IN WITNESS WHEREOF, the parties hereto have executed this Operating Agreement effective as of the day and year above written.



William Delany

9.21.2015

Date

AXXIS AUDIO
309 SOUTH CAMINO DEL RIO
DURANGO, CO 81301
PH#: 970.259.7100

May 9, 2016

Good Earth Meds
Attention: Bill Delany
600 Cloman Blvd., #1
Pagosa Springs, CO 81147

Re: Good Earth Meds
600 Cloman Blvd., Units 1, 2, 5, 6, 7 and 8
Pagosa Springs, CO 81147

Dear Mr. Delany:

This is to certify that there is a Honeywell Security System at the above address/units.
This system includes the following:

Motion detectors, door contacts and CCTV system

The system is monitored on a 24 hour basis for burglary, fire and environmental in a non-supervised mode by UL Certified Central Station.

Security Partners LLC.
4420 W. Diablo Dr.
Las Vegas, NV 89118
UL Applicant Subscriber No: 514543-001

Any further questions may be directed to this office at (970) 259-7100.

Yours truly,



Katherine A. Howard
Office Manager

**WAIVER AND RELEASE OF LIABILITY
AND
AGREEMENT TO INDEMNIFY ARCHULETA COUNTY**

Release of Archuleta County From Liability to License Applicant and Licensee

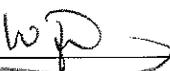
By applying for a license pursuant to the Colorado Medical Marijuana Code (CRS §12-43.3-101, et seq.) and/or the Colorado Retail Marijuana Code (C.R.S. § 12-43.4-101, et seq.), and (if it is approved and issued) by accepting a license, from the Archuleta County Board of County Commissioners acting as the Archuleta County Local Licensing Authority, the applicant/licensee, and each of them, waives and releases Archuleta County, and its elected officials, employees, agents, insurers and attorneys, and each of them, from any liability for injuries, damages, costs and expenses of any nature whatsoever that result or relate to the investigation, arrest or prosecution of business owners, operators, employees, clients or customers of the applicant/licensee for a violation of state or federal laws, rules or regulations relating to marijuana.

Agreement to Indemnify Archuleta County

By applying for a license pursuant to the Colorado Medical Marijuana Code (CRS §12-43.3-101, et seq.) and/or the Colorado Retail Marijuana Code (C.R.S. § 12-43.4-101, et seq.), and (if it is approved and issued) by accepting a license, from the Archuleta County Board of County Commissioners acting as the Archuleta County Local Licensing Authority, the applicant/licensee, and each of them, jointly and severally if more than one, agrees to indemnify, defend and hold harmless Archuleta County, and its elected officials, employees, agents, insurers and attorneys, and each of them, against all liability, claims and demands, of any nature whatsoever, including, but not limited to, those arising from bodily injury, sickness, disease, death, property loss and property damage, arising out of or in any manner related to the operation of the medical marijuana business that is the subject of the license.

THE UNDERSIGNED AGREES TO THE RELEASE AND AGREEMENT ABOVE.

Signed on 5.12.16


Applicant

I further agree to release and hold harmless any person releasing such information to the Archuleta County Sheriff's Office from any and all liability or claims that I may have against that person arising out of the release of such information.

I further agree to release and hold harmless Archuleta County, its elected officials, officers, agents and employees from any and all liability or claims which I may have arising out of the disclosure of such information to the Archuleta County Sheriff's Office for use by the Archuleta County Sheriff's Office in the consideration of my application for a Marijuana License, the disclosure or release of any information or documents by the Archuleta County Sheriff's Office or agents thereof collected during the application process to any person or entity lawfully empowered to obtain such information or documents.

This Affidavit is made for purposes of inducing the Local Licensing Authority of Archuleta County, Colorado, to approve the aforementioned Marijuana business license application. This Affidavit is made with the knowledge and consent by me; and if this Affidavit for any reason proves to be false, the Archuleta County Marijuana Authority may revoke the license previously issued to me in reliance upon this Affidavit and said revocation may be accomplished without the necessity of any hearing.

WJD

Signature of Applicant

State of Colorado)
)
County of Archuleta) ss

The foregoing Affidavit was subscribed and sworn to before me this 8th day of May, 2016, by William DeLany

Witness my hand and official seal.
My commission expires April 7 2017.

[Signature]

Notary Public

Christian B. Chiffons
Notary Public
State of Colorado
Notary ID 20134024160
My Commission Expires April 7, 2017

Affirmation & Consent

I, William DeLany, as an authorized agent for the applicant, state under penalty for offering a false instrument for recording pursuant to §18-5-114 C.R.S. that the entire Marijuana Business Operations Application Form, statements, attachments, and supporting schedules are true and correct to the best of my knowledge and belief, and that this statement is executed with the knowledge that misrepresentation or failure to reveal information requested may be deemed sufficient cause for the refusal to issue a Marijuana Business license by the Archuleta County. Further, I am aware that later discovery of an omission or misrepresentation made in the above statements may be grounds for the denial of a temporary Marijuana application or the revocation of the license. I am voluntarily submitting this application to the Archuleta County Licensing Authority under oath with full knowledge that I may be charged with perjury or other crimes for intentional omissions and misrepresentations pursuant to Colorado law or for offering a false instrument for recording pursuant to §18-5-114 C.R.S. I further consent to any background investigation necessary to determine my present and continuing suitability and that this consent continues as long as I hold an Archuleta County Marijuana Business License, and for 90 days following the expiration or surrender of such Marijuana License.

Print Full Legal Agent Name clearly below:

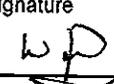
Applicant's Business Name <u>DeLany + Associates, LLC</u>		Trade Name (DBA) <u>Good Earth Meds</u>	
Legal Agent Last Name (Please Print) <u>DeLany</u>	Legal Agent First Name <u>William</u>	Legal Agent Middle Name <u>John</u>	
Signature 		Date <u>5.10.17</u>	

Investigation Authorization Authorization to Release Information

I, William J Delany, as an authorized agent for the applicant, hereby authorize the Colorado Marijuana Licensing Authority, the Marijuana Enforcement Division, (hereafter, the Investigatory Agencies) to conduct a complete investigation into my personal background, using whatever legal means they deem appropriate. I hereby authorize any person or entity contacted by the Investigatory Agencies to provide any and all such information deemed necessary by the Investigatory Agencies. I hereby waive any rights of confidentiality in this regard. I understand that by signing this authorization, a financial record check may be performed. I authorize any financial institution to surrender to the Investigatory Agencies a complete and accurate record of such transactions that may have occurred with that institution, including, but not limited to, internal banking memoranda, past and present loan applications, financial statements and any other documents relating to my personal or business financial records in whatever form and wherever located. I understand that by signing this authorization, a financial record check of my tax filing and tax obligation status may be performed. I authorize the Colorado Department of Revenue to surrender to the Investigatory Agencies a complete and accurate record of any and all tax information or records relating to me. I authorize the Investigatory Agencies to obtain, receive, review, copy, discuss and use any such tax information or documents relating to me. I authorize the release of this type of information, even though such information may be designated as "confidential" or "non-public" under the provisions of state or federal laws. I understand that by signing this authorization, a criminal history check will be performed. I authorize the Investigatory Agencies to obtain and use from any source, any information concerning me contained in any type of criminal history record files, wherever located. I understand that the criminal history record files contain records of arrests which may have resulted in a disposition other than a finding of guilt (i.e., dismissed charges, or charges that resulted in a not guilty finding). I understand that the information may contain listings of charges that resulted in suspended imposition of sentence, even though I successfully completed the conditions of said sentence and was discharged pursuant to law. I authorize the release of this type of information, even though this record may be designated as "confidential" or "non-public" under the provisions of state or federal laws.

The Investigatory Agencies reserve the right to investigate all relevant information and facts to their satisfaction. I understand that the Investigatory Agencies may conduct a complete and comprehensive investigation to determine the accuracy of all information gathered. However, the State of Colorado, Investigatory Agencies, and other agents or employees of the State of Colorado shall not be held liable for the receipt, use, or dissemination of inaccurate information. I, on behalf of the applicant, its legal representatives, and assigns, hereby release, waive, discharge, and agree to hold harmless, and otherwise waive liability as to the State of Colorado, Investigatory Agencies, and other agents or employees of the State of Colorado for any damages resulting from any use, disclosure, or publication in any manner, other than a willfully unlawful disclosure or publication, of any material or information acquired during inquiries, investigations, or hearings, and hereby authorize the lawful use, disclosure, or publication of this material or information. Any information contained within my application, contained within any financial or personnel record, or otherwise found, obtained, or maintained by the Investigatory Agencies, shall be accessible to law enforcement agents of this or any other state, the government of the United States, or any foreign country.

Print Full Legal Name of Authorized Agent clearly below:

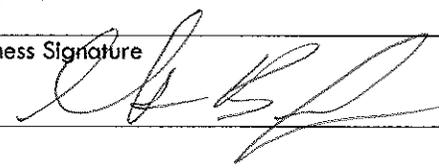
Applicant's Business Name		Trade Name (DBA)	
Delany & Associates, LLC		Good Earth Meds	
Legal Agent Last Name (Please Print)	Legal Agent First Name	Legal Agent Middle Name	
Delany	William	John	
Legal Agent Title	Signature	Date	
Owner/Mgr		7-23-15	

INVESTIGATION AUTHORIZATION AUTHORIZATION TO RELEASE INFORMATION

I, William DeLan, as an authorized agent for the applicant, hereby authorize the Archuleta County Local Licensing Authority, through the Archuleta County Sheriff's Office (hereafter, the Investigative Agency) to conduct a complete investigation into my personal background, using whatever legal means they deem appropriate. I hereby authorize any person or entity contacted by the Investigative Agency to provide any and all information deemed necessary by the Investigative Agency. I hereby waive any rights of confidentiality in this regard. I understand that by signing this authorization, a financial record check may be performed. I authorize any financial institution to surrender to the Investigative Agency a complete and accurate record of such transactions that may have occurred with that institution, including but not limited to, internal banking memoranda, past and present loan applications, financial statements, and any other documents relating to my personal or business financial records in whatever form and wherever located. I understand that by signing this authorization, a financial record check of my tax filing and tax obligation status may be performed. I authorize the Colorado Department of Revenue to surrender to the Investigative Agencies a complete and accurate record of any and all tax information or records relating to me. I authorize the Investigative Agency to obtain, receive, review, copy, discuss and use any such tax information or documents relating to me. I authorize the release of this type of information, even though such information may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws. I understand that by signing this authorization, a criminal history check will be performed. I authorize the Investigative Agency to obtain and use from any source, any information concerning me contained in any type of criminal history record files, wherever located. I understand that the criminal history record files contain records of arrests which may have resulted in a disposition other than a finding of guilt (i.e., dismissed charges, or charges that resulted in a not guilty finding). I understand that the information may contain listings of charges that resulted in suspended imposition of sentence, even though I successfully completed the conditions of said sentence and was discharged pursuant to law. I authorize the release of this type of information even though this record may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws.

The Investigative Agency reserves the right to investigate all relevant information and facts to their satisfaction. I understand that the Investigative Agency may conduct a complete and comprehensive investigation to determine the accuracy of all information gathered. However, Archuleta County, the Investigative Agency, and other agents of employees of Archuleta County shall not be held liable for the receipt, use, or dissemination of inaccurate information. I, on behalf of the applicant, its legal representatives, and assigns, hereby release, waive, discharge, and agree to hold harmless, and otherwise waive liability as to Archuleta County, the Investigative Agency, and other agents or employees of Archuleta County for any damages resulting from any use, disclosure, or publication in any manner, other than a willfully unlawful disclosure or publication, of any material or information acquired during inquiries, investigations, or hearings and hereby authorize the lawful use, disclosure, or publication of this material or information. Any information contained within my application, contained within any financial or personnel record, or otherwise found, obtained, or maintained by the Investigative Agency, shall be accessible to law enforcement agents of this or any other state, the government of the United States, or any foreign country.

Print Full Legal Agent Name clearly below:

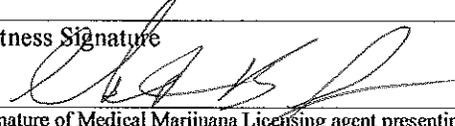
Applicant's Business Name <u>DeLan & Associates</u>		Trade Name (DBA) <u>Good Earth Meds</u>	
Legal Agent Last Name (Please Print) <u>DeLan</u>	Legal Agent First Name <u>William</u>	Legal Agent Middle Name <u>John</u>	
Legal Agent Title <u>Owner</u>	Signature (Must be signed in front of one witness) 		
Dated this <u>10th</u> day of <u>May</u> , 20 <u>16</u> at <u>5:20 PM</u> (time)			
<u>Pagosa Spring</u> (City)		<u>CO</u> (State)	
Witness Signature 			

APPLICANT'S REQUEST TO RELEASE INFORMATION

To: Boce

From: William De Jan

1. I/We hereby authorize and request all persons to whom this request is presented having information relating to or concerning the above named applicant to furnish such information to a duly appointed agent of the Archuleta County Marijuana Local Licensing Authority whether or not such information would otherwise be protected from the disclosure by any constitutional, statutory or common law privilege.
2. I/We hereby authorize and request all persons to whom this request is presented having documents relating to or concerning the above named applicant to permit a duly appointed agent of the Archuleta County Marijuana Local Licensing Authority to review and copy any such documents, whether or not such documents would otherwise be protected from disclosure by any constitutional, statutory, or common law privilege.
3. I/We hereby authorize and request the Colorado Department of Revenue to permit a duly appointed agent of the Archuleta County Marijuana Local Licensing Authority to obtain, receive, review, copy, discuss and use any such tax information or documents relating to or concerning the above named applicant, whether or not such information or documents would otherwise be protected from disclosure by any constitutional, statutory, or common law privilege.
4. If the person to whom this request is presented is a brokerage firm, bank, savings and loan, or other financial institution or an officer of the same, I/We hereby authorize and request that a duly appointed agent of the Archuleta County Marijuana Local Licensing Authority be permitted to review and obtain copies of any and all documents, records or correspondence pertaining to me/us, including but not limited to past loan information, notes co-signed by me/us, checking records, savings deposit records, safe deposit box records, and general ledger folio sheets.
5. I/We do hereby make, constitute, and appoint any duly appointed agent of the Archuleta County Marijuana local Licensing Authority, my/our true and lawful attorney in fact for me/us in my/our behalf and for my/our use and benefit:
 - (a) To request, review, copy, sign for, or otherwise act for investigative purposes with respect to documents and information in the possession of the person to whom this request is presented as I/we might;
 - (b) To name the person or entity to whom this request is presented and insert that person's name in the appropriate location in this request;
 - (c) To place the name of the agent presenting this request in the appropriate location on this request.
6. I grant to said attorney in fact full power and authority to do, take, and perform all and every act and thing whatsoever requisite, proper, or necessary to be done, in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as I/we might or could do it personally present, with full power of substitution or revocation, hereby ratifying and confirming all that said attorney in fact, or his substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted.
7. This power of attorney ends twenty-four (24) months from the date of execution.
8. The above named applicant has filed with the Archuleta County Marijuana Local Licensing Authority an application for a Marijuana Business License. Said applicant understands that it is seeking the granting of a privilege and acknowledges that the burden of proving its qualifications for a favorable determination is at all times on the applicant. Said applicant accepts any risk of adverse public notice, embarrassment, criticism, or other action of financial loss, which may result from action with respect to this application.
9. I/We do for myself/ourselves, my/our heirs, executors, administrators, successors, and assigns, hereby release, remise, and forever discharge the person to whom this request is presented, and his agents and employees from all and all manner or actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known or unknown, in law or equity, which the applicant ever had, now has, may have, or claims to have against the person to whom this request is being presented or his agents or employers arising out of or by reason of complying with the request.
10. I/We agree to indemnify and hold harmless the person to whom this request is presented and his agents and employees from and against all claims, damages, losses, and expenses, including reasonable attorney's fees arising out of or by reason of complying with this request.
11. A reproduction of this request by photocopying or similar process shall be for all intents and purposes as valid as the original.

Legal Agent Last Name (Please Print)	Legal Agent First Name	Legal Agent Middle Name
<u>De Jan</u>	<u>William</u>	<u>John</u>
Legal Agent Title	Signature (Must be signed in front of one witness)	
<u>owner</u>		
Dated this <u>10th</u> day of <u>May</u> , 20 <u>16</u> at <u>5:15 PM</u> (time)		
<u>Pagosa Springs</u> , <u>CO</u> (City) (State)		
Witness Signature		
		
Signature of Medical Marijuana Licensing agent presenting this request		Date

STATE COUNTY
COLORADO ARCHULETA

Must collect
taxes for:
**SALES TAX
LICENSE**

USE ACCOUNT NUMBER for all references	LIABILITY INFORMATION					ISSUE DATE			LICENSE VALID TO DECEMBER 31 2017
	county	city	industry type	liability date	month	day	year		
01285435-0001	48	0206	007	L 090115	Nov	25	15		

THIS LICENSE MUST BE POSTED AT THE FOLLOWING LOCATION
IN A CONSPICUOUS PLACE: 600 CLOMAN BLVD UNIT 1&2 PAGOSA SPRINGS CO 81147

**THIS LICENSE IS NOT
TRANSFERABLE**



DELANY & ASSOCIATES LLC
PO BOX 1149
PAGOSA SPRINGS CO 81147-1149

Executive Director
Department of Revenue

▲ Detach Here ▲

Letter Id: L1818099648

Important Verification Process

If you are new to Colorado sales tax visit: www.Colorado.gov/revenue/salestaxbasics

VERIFY that all information on your sales tax license is correct. Modify and update any errors you identify on the Internet through Revenue Online. Access your tax account, file returns, submit payments, verify sales tax licenses and view sales tax rates through Revenue Online at www.Colorado.gov/RevenueOnline

All the information you need to register is on this document; have it with you before you begin. Follow these easy steps.

1. Go to www.Colorado.gov/RevenueOnline
2. Click on the Sign Up (Individual or Business) link on the right.
3. Click on Continue.

Now click on: Enter Taxpayer Information. Click on the down arrow in the Account Type list and select Other. Use the first 8-digits of the account number shown on your license. Complete the rest of the screen.

Next click on: Enter Login Information and complete the screen (this is information YOU get to create for the account).

Next click on: Enter Account Information and complete the screen.

Your Letter ID is: L1818099648

Then click the Submit button. You will see a confirmation page on your screen. You should receive a confirmation email from the Colorado Department of Revenue. If you do not, check your Junk email folder. Once you have your Authorization Code return to Revenue Online via the link in your email. Enter the Login ID and Password you created.

1. Click on the Login button.
2. Enter the Authorization Code from your email (first time only).
3. Click Login. You should then be in your account. NOTE: If you have additional tax types registered under the same Account Number, such as withholding, you will be able to view those tax types through the account. You do not need to create separate Login IDs and Passwords for each tax in your account.

Filing Returns

To file a return, go to Revenue Online (www.Colorado.gov/RevenueOnline). You must file a return for each reporting period. If you have no tax to report, file a "zero" return. Tax reporting and payment are your responsibility. To avoid late penalties and interest, file online on or before the due date. If you discontinue sales, you may close your business location through Revenue Online.

Learn more and avoid unnecessary errors by attending our free sales tax classes! Sign up at www.TaxSeminars.state.co.us



Archuleta County
 Local Licensing Authority
 398 Lewis Street
 P.O. Box 1507
 Pagosa Springs, CO 81147
 (970) 264-8401

APPLICATION FOR MARIJUANA BUSINESS

NEW LICENSE

LICENSE RENEWAL

MODIFICATION

A SEPARATE LICENSE APPLICATION IS REQUIRED FOR EACH LICENSE TYPE

<input type="checkbox"/>	Medical Center License
<input type="checkbox"/>	Medical Center and Cultivation License
<input type="checkbox"/>	Medical Marijuana-Infused Product Manufacturer
<input type="checkbox"/>	

<input type="checkbox"/>	Retail Center License
<input checked="" type="checkbox"/>	Retail Optional Premises Cultivation License
<input type="checkbox"/>	Retail Store and Cultivation License
<input type="checkbox"/>	Retail Marijuana-Infused Product Manufacturer

Applicant is applying as:

Documents to be submitted by type of entity:

<input type="checkbox"/>	Corporation* yes	<input checked="" type="checkbox"/> Certificate of Incorporation
<input type="checkbox"/>	Partnership*	<input type="checkbox"/> Partnership agreement <input type="checkbox"/> Husband and Wife Partnership (no written agreement)
<input type="checkbox"/>	Limited Liability Company*	<input type="checkbox"/> Articles of Organization <input type="checkbox"/> Operating Agreement
<input type="checkbox"/>	Sole Proprietorship**	
<input type="checkbox"/>	Other:	Attach copy of agreements creating association or relationship between the parties.

*Certificate of Good Standing or Statement of Trade Named filed with the Colorado Secretary of State

**Sole Proprietorship (Individual) requires Verification of Lawful Presence per State Law (Signed Affidavit and Photo ID)

BUSINESS INFORMATION			
Applicant's Legal Business Name/Trade Name (DBA) San Juan Strains, Inc.		12 Digit Parcel ID Number 569909202009	Zone District
Street Address of Business 95 Industrial Circle		Business Phone Number ()	
Mailing Address PO Box 3163	City Pagosa Springs,	State CO	Zip 81147
PRIMARY CONTACT PERSON			
Primary Contact Person for Business James Diffey	Primary Contact Phone Number (970) 570-0216	Primary Contact Cell Number () Same	
Primary Contact Email Address Diffcon5@hotmail.com			
Primary Contact Address PO Box 3163	City Pagosa Springs	State CO	Zip 81147
STATE MARIJUANA LICENSE NUMBERS			
Medical Marijuana Center Number: _____			
Retail Marijuana Center Number: _____			
Medical Optional Premises Cultivation Number: _____			
Retail Optional Premises Cultivation Number: _____			
Medical Infused Products Number: _____			
Retail Infused Products Number: _____			

Does the Applicant, as listed on Page 1 of this application, have legal possession of the premises for at least 1 year from the date that this license will be issued by virtue of ownership, lease or other arrangement?		Yes X	No
<input type="checkbox"/> Own	<input checked="" type="checkbox"/> Lease	<input type="checkbox"/> Other	
If leased, list the name of landlord and tenant, and date of expiration, EXACTLY as they appear on the lease			
Landlord SJS Holdings, LLC		Tenant San Juan Strains, Inc.	Expires 12/31/16
Does the Applicant propose to have food for retail sale at this location?		Yes	No x
If yes, describe the items:			

For the Retail Marijuana Optional Premises Cultivation facilities, do you perform cold water extractions?	Yes	No x
For the Retail Marijuana Infused Product Manufacturer facilities, what type(s) of extraction do you perform?		
<input type="checkbox"/> Butane <input type="checkbox"/> Propane <input type="checkbox"/> Carbon Dioxide <input type="checkbox"/> Ethanol <input type="checkbox"/> None <input type="checkbox"/> Isopropanol <input type="checkbox"/> Acetone <input type="checkbox"/> Heptane <input type="checkbox"/> Other: _____ n/a _____		

CHANGE TRADE NAME OR CORPORATE NAME

<input type="checkbox"/> Change of Trade Name / DBA only (attach the following supporting documents) <ul style="list-style-type: none"> 1. Statement of Trade Name filed with the Secretary of State. 	
<input type="checkbox"/> Corporate Name Change (attach the following supporting documents) <ul style="list-style-type: none"> 1. Certificate of Amendment filed with the Secretary of State, or 2. Statement of Change filed with the Secretary of State, <u>and</u> 3. Minutes of Corporate meeting, Limited Liability Members meeting, Partnership agreement. 	
<input type="checkbox"/> Corporate Name Change (attach the following supporting documents) <ul style="list-style-type: none"> 1. Operating Agreement, and 2. Corporate minutes approving change. 	
Old Trade Name	New Trade Name

MODIFICATION OF PREMISES

Note: Licensees may not modify or add to their licensed premises until approved by State and Local Authority

Describe change proposed:

Is the proposed change in compliance with local building codes and zoning regulations?	Yes	No
--	-----	----

Attach the following supporting documents:

- A floor plan of the current licensed premises, drawn to scale on 8-1/2 x 14" or 11x17" paper, showing the layout of the dispensary and the principal uses of the floor area including a depiction of where any services other than the dispensing of marijuana are proposed to occur on the licensed premise. The plan must also indicate separation of those areas open to non-patients, and the location of the steel or solid wood door and any safes as well as any doors or windows.
- Lease that is revised due to the modification.
- Planning/Zone Confirmation Form
- Building Code Confirmation Form
- Fire Code Confirmation Form
- San Juan Basin Health Department Approval

All Applicants for a Retail and/or Medical Marijuana Business Establishments in Archuleta County are responsible for understanding Archuleta County Ordinance #12-2014, enabling the operation of certain operations pursuant to and consistent with Article XVII, Section 14 of the Colorado Constitution and all other applicable State laws.

I declare, under penalty of perjury, that this application has been examined by me; that the statements made herein are made in good faith and, to the best of my knowledge and belief, are true, correct and complete.

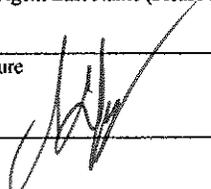
Applicant Signature	Applicant Title CEO	Date
---------------------	------------------------	------

Received By	Title	Date
-------------	-------	------

Affirmation & Consent

I, James Diffey _____, as an authorized agent for the applicant, state under penalty for offering a false instrument for recording pursuant to §18-5-114 C.R.S. that the entire Marijuana Business Operations Application Form, statements, attachments, and supporting schedules are true and correct to the best of my knowledge and belief, and that this statement is executed with the knowledge that misrepresentation or failure to reveal information requested may be deemed sufficient cause for the refusal to issue a Marijuana Business license by the Archuleta County. Further, I am aware that later discovery of an omission or misrepresentation made in the above statements may be grounds for the denial of a temporary Marijuana application or the revocation of the license. I am voluntarily submitting this application to the Archuleta County Licensing Authority under oath with full knowledge that I may be charged with perjury or other crimes for intentional omissions and misrepresentations pursuant to Colorado law or for offering a false instrument for recording pursuant to §18-5-114 C.R.S. I further consent to any background investigation necessary to determine my present and continuing suitability and that this consent continues as long as I hold an Archuleta County Marijuana Business License, and for 90 days following the expiration or surrender of such Marijuana License.

Print Full Legal Agent Name clearly below:

Applicant's Business Name San Juan Strains, Inc.		Trade Name (DBA)	
Legal Agent Last Name (Please Print) Diffey	Legal Agent First Name James	Legal Agent Middle Name Vinson.	
Signature 		Date 11-5-15	

**INVESTIGATION AUTHORIZATION
AUTHORIZATION TO RELEASE INFORMATION**

I, James Diffey, as an authorized agent for the applicant, hereby authorize the Archuleta County Local Licensing Authority, through the Archuleta County Sheriff's Office (hereafter, the Investigative Agency) to conduct a complete investigation into my personal background, using whatever legal means they deem appropriate. I hereby authorize any person or entity contacted by the Investigatory Agency to provide any and all information deemed necessary by the Investigative Agency. I hereby waive any rights of confidentiality in this regard. I understand that by signing this authorization, a financial record check may be performed. I authorize any financial institution to surrender to the Investigative Agency a complete and accurate record of such transactions that may have occurred with that institution, including but not limited to, internal banking memoranda, past and present loan applications, financial statements, and any other documents relating to my personal or business financial records in whatever form and wherever located. I understand that by signing this authorization, a financial record check of my tax filing and tax obligation status may be performed. I authorize the Colorado Department of Revenue to surrender to the Investigative Agencies a complete and accurate record of any and all tax information or records relating to me. I authorize the Investigative Agency to obtain, receive, review, copy, discuss and use any such tax information or documents relating to me. I authorize the release of this type of information, even though such information may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws. I understand that by signing this authorization, a criminal history check will be performed. I authorize the Investigative Agency to obtain and use from any source, any information concerning me contained in any type of criminal history record files, wherever located. I understand that the criminal history record files contain records of arrests which may have resulted in a disposition other than a finding of guilt (i.e., dismissed charges, or charges that resulted in a not guilty finding). I understand that the information may contain listings of charges that resulted in suspended imposition of sentence, even though I successfully completed the conditions of said sentence and was discharged pursuant to law. I authorize the release of this type of information even though this record may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws.

The Investigative Agency reserves the right to investigate all relevant information and facts to their satisfaction. I understand that the Investigative Agency may conduct a complete and comprehensive investigation to determine the accuracy of all information gathered. However, Archuleta County, the Investigative Agency, and other agents of employees of Archuleta County shall not be held liable for the receipt, use, or dissemination of inaccurate information. I, on behalf of the applicant, its legal representatives, and assigns, hereby release, waive, discharge, and agree to hold harmless, and otherwise waive liability as to Archuleta County, the Investigative Agency, and other agents or employees of Archuleta County for any damages resulting from any use, disclosure, or publication in any manner, other than a willfully unlawful disclosure or publication, of any material or information acquired during inquiries, investigations, or hearings and hereby authorize the lawful use, disclosure, or publication of this material or information. Any information contained within my application, contained within any financial or personnel record, or otherwise found, obtained, or maintained by the Investigative Agency, shall be accessible to law enforcement agents of this or any other state, the government of the United States, or any foreign country.

Print Full Legal Agent Name clearly below:

Applicant's Business Name San Juan Strains, Inc.	Trade Name (DBA)
---	------------------

Legal Agent Last Name (Please Print) Diffey	Legal Agent First Name James	Legal Agent Middle Name Vinson
--	---------------------------------	-----------------------------------

Legal Agent Title CEO	Signature (Must be signed in front of one witness)
--------------------------	--

Dated this 5th day of Nov, 2015 at 9:00 AM (time)

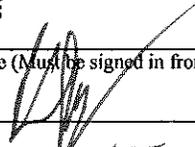
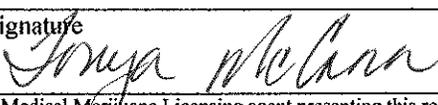
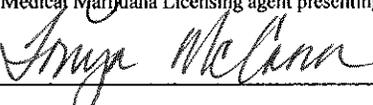
Pagosa Springs, CO (City) (State)

Witness Signature
Jonny McLane

APPLICANT'S REQUEST TO RELEASE INFORMATION

To: _____ From: San Juans Strains,
 Inc. _____

1. I/We hereby authorize and request all persons to whom this request is presented having information relating to or concerning the above named applicant to furnish such information to a duly appointed agent of the Archuleta County Marijuana Local Licensing Authority whether or not such information would otherwise be protected from the disclosure by any constitutional, statutory or common law privilege.
2. I/We hereby authorize and request all persons to whom this request is presented having documents relating to or concerning the above named applicant to permit a duly appointed agent of the Archuleta County Marijuana Local Licensing Authority to review and copy any such documents, whether or not such documents would otherwise be protected from disclosure by any constitutional, statutory, or common law privilege.
3. I/We hereby authorize and request the Colorado Department of Revenue to permit a duly appointed agent of the Archuleta County Marijuana Local Licensing Authority to obtain, receive, review, copy, discuss and use any such tax information or documents relating to or concerning the above named applicant, whether or not such information or documents would otherwise be protected from disclosure by any constitutional, statutory, or common law privilege.
4. If the person to whom this request is presented is a brokerage firm, bank, savings and loan, or other financial institution or an officer of the same, I/We hereby authorize and request that a duly appointed agent of the Archuleta County Marijuana Local Licensing Authority be permitted to review and obtain copies of any and all documents, records or correspondence pertaining to me/us, including but not limited to past loan information, notes co-signed by me/us, checking records, savings deposit records, safe deposit box records, and general ledger folio sheets.
5. I/We do hereby make, constitute, and appoint any duly appointed agent of the Archuleta County Marijuana local Licensing Authority, my/our true and lawful attorney in fact for me/us in my/our behalf and for my/our use and benefit:
 - (a) To request, review, copy, sign for, or otherwise act for investigative purposes with respect to documents and information in the possession of the person to whom this request is presented as I/we might;
 - (b) To name the person or entity to whom this request is presented and insert that person's name in the appropriate location in this request;
 - (c) To place the name of the agent presenting this request in the appropriate location on this request.
6. I grant to said attorney in fact full power and authority to do, take, and perform all and every act and thing whatsoever requisite, proper, or necessary to be done, in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as I/we might or could do it personally present, with full power of substitution or revocation, hereby ratifying and confirming all that said attorney in fact, or his substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted.
7. This power of attorney ends twenty-four (24) months from the date of execution.
8. The above named applicant has filed with the Archuleta County Marijuana Local Licensing Authority an application for a Marijuana Business License. Said applicant understands that it is seeking the granting of a privilege and acknowledges that the burden of proving its qualifications for a favorable determination is at all times on the applicant. Said applicant accepts any risk of adverse public notice, embarrassment, criticism, or other action of financial loss, which may result from action with respect to this application.
9. I/We do for myself/ourselves, my/our heirs, executors, administrators, successors, and assigns, hereby release, remise, and forever discharge the person to whom this request is presented, and his agents and employees from all and all manner or actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known or unknown, in law or equity, which the applicant ever had, now has, may have, or claims to have against the person to whom this request is being presented or his agents or employers arising out of or by reason of complying with the request.
10. I/We agree to indemnify and hold harmless the person to whom this request is presented and his agents and employees from and against all claims, damages, losses, and expenses, including reasonable attorney's fees arising out of or by reason of complying with this request.
11. A reproduction of this request by photocopying or similar process shall be for all intents and purposes as valid as the original.

Legal Agent Last Name (Please Print) Diffey	Legal Agent First Name James	Legal Agent Middle Name Vinson
Legal Agent Title CEO	Signature (Must be signed in front of one witness) 	
Dated this <u>5th</u> day of <u>Nov</u> , 20 <u>15</u> at <u>9 AM</u> (time)		
<u>Pagosa Springs</u> , <u>CO</u> (City) (State)		
Witness Signature 		
Signature of Medical Marijuana Licensing agent presenting this request 		Date <u>11/5/15</u>

LOCAL AUTHORITY COPY

Colorado Marijuana Licensing Authority
Retail Business License Application

License Types & Fees (See Application Checklist for details on license types and fees.)			
<input type="checkbox"/> Retail Marijuana Store <input checked="" type="checkbox"/> Retail Marijuana Cultivation <input type="checkbox"/> Retail Marijuana Test Facility	<input checked="" type="checkbox"/> Tier 1 = 3600 or fewer plants <input checked="" type="checkbox"/> Tier 2 = 3601 – 6000 plants <input type="checkbox"/> Tier 3 = 6001–10200 plants	<input type="checkbox"/> Retail Marijuana Products Manufacturer <input type="checkbox"/> Conversion <input type="checkbox"/> Retail/Medical Marijuana Combined Use <input type="checkbox"/> Affiliated Business	
Applicant's Legal Business Name (Please Print) San Juan Strains, Inc.		Marijuana License Number (Assigned by Division)	
Trade Name (DBA) (Provide Trade Name Registration)		Website Address	
Physical Address			
Street Address of Marijuana Business 95 Industrial Circle		City Pagosa Springs,	State ZIP CO 81147
Business Phone Number	Business Fax Number	Email Address	
Mailing Address (if different from Business Address)			
Address PO Box 3163		City Pagosa Springs,	State ZIP CO 81147
Primary Contact Person for Business James Diffey		Title CEO	Primary Contact Phone Number (970) 570-0216
Primary Contact Address (city, state ZIP) PO Box 3163 Pagosa Springs, CO 81147		Primary Contact Fax Number	
Federal Taxpayer ID 47-5000259	Colorado Sales Tax License # 30621326	Email Address	
Type of Business Structure			
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Partnership	<input type="checkbox"/> Limited Liability Company
<input checked="" type="checkbox"/> C Corporation	<input type="checkbox"/> S Corporation	<input type="checkbox"/> Publicly Traded Corporation	<input type="checkbox"/> Trust <input type="checkbox"/> Other _____
State of Incorporation or Creation of Business Entity Colorado			Date 8/27/15
Date of Qualification to Conduct Business in Colorado (Provide Certificate of Good Standing from the Colorado Secretary of State's Office) 8/27/15			
If a Corporation, List all States Where the Corporation is Authorized to Conduct Business Colorado			
List all Trade Names used by the Business Entity (other than above)			
Attach copies of all articles of incorporation, bylaws, articles of organization, or a true copy of any partnership or trust agreement, including any and all amendments to such. If a corporation, attach copies of all annual and bi-annual reports, SEC filings, if any, and all minutes from all corporate meetings for the past 12 months.			

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 1/1
 2/1

1. Is the applicant (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation) or manager under the age of twenty-one years?	Yes	No	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
2. Has the applicant (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation) or manager ever (in Colorado or any other state);			
(a) been denied a privileged license (ie: Liquor, Gaming, Racing and Marijuana)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
(b) had a privileged license (ie: Liquor, Gaming, Racing and Marijuana) suspended or revoked?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
(c) had interest in another entity that had a privileged (ie: Liquor, Gaming, Racing and Marijuana) license denied, suspended or revoked?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
If you answered yes to 2a, b or c, explain in detail on a separate sheet.			
3. Has a Marijuana license ever been issued to the applicant (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation)? If yes, identify the name of the business and list any current or former financial interest in said business including any loans to or from a licensee.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
4. Does the applicant have legal possession of the premises by virtue of ownership, lease or other arrangement? Attach all documentation showing legal possession. Deed, Title, sale or lease agreements etc. <input type="checkbox"/> Ownership <input checked="" type="checkbox"/> Lease <input type="checkbox"/> Other (Explain in Detail) _____ (a) If leased, list name of landlord and tenant, and date of expiration, EXACTLY as they appear on the lease:			
Landlord SJS Holdings, LLC	Tenant San Juan Strains, Inc.	Expires 12/31/2016	
Attach a diagram of the premises to be licensed and outline or designate the area (including dimensions) which shows the limited access areas, walls, partitions, entrances, exits and what each room shall be utilized for in this business, including security equipment locations. This diagram should be no larger than 8 1/2" X 11". (It does not have to be to scale)			
5. Who, besides the owners listed in this application (including persons, firms, partnerships, corporations, limited liability companies, trusts), will loan or give money, inventory, furniture or equipment to or for use in this business; or who will receive money or profits from this business. Attach a separate sheet if necessary.			
Name	Date of Birth	FEIN OR SSN	Interest
Attach copies of all notes and security instruments, and any written agreement, or details of any oral agreement, by which any person (including partnerships, corporations, limited liability companies, etc.) will share in the profit or gross proceeds of this establishment, and any agreement relating to the business which is contingent or conditional in any way by volume, profit, sales, giving of advice or consultation.			
Local Licensing Authority (To be filled out by Applicant)			
Local Licensing Authority/Department Pagosa Springs, Archuleta County		Address 338 Lewis Street P.O. Box 1507 Pagosa Springs, Co 81147	
Local Licensing Authority contact name Tonya McConn		Contact Phone 970 261 8461	Contact Email TMcConn@ArchuletaCounty.org
6. Has the Applicant filed for a retail marijuana cultivation?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Yes No
What City or County? (Fill out a separate and complete application) Archuleta			
7. Does the Retail Applicant have evidence of a good and sufficient bond in the amount of \$5,000.00 in accordance with 12-43.4-303 C.R.S. (Include evidence with application)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Yes No
Printed Legal Business Name San Juan Strains, Inc.	Printed Trade Name (DBA)		

Ownership Structure

List all persons and/or entities with any ownership interest, and all officers and directors, whether they have ownership interest or not. If an entity (corporation, partnership, LLC, etc.) has interest, list all persons associated with such entity, their ownership in the entity, and their effective ownership in the license. List all parent, holding or other intermediary business interest. An Associated Key License Application form must be submitted for all persons in a privately held company or a publicly traded corporation, and all officers and directors.

Name James Diffey		Title CEO		SSN/FEIN		DOB		App submitted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Address 1121 CR 335		City Pagosa Spring		State CO		ZIP 81147		Phone Number (970) 570-0216	
Business Associated with (Parent business or sub-entity) SAN JUAN STRAINS, INC.				Own. % Business Associated with 50%			Effective Own. % in Applicant 50%		
Name Peter C. Hurley		Title CFO		SSN/FEIN		DOB		App submitted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Address 161 East Log Hill Road		City Pagosa Spring		State CO		ZIP 81147		Phone Number (720) 470-2653	
Business Associated with (Parent business or sub-entity) SAN JUAN STRAINS, INC.				Own. % Business Associated with 50%			Effective Own. % in Applicant 50%		
Name		Title		SSN/FEIN		DOB		App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Address		City		State		ZIP		Phone Number	
Business Associated with (Parent business or sub-entity)				Own. % Business Associated with			Effective Own. % in Applicant		
Name		Title		SSN/FEIN		DOB		App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Address		City		State		ZIP		Phone Number	
Business Associated with (Parent business or sub-entity)				Own. % Business Associated with			Effective Own. % in Applicant		
Name		Title		SSN/FEIN		DOB		App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Address		City		State		ZIP		Phone Number	
Business Associated with (Parent business or sub-entity)				Own. % Business Associated with			Effective Own. % in Applicant		
Name		Title		SSN/FEIN		DOB		App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Address		City		State		ZIP		Phone Number	
Business Associated with (Parent business or sub-entity)				Own. % Business Associated with			Effective Own. % in Applicant		
Name		Title		SSN/FEIN		DOB		App submitted? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Address		City		State		ZIP		Phone Number	
Business Associated with (Parent business or sub-entity)				Own. % Business Associated with			Effective Own. % in Applicant		

Are there any outstanding options and warrants?

Yes No *If YES, attach list of persons with outstanding options and warrants

Are there any other persons, other than those listed in the Ownership Structure, including but not limited to suppliers, lenders and landlords, who will receive, directly or indirectly, any compensation or rents based upon a percentage or share of gross proceeds or income of the Marijuana business?

Yes No *If YES, attach list of persons

Printed Legal Business Name San Juan Strains, Inc.	Printed Trade Name (DBA)
1. Has the applicant, the applicant's parent company or any other intermediary business entity ever applied for a Marijuana license in this or any other jurisdiction, foreign or domestic, whether or not the license was ever issued? If YES, provide details on a separate sheet, including jurisdiction, type of license, license number, and dates license held or applied for.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
2. Has the applicant, the applicant's parent company or any other intermediary business entity ever been denied a Marijuana license, withdrawn a Marijuana license or had any disciplinary action taken against any Marijuana license that they have held in this or any other jurisdiction, foreign or domestic? If YES, provide details on a separate sheet, including jurisdiction, type of action, and date of action.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Financial History	
1. Is the applicant, the applicant's parent company or any other intermediary business entity delinquent in the payment of any judgments or tax liabilities due to any governmental agency anywhere? If YES, provide details on a separate sheet and attach any documents to prove settlement or resolution of the delinquency.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
2. Has the applicant, the applicant's parent company or any other intermediary business entity filed a bankruptcy petition in the past 5 years, had such a petition filed against it, or had a receiver, fiscal agent, trustee, reorganization trustee or similar person appointed for it? If YES, provide details on a separate sheet and attach any documents from the bankruptcy court.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
3. Is the applicant, the applicant's parent company or any other intermediary business entity currently a party to, or has it ever been a party to, in any capacity, any business trust instrument? If YES, provide details on a separate sheet.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
4. Has a complaint, judgment, consent decree, settlement or other disposition related to a violation of federal, state or similar foreign antitrust, trade or security law or regulation ever been filed or entered against the applicant, the applicant's parent company or any other intermediary business entity? If YES, provide details on a separate sheet and attach any documents to prove the settlement of any of these issues. Include any items currently under formal dispute or legal appeal.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
5. Has the applicant, the applicant's parent company or any other intermediary business entity been a party to a lawsuit in the past 5 years, either as a plaintiff or defendant, complainant or respondent, or in any other fashion, in this or any other country? If YES, provide details on a separate sheet and attach any documents to prove the settlement of any of these issues. Include any items currently under formal dispute or legal appeal.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
6. Has the applicant, the applicant's parent company or any other intermediary business entity filed a business tax return in the past two years?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
7. Has the applicant, the applicant's parent company or any other intermediary business entity completed financial statements, either audited or unaudited, in the past two years? If YES, attach all financial statements completed in the past two years.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
8. Has any interest or share in the profits of the sale of Marijuana been pledged or hypothecated as security for a debt or deposited as a security for the performance of an act or to secure the performance of a contract? If YES, provide details on a separate sheet.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
9. Attach a list detailing the operating and investment accounts for this business, including financial institution name, address, telephone number, and account number for each account.	
10. Attach a list detailing each outstanding loan and financial obligation obtained for use in this business, including creditor name, address, phone number, loan number, loan amount, loan terms, date acquired, and date due.	
Person who maintains Applicant's business records Peter C. Hurley	Title CFO
Address PO Box 3163 Pagosa Springs, CO 81147	Phone Number (720) 470-2653
Person who prepares Applicant's tax returns, government forms & reports Same as above	Title
Address	Phone Number
Location of financial books and records for Applicant's business 161 East Log Hill Road Pagosa Springs, CO 81147	

Affirmation & Consent

I, Peter C. Hurley, as an authorized agent for the applicant, state under penalty for offering a false instrument for recording pursuant to 18-5-114 C.R.S. that the entire Marijuana Business License Application Form, statements, attachments, and supporting schedules are true and correct to the best of my knowledge and belief, and that this statement is executed with the knowledge that misrepresentation or failure to reveal information requested may be deemed sufficient cause for the refusal to issue a Marijuana license by the State Licensing Authority. Further, I am aware that later discovery of an omission or misrepresentation made in the above statements may be grounds for the denial or revocation of the license. I am voluntarily submitting this application to the Colorado Marijuana Licensing Authority under oath with full knowledge that I may be charged with perjury or other crimes for intentional omissions and misrepresentations pursuant to Colorado law or for offering a false instrument for recording pursuant to 18-5-114 C.R.S. I further consent to any background investigation necessary to determine my present and continuing suitability and that this consent continues as long as I hold a Colorado Marijuana License, and for 90 days following the expiration or surrender of such Marijuana license. Note: If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your banking account electronically.

Print Full Legal Agent Name clearly below:

Applicant's Business Name San Juan Strains, Inc.		Trade Name (DBA)	
Legal Agent Last Name (Please Print) Hurley	Legal Agent First Name Peter	Legal Agent Middle Name C.	
Signature		<i>P</i>	Date 11/7/15

Investigation Authorization Authorization to Release Information

I, Peter C. Hurley, as an authorized agent for the applicant, hereby authorize the Colorado Marijuana Licensing Authority, the Marijuana Enforcement Division, (hereafter, the Investigatory Agencies) to conduct a complete investigation into my personal background, using whatever legal means they deem appropriate. I hereby authorize any person or entity contacted by the Investigatory Agencies to provide any and all such information deemed necessary by the Investigatory Agencies. I hereby waive any rights of confidentiality in this regard. I understand that by signing this authorization, a financial record check may be performed. I authorize any financial institution to surrender to the Investigatory Agencies a complete and accurate record of such transactions that may have occurred with that institution, including, but not limited to, internal banking memoranda, past and present loan applications, financial statements and any other documents relating to my personal or business financial records in whatever form and wherever located. I understand that by signing this authorization, a financial record check of my tax filing and tax obligation status may be performed. I authorize the Colorado Department of Revenue to surrender to the Investigatory Agencies a complete and accurate record of any and all tax information or records relating to me. I authorize the Investigatory Agencies to obtain, receive, review, copy, discuss and use any such tax information or documents relating to me. I authorize the release of this type of information, even though such information may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws. I understand that by signing this authorization, a criminal history check will be performed. I authorize the Investigatory Agencies to obtain and use from any source, any information concerning me contained in any type of criminal history record files, wherever located. I understand that the criminal history record files contain records of arrests which may have resulted in a disposition other than a finding of guilt (i.e., dismissed charges, or charges that resulted in a not guilty finding). I understand that the information may contain listings of charges that resulted in suspended imposition of sentence, even though I successfully completed the conditions of said sentence and was discharged pursuant to law. I authorize the release of this type of information, even though this record may be designated as "confidential" or "nonpublic" under the provisions of state or federal laws.

The Investigatory Agencies reserve the right to investigate all relevant information and facts to their satisfaction. I understand that the Investigatory Agencies may conduct a complete and comprehensive investigation to determine the accuracy of all information gathered. However, the State of Colorado, Investigatory Agencies, and other agents or employees of the State of Colorado shall not be held liable for the receipt, use, or dissemination of inaccurate information. I, on behalf of the applicant, its legal representatives, and assigns, hereby release, waive, discharge, and agree to hold harmless, and otherwise waive liability as to the State of Colorado, Investigatory Agencies, and other agents or employees of the State of Colorado for any damages resulting from any use, disclosure, or publication in any manner, other than a willfully unlawful disclosure or publication, of any material or information acquired during inquiries, investigations, or hearings, and hereby authorize the lawful use, disclosure, or publication of this material or information. Any information contained within my application, contained within any financial or personnel record, or otherwise found, obtained, or maintained by the Investigatory Agencies, shall be accessible to law enforcement agents of this or any other state, the government of the United States, or any foreign country.

Print Full Legal Name of Authorized Agent clearly below:

Applicant's Business Name San Juan Strains, Inc.		Trade Name (DBA)
Legal Agent Last Name (Please Print) Hurley	Legal Agent First Name Peter	Legal Agent Middle Name Christopher
Legal Agent Title CFO	Signature (Must be signed in front of one witness) 	
Date (MM/DD/YY) 11/10/15	City DENVER	State CO
Witness 1 Signature 		

Applicant's Request to Release Information

TO:	FROM: (Applicant's Printed Name) San Juan Strains, Inc.
-----	--

1. I/We hereby authorize and request all persons to whom this request is presented having information relating to or concerning the above named applicant to furnish such information to a duly appointed agent of the Marijuana Enforcement Division whether or not such information would otherwise be protected from the disclosure by any constitutional, statutory or common law privilege.
2. I/We hereby authorize and request all persons to whom this request is presented having documents relating to or concerning the above named applicant to permit a duly appointed agent of the Marijuana Enforcement Division to review and copy any such documents, whether or not such documents would otherwise be protected from disclosure by any constitutional, statutory, or common law privilege.
3. I/We hereby authorize and request the Colorado Department of Revenue to permit a duly appointed agent of the Marijuana Enforcement Division to obtain, receive, review, copy, discuss and use any such tax information or documents relating to or concerning the above named applicant, whether or not such information or documents would otherwise be protected from disclosure by any constitutional, statutory, or common law privilege.
4. If the person to whom this request is presented is a brokerage firm, bank, savings and loan, or other financial institution or an officer of the same, I/we hereby authorize and request that a duly appointed agent of the Marijuana Enforcement Division be permitted to review and obtain copies of any and all documents, records or correspondence pertaining to me/us, including but no limited to past loan information, notes co-signed by me/us, checking account records, savings deposit records, safe deposit box records, passbook records, and general ledger folio sheets.
5. I/We do hereby make, constitute, and appoint any duly appointed agent of the Colorado Marijuana Enforcement Division, my/our true and lawful attorney in fact for me/us in my/our name, place, stead, and on my/our behalf and for my/our use and benefit:
 - (a) To request, review, copy sign for, or otherwise act for investigative purposes with respect to documents and information in the possession of the person to whom this request is presented as I/we might;
 - (b) To name the person or entity to whom this request is presented and insert that person's name in the appropriate location in this request;
 - (c) To place the name of the agent presenting this request in the appropriate location on this request.
6. I grant to said attorney in fact full power and authority to do, take, and perform all and every act and thing whatsoever requisite, proper, or necessary to be done, in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as I/we might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that said attorney in fact, or his substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted.
7. This power of attorney ends twenty-four (24) months from the date of execution.
8. The above named applicant has filed with the Colorado Marijuana Licensing Authority an application for a Marijuana license. Said applicant understands that it is seeking the granting of a privilege and acknowledges that the burden of proving its qualifications for a favorable determination is at all times on the applicant. Said applicant accepts any risk of adverse public notice, embarrassment, criticism, or other action of financial loss, which may result from action with respect to this application.
9. I/We do, for myself/ourselves, my/our heirs, executors, administrators, successors, and assigns, hereby release, remise, and forever discharge the person to whom this request is presented, and his agents and employees from all and all manner or actions, causes of action, suits, debts, judgments, executions, claims, and demands whatsoever, known or unknown, in law or equity, which the applicant ever had, now has, may have, or claims to have against the person to whom this request is being presented or his agents or employees arising out of or by reason of complying with the request.
10. I/We agree to indemnify and hold harmless the person to whom this request is presented and his agents and employees from and against all claims, damages, losses, and expenses, including reasonable attorneys' fees arising out of or by reason of complying with this request.
11. A reproduction of this request by photocopying or similar process shall be for all intents and purposes as valid as the original.

Print Full Legal Name of Authorized Agent clearly below:

Legal Agent Last Name (Please Print) Hurley	Legal Agent First Name Peter	Legal Agent Middle Name Christopher
Legal Agent Title CFO	Signature (Must be signed in front of one witness) 	
Date (MM/DD/YY) 11/10/15	City Denver	State CO
Witness 1 Signature 		
Signature of Marijuana Enforcement Division agent presenting this request		Date

Archuleta County Online Map

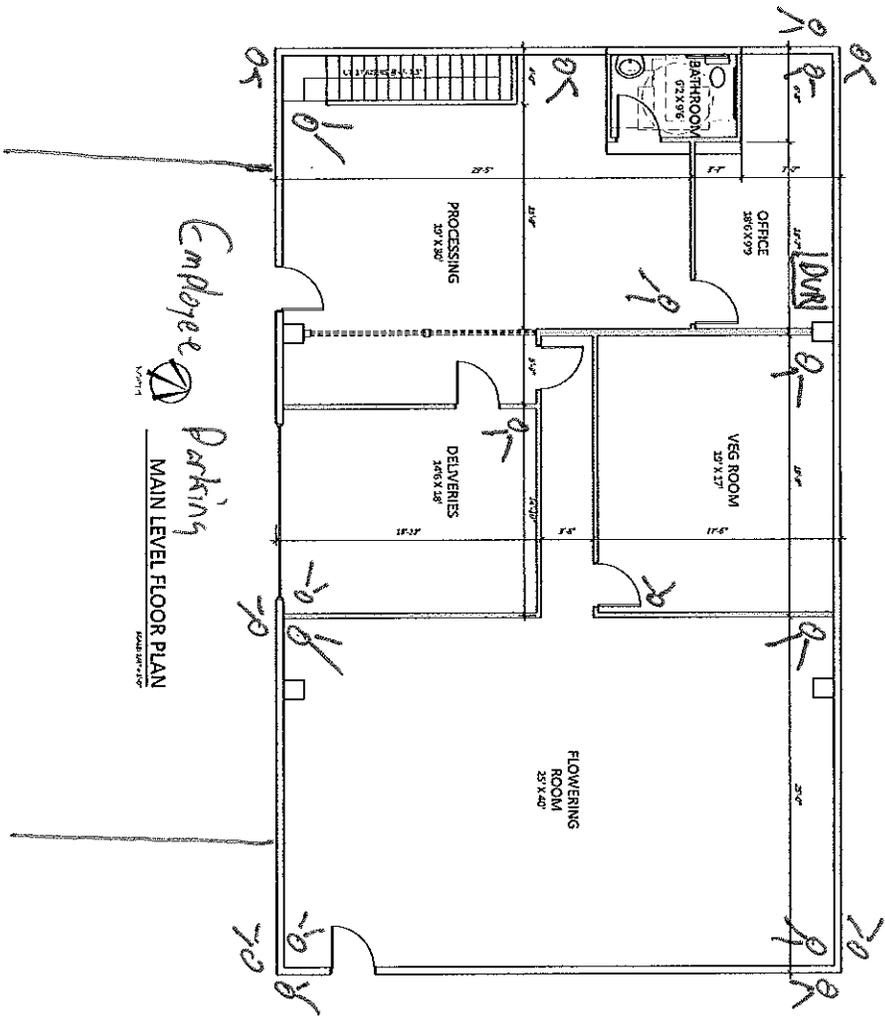
Parcel Search Engine. enter any of the following: Account | Parcel # | Owner (Last Name First) | Address (Number First) | Legal

R005913 | 569909202009 | ANDERSON CHARLES V | 95 INDUSTRIAL CIR | CLOWAN IND PARK PH 1 Lot:16

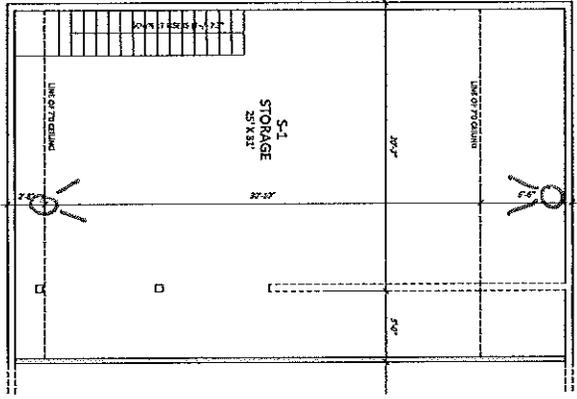
Parcel ID	ID Layer	Map to PDF	Base Maps	Buffer
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37.28849922914541, -107.05872911006331



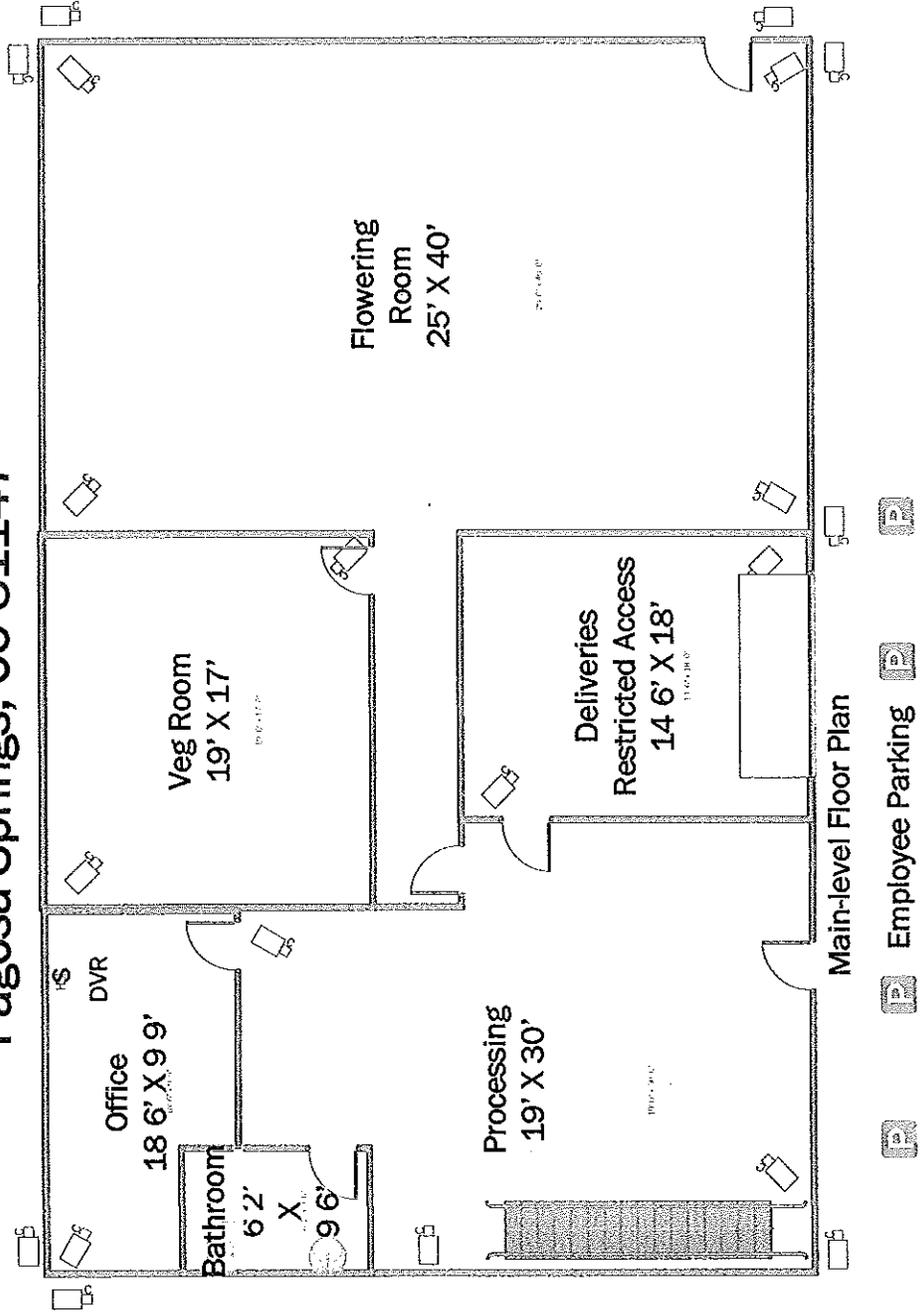
UPPER LEVEL FLOOR PLAN

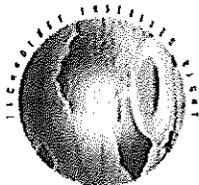


SQUARE FOOTAGE:
 TOTAL MAIN FLOOR AREA: 1,000.00
 TOTAL UPPER FLOOR AREA: 795.00
 TOTAL PROJECTED FINISHED AREA: 1,795.00

 <p>COURTNEY KING ARCHITECTURE PO Box 5823 Pagosa Springs, Colorado 81127 970.946.0410 courtneykingarch.com</p>	<p>SAN JUAN STRAINS 95 INDUSTRIAL CIRCLE PAGOSA SPRINGS, COLORADO</p>	
	<p>A1 FLOOR PLANS</p>	<p>JOB NO.: 1524 ISSUE DATE: 2015-10-12</p>

95 Industrial Circle - Marijuana License Premises
 San Juan Strains, Inc.
 PO Box 3163
 Pagosa Springs, CO 81147





SECURITY INSTALL SOLUTIONS, INC.
 5303 East Evans Avenue, Suite 102
 Denver, CO 80222
 (303) 325-5987



CENTRAL OFFICE MONITORING CONTRACT

Agreement Dated: October 27th, 2015, by and between SECURITY INSTALL SOLUTIONS, INC (hereinafter referred to as "SIS" or "ALARM COMPANY") and
San Juan Strains, Inc. (hereinafter referred to as "Subscriber" or "Buyer"). Telephone: (720) 470-2653

Premise where communication software is installed: 95 Industrial Circle
Street Address
Pagosa Springs CO 81147
City State Zip

Subscriber owns an electronic security system and desires central office monitoring service. The parties agree as follows:

- COMMUNICATION SOFTWARE REMAINS PERSONAL PROPERTY OF SIS:** SIS shall instruct Subscriber in the proper use of the security system, install, program and service in the premises of the Subscriber, communication software which shall remain the sole personal property of SIS and shall not be considered a fixture or a part of the realty, and Subscriber shall not permit the attachment thereto of any apparatus not furnished by SIS. Communication software is part of the instrument panel programmed to transmit a signal. Passcode to CPU software remains property of SIS. Provided Subscriber performs this agreement for the full term thereof, upon termination SIS shall at its option provide to Subscriber the passcode to the CPU software or change the passcode to the manufacturer's default code
- DESCRIPTION OF SERVICE AND EQUIPMENT:** Value of software is: \$ 500.00

Initial Service Provided: Digital Dialer Cellular High Speed Internet

~~Attachment A: Schedule of Installation~~
~~Attachment B: Schedule of Services~~
~~Attachment C: Alarm System Monitoring Information~~
~~Attachment D: Alarm Account Change Form~~
~~Attachment E: UL - Statement of Work~~
~~Attachment F: UL2050 - DD254~~

SUBSCRIBER ACKNOWLEDGES RECEIVING A FULLY EXECUTED COPY OF THIS CONTRACT, SCHEDULE OF SERVICE AND SCHEDULE OF INSTALLATION AT TIME OF EXECUTION.

SECURITY INSTALL SOLUTIONS, INC.

Subscriber agrees to have its credit card automatically charged for all charges under this contract.

William J. Doherty
 SIS Sales Representative

ACCEPT DECLINE

Credit Card No.: _____

SIS Management Acceptance Signature

Expiration Date: _____ Security Code: _____

SUBSCRIBER / BILLING INFORMATION

Master Card Visa American Express

Peter Hurley
 Subscriber Representative (Print Name)

 Cardholder's Signature

 Subscriber Acceptance (Signature)

Peter Hurley, CPA
 Subscriber Acceptance (Print Name & Title)

Billing Information:

Credit Card Billing Address:

Peter Hurley, CPA
 Billing Contact Name & Title (Please Print)

N/A
 Cardholder's Name (As it appears on the credit card)

peter@pchfinancial.com (720) 470-2653
 Billing Email Address Phone No.

N/A N/A
 Cardholder's Email Address Phone No.

PO Box 3163
 Billing Street Address

N/A
 Credit Card Billing Street Address

Pagosa Springs CO 81147
 City State Zip

N/A N/A N/A
 City State Zip

Central Office Monitoring - Non-Res.

3. **INSTALLATION AND SERVICE CHARGES:** Subscriber agrees to pay SIS (option to strike out either a or b):
- The sum of \$ 0.00 , plus tax for the installation and programming of the communication software and transmitter if not already installed.
 - The sum of \$ 19.95 , plus tax, per month, payable Monthly in advance for the monitoring and servicing of the communication software for the term of this agreement commencing on the first day of the month next succeeding the date hereof, and continuing monthly thereafter, all payments being due on the first of the month. The balance of payments for the term of this agreement is due upon execution of this agreement. For the convenience of the parties and so long as there is no default in payments, Subscriber may make the payments as provided herein.
4. **TERM OF AGREEMENT: RENEWAL INCREASE:** The term of this agreement shall be for a period of (1) / ~~(3)~~ / (5) year(s) and shall automatically renew month to month thereafter under the same terms and conditions, unless either party gives written notice to the other by certified mail, return receipt requested, of their intention not to renew the contract at least thirty (30) days prior to the expiration of any term. SIS shall be permitted, from time to time to increase the monitoring charge by an amount not to exceed nine percent (9%) each year and Subscriber agrees to pay such increase as invoiced. If Subscriber is unwilling to pay an increase to the monthly fee, then Subscriber shall be allowed to cancel the remaining term of the agreement without penalty, or SIS may elect to keep monthly fee the same for the remaining term of the agreement.
5. **CENTRAL OFFICE MONITORING:** Upon receipt of a signal from Subscriber's alarm system, SIS or its designee communication center shall make every reasonable effort to notify Subscriber and the appropriate municipal police or fire department. Subscriber acknowledges that signals transmitted from Subscriber's premises directly to municipal police or fire departments are not monitored by personnel of SIS or SIS's designee communication center and SIS does not assume any responsibility for the manner in which such signals are monitored or the response, if any, to such signals. Subscriber acknowledges that signals which are transmitted over telephone lines, wire, air waves, internet, VOIP, or other modes of communication pass through communication networks wholly beyond the control of SIS and are not maintained by SIS and, therefore, SIS shall not be responsible for any failure which prevents transmission signals from reaching the central office monitoring center or damages arising therefrom, or for data corruption, theft or viruses to subscriber's computers if connected to the alarm communication equipment. Subscriber agrees to furnish SIS with a written list of names and telephone numbers of those persons Subscriber wishes to receive notification of alarm signals. All changes and revisions shall be supplied to SIS in writing. Subscriber authorizes SIS to access the control panel to input or delete data and programming. If the equipment contains listening devices permitting central office to monitor sound then upon receipt of an alarm signal central office shall monitor sound for so long as central office in its sole discretion deems appropriate to confirm an alarm condition. If Subscriber requests SIS to remotely activate or deactivate the system, change combinations, openings or closings, or re-program system functions, Subscriber shall pay SIS \$90.00 for each such service. SIS may, without prior notice, suspend or terminate its services, in central office's sole discretion, in event of Subscriber's default in performance of this agreement or in event central office facility or communication network is nonoperational or subscriber's alarm system is sending excessive false alarms. Central office is authorized to record and maintain audio and video transmissions, data and communications, and shall be the exclusive owner of such property.
6. **NO WARRANTIES OR REPRESENTATIONS: SUBSCRIBER'S EXCLUSIVE REMEDY:** SIS does not represent nor warrant that the security equipment and central office monitoring will prevent any loss, damage or injury to person or property, by reason of burglary, theft, hold-up, fire or other cause, or that the security equipment will in all cases provide the protection for which it is installed or intended. Subscriber acknowledges that SIS is not an insurer, and the Subscriber assumes all risk for loss or damage to Subscriber's premises or its contents. SIS has made no representations or warranties, and hereby disclaims any warranty of merchantability or fitness for any particular use. Subscriber's exclusive remedy for SIS's default hereunder is to require SIS to repair or replace, at SIS's option, any equipment covered by this agreement which is non-operational.
7. **EXCULPATORY CLAUSE:** Subscriber agrees that SIS is not an insurer and no insurance coverage is offered herein. The security equipment is designed to reduce certain risks of loss, though SIS does not guarantee that no loss will occur. SIS is not assuming liability, and, therefore shall not be liable to Subscriber for any loss, personal injury or property damage sustained by Subscriber as a result of burglary, theft, hold-up, fire, equipment failure, smoke, or any other cause, whatsoever, regardless of whether or not such loss or damage was caused by or contributed to by SIS's negligent performance, failure to perform any obligation or strict products liability. Subscriber releases SIS from any claims for contribution, indemnity or subrogation.
8. **LIMITATION OF LIABILITY:** Subscriber agrees that should there arise any liability on the part of SIS as a result of SIS's negligent performance to any degree, failure to perform any of SIS's obligations, equipment failure or strict products liability, that SIS's liability shall be limited to the sum of six times the monthly payment at time liability is fixed or the sum of \$250.00, whichever is greater. If Subscriber wishes to increase SIS's maximum amount of SIS's limitation of liability, Subscriber may, as a matter of right, at any time, by entering into a supplemental contract, obtain a higher limit by paying an annual payment consonant with SIS's increased liability. This shall not be construed as insurance coverage.
9. **LIQUIDATED DAMAGES:** The parties agree that in the event Subscriber suffers damages as a result of SIS's negligence to any degree or failure to perform any obligation, it would be impractical and extremely difficult to anticipate or fix actual damages. Therefore, Subscriber agrees that should there arise any liability on the part of SIS, Subscriber agrees to accept \$250.00, or the amount provided for in paragraph 8, whichever is greater, as liquidated damages in complete satisfaction of such liability and SIS is released and discharged from any further liability.
10. **CARE OF COMMUNICATION SOFTWARE AND TRANSMITTER:** Subscriber agrees not to tamper with, remove or otherwise interfere with the communication software and transmitter which shall remain in the same location as installed and Subscriber agrees to bear the cost of repairs or replacement made necessary as a result of any damage, including but not limited to damage caused by unauthorized intrusion to the premises, lightning or electrical surge, except for ordinary wear and tear, in which event repair or replacement to the software and transmitter (if installed by SIS) shall be made by SIS without additional charge.
11. **ALTERATION OF PREMISES FOR INSTALLATION:** SIS is authorized to make preparations such as drilling holes, driving nails, making attachments or doing any other thing necessary in SIS's sole discretion for the installation and service of the communication software, and SIS shall not be responsible for any condition created thereby as a result of such installation, service, or removal of the communication software, and Subscriber represents that the owner of the premises, if other than Subscriber, authorizes the installation of the communication software under the terms of this agreement.
12. **SUBSCRIBER'S DUTY TO SUPPLY ELECTRIC AND COMMUNICATION SERVICE:** Subscriber agrees to furnish, at Subscriber's expense, all 110 Volt AC power, electrical outlets, receptacles, telephone hook-ups, RJ31x Block or equivalent, internet connection, high speed broadband cable or DSL and IP Address, as deemed necessary by SIS in its sole discretion and to notify SIS of any change in such service.
13. **TESTING AND SERVICE OF COMMUNICATION SOFTWARE:** Communication software, once installed, is in the exclusive possession and control of the Subscriber, and it is Subscriber's sole responsibility to test the operation of the communication software and to notify SIS if it is in need of repair. SIS shall not be required to service the communication software unless it has received notice from Subscriber, and upon such notice, SIS shall service the communication software to the best of its ability within 36 hours, exclusive of Saturday, Sunday and legal holidays, during the business hours of 9 a.m. and 5 p.m. Any repair or other services provided by SIS to Subscriber's alarm or security equipment shall be at SIS's option on a per call request by Subscriber, and Subscriber shall pay for such labor and material at time such repair or other service is performed. All such repair or other service shall be governed by the terms of this contract. In the event Subscriber complies with the terms of this agreement and SIS fails to repair the communication software, Subscriber agrees to send notice in writing by certified or registered mail, return receipt requested and Subscriber shall not be responsible for payments due while the communication software remains inoperable. In any lawsuit between the parties in which the condition or operation of the communication software is in issue, the Subscriber shall be precluded from raising the issue that the communication software was not operating unless Subscriber can produce a post office certified or registered receipt, signed by SIS, evidencing that service was requested by Subscriber. Only communication software is covered by service. It shall be Subscriber's sole responsibility to maintain the communication hardware and subscriber's alarm equipment and system in working order.

14. **LEGAL ACTION:** The parties agree that due to the nature of the services to be provided by SIS, the payments to be made by the Subscriber for the term of this agreement pursuant to paragraph 3(b) form an integral part of SIS's anticipated profits; that in the event of Subscriber's default it would be difficult if not impossible to fix SIS's actual damages. Therefore, in the event Subscriber defaults in the payment of any charges to be paid to SIS, the balance of all payments for the entire term herein shall immediately become due and payable and Subscriber shall be liable for 80% thereof as liquidated damages and SIS shall be permitted to terminate all its services under this agreement and remotely re-program or delete any programming without relieving Subscriber of any obligation herein. In the event of Subscriber's breach of this agreement, SIS may at its option either remove its software and equipment or deem same sold to Subscriber for 80% of the amount specified as the value of the software in addition to the liquidated damages provided for herein. Should SIS refer this contract to an attorney, Subscriber shall pay SIS's legal fees. The parties waive trial by jury in any action between them. In any action commenced by SIS against Subscriber, Subscriber shall not be permitted to interpose any counterclaim. Subscriber submits to the jurisdiction of Colorado and agrees that any litigation between the parties must be commenced and maintained exclusively in the State of Colorado and in the County where SIS's principal place of business is located. Any action by subscriber against SIS must be commenced within thirteen months of the accrual of the cause of action or shall be barred. All actions or proceedings against SIS must be based on the provisions of this agreement. Any other action that subscriber may have or bring against SIS in respect to other services rendered in connection with this agreement shall be deemed to have merged in and be restricted to the terms and conditions of this agreement.
15. **DELAY IN INSTALLATION:** SIS shall not be liable for any damage or loss sustained by Subscriber as a result of delay in installation of equipment, equipment failure, or for interruption of service due to electric failure, strikes, walk-outs, war, acts of God, or other causes, including SIS's negligence in the performance of this contract. The estimated date work is to be substantially completed is not a definite completion date and time is not of the essence.
16. **INSURANCE:** The Subscriber shall maintain a policy of public liability, property damage, burglary and theft insurance under which SIS is named as insured, and under which the insurer agrees to indemnify and hold SIS harmless from and against all costs, expenses including attorneys' fees and liability arising out of or based upon any and all claims, injuries and damages arising under this agreement, including, but not limited to, those claims, injuries and damages contributed to by SIS's negligent performance to any degree or its failure to perform any obligation. The minimum limits of liability of such insurance shall be one million dollars for any injury or death, and property damage, burglary and theft coverage in an amount necessary to indemnify Subscriber for property on its premises. SIS shall not be responsible for any portion of any loss or damage which is recovered or recoverable by the Subscriber from insurance covering such loss or damage or for such loss or damage against which the Subscriber is indemnified or insured.
17. **INDEMNITY/WAIVER OF SUBROGATION RIGHTS/ASSIGNMENTS:** Subscriber agrees to and shall indemnify and hold harmless SIS, its employees, agents and subcontractors, from and against all claims, lawsuits, including those brought by third parties or Subscriber, including reasonable attorneys' fees and losses, asserted against and alleged to be caused by SIS's performance, negligence or failure to perform any obligation under this agreement. Parties agree that there are no third party beneficiaries of this contract. Subscriber on its behalf and any insurance carrier waives any right of subrogation Subscriber's insurance carrier may otherwise have against SIS or SIS's subcontractors arising out of this agreement or the relation of the parties hereto. Subscriber shall not be permitted to assign this agreement without written consent of SIS. SIS shall have the right to assign this contract and shall be relieved of any obligations herein upon such assignment.
18. **FALSE ALARMS/PERMIT FEES:** Subscriber is responsible for all alarm permits and permit fees, agrees to file for and maintain any permits required by applicable law and indemnify or reimburse SIS for any fines relating to permits or false alarms. SIS shall have no liability for permit fees, false alarms, false alarm fines, police or fire response, any damage to personal or real property or personal injury caused by police or fire department response to alarm, whether false alarm or otherwise, or the refusal of the police or fire department to respond. In the event of termination of police or fire response by the municipal police or fire department this contract shall nevertheless remain in full force and Subscriber shall remain liable for all payments provided for herein. Should SIS be required by existing or hereinafter enacted law to perform any service or furnish any material not specifically covered by the terms of this agreement Subscriber agrees to pay SIS for such service or material.
19. **SIS'S RIGHT TO SUBCONTRACT SPECIAL SERVICES:** Subscriber agrees that SIS is authorized and permitted to subcontract any services to be provided by SIS to third parties who may be independent of SIS, and that SIS shall not be liable for any loss or damage sustained by Subscriber by reason of fire, theft, burglary or any other cause whatsoever caused by the negligence of third parties, and Subscriber appoints SIS to act as Subscriber's agent with respect to such third parties, except that SIS shall not obligate Subscriber to make any payments to such third parties. Subscriber acknowledges that this agreement, and particularly those paragraphs relating to SIS's disclaimer of warranties, exemption from liability, even for its negligence, limitation of liability and indemnification, inure to the benefit of and are applicable to any assignee, subcontractors and communication centers of SIS.
20. **NON-SOLICITATION:** Subscriber agrees that it will not solicit for employment for itself, or any other entity, or employ, in any capacity, any employee of SIS assigned by SIS to perform any service for or on behalf of Subscriber for a period of two years after SIS has completed providing service to Subscriber. In the event of Subscriber's violation of this provision, in addition to injunctive relief, SIS shall recover from Subscriber an amount equal to such employee's salary based upon the average three months preceding employee's termination of employment with SIS, times twelve, together with SIS's counsel and expert witness fees.
21. **FULL AGREEMENT/SEVERABILITY/ CONFLICTING DOCUMENTS:** This agreement constitutes the full understanding of the parties and may not be amended or modified or canceled except in writing signed by both parties, except SIS's requirements regarding items of protection provided for in this agreement imposed by Authority Having Jurisdiction. Should there arise any conflict between this agreement and Subscriber's purchase order or other document, this agreement will govern, whether such purchase order or document is prior to or subsequent to this agreement. Should any provision of this agreement be deemed void, all other provisions will remain in effect.

STATE COUNTY
COLORADO ARCHULETA

Must collect taxes for:
SALES TAX LICENSE

USE ACCOUNT NUMBER for all references	LIABILITY INFORMATION county city industry type liability date	ISSUE DATE month day year	LICENSE VALID TO DECEMBER 31
30621326-0000	48-0012-004 C 040116	Oct 16 15	2017

THIS LICENSE MUST BE POSTED AT THE FOLLOWING LOCATION
IN A CONSPICUOUS PLACE: 356 E PAGOSA BLVD UNIT A PAGOSA SPRINGS CO 81147-4300

THIS LICENSE IS NOT TRANSFERABLE



SAN JUAN STRAINS, INC
PO BOX 3163
PAGOSA SPRINGS CO 81147-3163

Executive Director
Department of Revenue

Letter Id: L0596862912

WHOLESALE SALES TAX LICENSE

THIS LICENSE IS NOT TRANSFERABLE

USE ACCOUNT NUMBER for all references	LIABILITY INFORMATION	VALID THROUGH
30147005-0000	48-0206-007 010116	Dec 31 2017

95 INDUSTRIAL CIR PAGOSA CO 81147



SAN JUAN STRAINS, INC
PO BOX 3163
PAGOSA SPRINGS CO 81147-3163

Executive Director
Department of Revenue

▲ Detach Here ▲

Important Verification Process

If you are new to Colorado sales tax visit: www.Colorado.gov/revenue/salestaxbasics

VERIFY that all information on your sales tax license is correct. Modify and update any errors you identify on the Internet through Revenue Online. Access your tax account, file returns, submit payments, verify sales tax licenses and view sales tax rates through Revenue Online at www.Colorado.gov/RevenueOnline

All the information you need to get started is on this document; have it with you before you begin. Follow these easy steps.

1. Go to www.Colorado.gov/RevenueOnline
2. Click on Sign Up (Individual or Business) link on the right.
3. Click on Continue.

Now click on: Enter Taxpayer Information. Click on the down arrow in the Account Type list and select Other. Use the first 8-digits of the account number shown on your license. Complete the rest of the screen. Next click on: Enter Login Information and complete the screen (this is information YOU get to create for the account). Next click on: Enter Account Information and complete the screen.

OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO

CERTIFICATE OF FACT OF GOOD STANDING

I, Wayne W. Williams, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

San Juan Strains, Inc.

is a

Corporation

formed or registered on 08/27/2015 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20151558530 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 10/22/2015 that have been posted, and by documents delivered to this office electronically through 10/25/2015 @ 16:56:43 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 10/25/2015 @ 16:56:43 in accordance with applicable law. This certificate is assigned Confirmation Number 9346142 .



A handwritten signature in cursive script that reads 'Wayne W. Williams'.

Secretary of State of the State of Colorado

*****End of Certificate*****

Notice: A certificate issued electronically from the Colorado Secretary of State's Web site is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's Web site, <http://www.sos.state.co.us/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our Web site, <http://www.sos.state.co.us/> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."



Colorado Secretary of State
 Date and Time: 08/27/2015 01:40 PM
 ID Number: 20151558530
 Document number: 20151558530
 Amount Paid: \$50.00

Document must be filed electronically.
 Paper documents are not accepted.
 Fees & forms are subject to change.
 For more information or to print copies
 of filed documents, visit www.sos.state.co.us.

ABOVE SPACE FOR OFFICE USE ONLY

Articles of Incorporation for a Profit Corporation
 filed pursuant to § 7-102-101 and § 7-102-102 of the Colorado Revised Statutes (C.R.S.)

1. The domestic entity name for the corporation is

San Juan Strains, Inc.

(Caution: The use of certain terms or abbreviations are restricted by law. Read instructions for more information.)

2. The principal office address of the corporation's initial principal office is

Street address 356 East Pagosa Street
(Street number and name)

Pagosa Springs CO 81147
(City) (State) (ZIP/Postal Code)

United States
(Country)

Mailing address
 (leave blank if same as street address)

161 East Log Hill Road
(Street number and name or Post Office Box information)

Pagosa Springs CO 81147
(City) (State) (ZIP/Postal Code)

United States
(Country)

3. The registered agent name and registered agent address of the corporation's initial registered agent are

Name
 (if an individual) Hurley Peter C
(Last) (First) (Middle) (Suffix)

or

(if an entity)
(Caution: Do not provide both an individual and an entity name.)

Street address 161 East Log Hill Road
(Street number and name)

Pagosa Springs CO 81147
(City) (State) (ZIP/Postal Code)

Mailing address
 (leave blank if same as street address)

161 East Log Hill Road
(Street number and name or Post Office Box information)

CO
(State) (ZIP/Postal Code)

(The following statement is adopted by marking the box.)

The person appointed as registered agent above has consented to being so appointed.

4. The true name and mailing address of the incorporator are

Name
(if an individual) Hurley Peter C
(Last) (First) (Middle) (Suffix)

or

(if an entity)
(Caution: Do not provide both an individual and an entity name.)

Mailing address 161 East Log Hill Road
(Street number and name or Post Office Box information)
Pagosa Springs CO 81147
(City) (State) (ZIP/Postal Code)
United States.
(Province - if applicable) (Country)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

The corporation has one or more additional incorporators and the name and mailing address of each additional incorporator are stated in an attachment.

5. The classes of shares and number of shares of each class that the corporation is authorized to issue are as follows.

- The corporation is authorized to issue 100 common shares that shall have unlimited voting rights and are entitled to receive the net assets of the corporation upon dissolution.
- Information regarding shares as required by section 7-106-101, C.R.S., is included in an attachment.

6. (If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains additional information as provided by law.

7. (Caution: Leave blank if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read instructions before entering a date.)

(If the following statement applies, adopt the statement by entering a date and, if applicable, time using the required format.)

The delayed effective date and, if applicable, time of this document is/are _____
(mm/dd/yyyy hour:minute am/pm)

Notice:

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is named in the document as one who has caused it to be delivered.

8. The true name and mailing address of the individual causing the document to be delivered for filing are

Hurley Peter
(Last) (First) (Middle) (Suffix)
161 East Log Hill Road
(Street number and name or Post Office Box information)
Pagosa Springs, CO 81147 CO 81147
(City) (State) (ZIP/Postal Code)
United States
(Province - if applicable) (Country)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

- This document contains the true name and mailing address of one or more additional individuals causing the document to be delivered for filing.

Disclaimer:

This form/cover sheet, and any related instructions, are not intended to provide legal, business or tax advice, and are furnished without representation or warranty. While this form/cover sheet is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form/cover sheet. Questions should be addressed to the user's legal, business or tax advisor(s).

Colorado Commercial Lease Agreement

This Commercial Lease Agreement ("Lease") is made and effective March 1, 2016, by and between SJS Holdings, LLC ("Landlord") and San Juan Strains, Inc.. ("Tenant").

Landlord is the owner of land and improvements commonly known and numbered as 95 Industrial Circle, Pagosa Springs, Colorado, 81147, and legally described as follows: CLOMAN IND PARK PH 1 Lot:16 CIP 1 Sec. 9 Twn:35 Rng: 2W PLAT #442. (the "Leased Premises").

Landlord desires to lease the Leased Premises to Tenant, and Tenant desires to lease the Leased Premises from Landlord for the term, at the rental and upon the covenants, conditions and provisions herein set forth.

THEREFORE, in consideration of the mutual promises herein, contained and other good and valuable consideration, it is agreed:

1. Term.

A. Landlord hereby leases the Leased Premises to Tenant, and Tenant hereby leases the same from Landlord, for an "Initial Term" beginning October 1, 2015, and ending December 31, 2016. Landlord shall use its best efforts to give Tenant possession as nearly as possible at the beginning of the Lease term. If Landlord is unable to timely provide the Leased Premises, rent shall abate for the period of delay. Tenant shall make no other claim against Landlord for any such delay.

B. Tenant may renew the Lease for one extended term of five years. Tenant shall exercise such renewal option, if at all, by giving written notice to Landlord not less than ninety (90) days prior to the expiration of the Initial Term. The renewal will have the same covenants, conditions and provisions as provided in this Lease except that the Fixed Minimum Rent for the extended term shall be raised to FMV as decided between Landlord and Tenant.

2. Rental.

A. Fixed Minimum Rent - Tenant shall pay to the office of Landlord during the Initial Term rental of \$36,000 per year, payable in installments of \$3000.00 per month. Each installment payment shall be due in advance on the first day of each calendar month during the lease term to Landlord at 161 East Log Hill Road, Pagosa Springs, Colorado, 81147, or at such other place designated by written notice from Landlord or Tenant. The rental payment amount for any partial calendar months included in the lease term shall be prorated on a daily basis.

3. Use

Notwithstanding the forgoing, Tenant shall not use the Leased Premises for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical, thing or device.

4. Sublease and Assignment.

Tenant shall have the right without Landlord's consent, to assign this Lease to a corporation with which Tenant may merge or consolidate, to any subsidiary of Tenant, to any corporation under common control with Tenant, or to a purchaser of substantially all of Tenant's assets. Except as set forth above, Tenant shall not sublease all or any part of the Leased Premises, or assign this Lease in whole or in part without Landlord's consent, such consent not to be unreasonably withheld or delayed.

Colorado Commercial Lease Agreement

5. Repairs.

During the Lease term, Tenant shall make, at Tenant's expense, all necessary repairs to the Leased Premises. Repairs shall include such items as routine repairs of floors, walls, ceilings, and other parts of the Leased Premises damaged or worn through normal occupancy, except for major mechanical systems or the roof, subject to the obligations of the parties otherwise set forth in this Lease.

6. Construction, Alteration, Relocation and Financing of Improvements

A. Landlord's Obligation. Landlord agrees to cause to be constructed, those items agreed to between Tenant and Landlord.

B. Tenant's Obligation. Tenant agrees at Tenant's sole cost and expense to provide all work (except Landlord's Work) of whatsoever nature that is necessary to complete the Leased Premises and open the Leased Premises for business to the public. Tenant agrees to furnish Landlord with a complete and detailed set of plans and specifications. Tenant's Work shall be subject to approval in writing by Landlord using reasonable discretion.

7. Property Taxes, Insurance, and Snow Removal.

Landlord shall pay, prior to delinquency, all general real estate taxes and installments of special assessments coming due during the Lease term on the Leased Premises, and all personal property taxes with respect to Landlord's personal property, if any, on the Leased Premises as well as the other expenses listed above. Tenant shall be responsible for paying all personal property taxes with respect to Tenant's personal property at the Leased Premises.

8. Insurance.

A. If the Leased Premises or any other part of the Building is damaged by fire or other casualty resulting from any act or negligence of Tenant or any of Tenant's agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and Tenant shall be responsible for the costs of repair not covered by insurance.

B. Landlord shall maintain fire and extended coverage insurance on the Building and the Leased Premises in such amounts as Landlord shall deem appropriate. Tenant shall be responsible, at its expense, for fire and extended coverage insurance on all of its personal property, including removable trade fixtures, located in the Leased Premises.

C. Tenant and Landlord shall, each at its own expense, maintain a policy or policies of comprehensive general liability insurance with respect to the respective activities of each in the Building with the premiums thereon fully paid on or before due date, issued by and binding upon some insurance company approved by Landlord, such insurance to afford minimum protection of not less than \$1,000,000 combined single limit coverage of bodily injury, property damage or combination thereof. Landlord shall be listed as an additional insured on Tenant's policy or policies of comprehensive general liability insurance, and Tenant shall provide Landlord with current Certificates of Insurance evidencing Tenant's compliance with this Paragraph. Tenant shall obtain the agreement of Tenant's insurers to notify Landlord that a policy is due to expire at least (10) days prior to such expiration. Landlord shall not be required to maintain insurance against thefts within the Leased Premises or the Building.

9. Utilities.

In the event that any utility or service provided to the Leased Premises is not separately metered, Landlord shall pay the amount due and separately invoice Tenant for Tenant's pro rata share of the charges. Tenant acknowledges that the Leased Premises are designed to provide standard office use

Colorado Commercial Lease Agreement

electrical facilities and standard office lighting. Tenant shall not use any equipment or devices that utilizes excessive electrical energy or which may, in Landlord's reasonable opinion, overload the wiring or interfere with electrical services to other tenants.

10. Signs.

Following Landlord's consent, Tenant shall have the right to place on the Leased Premises, at locations selected by Tenant, any signs which are permitted by applicable zoning ordinances and private restrictions. Landlord may refuse consent to any proposed signage that is in Landlord's opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Leased Premises or use of any other tenant. Landlord shall assist and cooperate with Tenant in obtaining any necessary permission from governmental authorities or adjoining owners and occupants for Tenant to place or construct the foregoing signs. Tenant shall repair all damage to the Leased Premises resulting from the removal of signs installed by Tenant.

11. Entry.

Landlord shall have the right to enter upon the Leased Premises at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased Premises.

12. Parking.

During the term of this Lease, Tenant shall have the non-exclusive use in common with Landlord, other tenants of the Building, their guests and invitees, of the non-reserved common automobile parking areas, driveways, and footways, subject to rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord reserves the right to designate parking areas within the Building or in reasonable proximity thereto, for Tenant and Tenant's agents and employees.

13. Building Rules.

Tenant will comply with the rules of the Building adopted and altered by Landlord from time to time and will cause all of its agents, employees, invitees and visitors to do so; all changes to such rules will be sent by Landlord to Tenant in writing. The initial rules for the Building are attached hereto as Exhibit "A" and incorporated herein for all purposes.

14. Damage and Destruction.

Subject to Section 8 A. above, if the Leased Premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects that the same cannot be used for Tenant's purposes, then Tenant shall have the right within ninety (90) days following damage to elect by notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for Tenant's purposes, Landlord shall promptly repair such damage at the cost of the Landlord. In making the repairs called for in this paragraph, Landlord shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Landlord. Tenant shall be relieved from paying rent and other charges during any portion of the Lease term that the Leased Premises are inoperable or unfit for occupancy, or use, in whole or in part, for Tenant's purposes. Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Tenant. The provisions of this paragraph extend not only to the matters aforesaid, but also to any occurrence which is beyond Tenant's reasonable control and

Colorado Commercial Lease Agreement

which renders the Leased Premises, or any appurtenance thereto, inoperable or unfit for occupancy or use, in whole or in part, for Tenant's purposes.

15. Default.

If default shall at any time be made by Tenant in the payment of rent when due to Landlord as herein provided, and if said default shall continue for fifteen (15) days after written notice thereof shall have been given to Tenant by Landlord, or if default shall be made in any of the other covenants or conditions to be kept, observed and performed by Tenant, and such default shall continue for thirty (30) days after notice thereof in writing to Tenant by Landlord without correction thereof then having been commenced and thereafter diligently prosecuted, Landlord may declare the term of this Lease ended and terminated by giving Tenant written notice of such intention, and if possession of the Leased Premises is not surrendered, Landlord may reenter said premises. Landlord shall have, in addition to the remedy above provided, any other right or remedy available to Landlord on account of any Tenant default, either in law or equity. Landlord shall use reasonable efforts to mitigate its damages.

16. Quiet Possession.

Landlord covenants and warrants that upon performance by Tenant of its obligations hereunder, Landlord will keep and maintain Tenant in exclusive, quiet, peaceable and undisturbed and uninterrupted possession of the Leased Premises during the term of this Lease.

17. Condemnation.

If any legally constituted authority condemns the Building or such part thereof which shall make the Leased Premises unsuitable for leasing, this Lease shall cease when the public authority takes possession, and Landlord and Tenant shall account for rental as of that date. Such termination shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any award made to the other by the condemning authority.

18. Subordination.

Tenant accepts this Lease subject and subordinate to any mortgage, deed of trust or other lien presently existing or hereafter arising upon the Leased Premises, or upon the Building and to any renewals, refinancing and extensions thereof, but Tenant agrees that any such mortgagee shall have the right at any time to subordinate such mortgage, deed of trust or other lien to this Lease on such terms and subject to such conditions as such mortgagee may deem appropriate in its discretion.

19. Security Deposit.

N/A

20. Brokers.

Tenant represents that Tenant was not shown the Premises by any real estate broker or agent and that Tenant has not otherwise engaged in, any activity which could form the basis for a claim for real estate commission, brokerage fee, finder's fee or other similar charge, in connection with this Lease.

21. Waiver.

No waiver of any default of Landlord or Tenant hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall

Colorado Commercial Lease Agreement

affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenant shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

22. Memorandum of Lease.

The parties hereto contemplate that this Lease should not and shall not be filed for record, but in lieu thereof, at the request of either party, Landlord and Tenant shall execute a Memorandum of Lease to be recorded for the purpose of giving record notice of the appropriate provisions of this Lease.

23. Headings.

The headings used in this Lease are for convenience of the parties only and shall not be considered in interpreting the meaning of any provision of this Lease.

24. Successors.

The provisions of this Lease shall extend to and be binding upon Landlord and Tenant and their respective legal representatives, successors and assigns.

25. Consent.

Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which Landlord's consent is required or desirable under this Lease.

26. Performance.

If there is a default with respect to any of Landlord's covenants, warranties or representations under this Lease, and if the default continues more than fifteen (15) days after notice in writing from Tenant to Landlord specifying the default, Tenant may, at its option and without affecting any other remedy hereunder, cure such default and deduct the cost thereof from the next accruing installment or installments of rent payable hereunder until Tenant shall have been fully reimbursed for such expenditures, together with interest thereon at a rate equal to the lesser of twelve percent (12%) per annum or the then highest lawful rate. If this Lease terminates prior to Tenant's receiving full reimbursement, Landlord shall pay the unreimbursed balance plus accrued interest to Tenant on demand.

27. Compliance with Law.

Tenant shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Tenant's use of the Leased Premises. Landlord shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

28. Final Agreement.

This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

29. Governing Law.

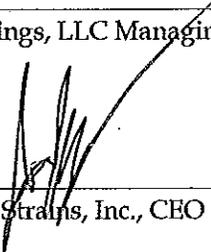
This Agreement shall be governed, construed and interpreted by, through and under the Laws of the State of Colorado.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

Colorado Commercial Lease Agreement

Peter C. Hurley

SJS Holdings, LLC Managing Partner



San Juan Strains, Inc., CEO



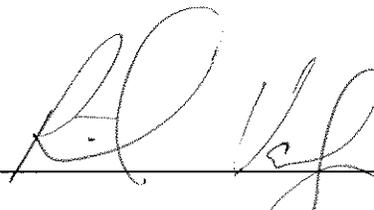
ARCHULETA COUNTY SHERIFF'S DEPARTMENT

449 San Juan St. • P.O. Box 638
Pagosa Springs, Colorado 81147-0638
Office: (970) 264-2131
Fax: (970) 264-4700

MARIJUANA LICENSE

Establishment: San Juan Strains, Inc.
Individual's name(s): James Diffey
DOB: _____ SS# _____
DOB: _____ SS# _____
Business Address: 95 Industrial Circle
Type of License: Retail/Optional Premises Cultivation
Expiration Date: _____

This is to certify that the above establishment, which is in possession of either a Medical Marijuana License or a Retail Marijuana License issued by the State of Colorado and the County of Archuleta, and or Optional Cultivation Centers, did not have any reported violations cited by the State of Colorado or have they been cited by the Archuleta County Sheriff's Office for the previous year.



Richard Valdez
Archuleta County Sheriff



INTERNATIONAL FIRE CODE
CONFIRMATION FORM
MARIJUANA BUSINESS APPLICATION

PROPERTY

Street Address: 95 industrial circle

Lot Area: (in square feet or acres): 49,000 Existing Zoning: commercial/industrial

PROPOSED USE:

Trade Name of Establishment (d/b/a): San Juan Strains

Description of proposed use (include proposed use and summarize type of activity, as applicable): Marijuana Cultivation Facility

Size of Business in square feet: 4400

USE CATEGORY

- Medical Marijuana Center
- Retail Marijuana Center
- Optional Premise Cultivation
- Infused Product Manufacturer

CONTACT INFORMATION

Name of Owner or Contact Person: James Diffey

Business Mailing Address: Po Box 3163 Pagosa Springs Co. 81147
(if different from physical address)

Business Phone: _____ Business email: Jay@SanJuanStrains.com

ARCHULETA COUNTY FIRE INSPECTOR USE ONLY

Application reviewed by: R. Larson / K. MacInt Date: 7/7/11

Previous Reviews: _____

Further Discretionary Review Required: No

Fire Code Compliance Approved: X Fire Code Compliance Disapproved: _____

Signature: [Handwritten Signature]



PLANNING/ZONING CODE CONFIRMATION FORM MARIJUANA BUSINESS APPLICATION

PROPERTYStreet Address: 99 Industrial CircleLot Area: (in square feet or acres): 49,000 Existing Zoning: Commercial/Industrial**PROPOSED USE:**Trade Name of Establishment (d/b/a): San Juan Springs
Description of proposed use (include proposed use and summarize type of activity, as applicable): Marijuana Cultivation FacilitySize of Business in square feet: 4400**USE CATEGORY**

- Medical Marijuana Center Retail Marijuana Center Optional Premise Cultivation
 Infused Product Manufacturer

CONTACT INFORMATIONName of Owner or Contact Person: James DickeyBusiness Mailing Address: Po Box 3163 Pagosa Springs Co 81417
(if different from physical address)Business Phone: 731-2719 Business email: jay@SanJuanSprings.com

STAFF USE ONLYApplication reviewed by: [Signature] Date: 7/7/16Previous Reviews: Land Use Permit PLN 16-050

Further Discretionary Review Required: _____

Further Land Survey Required: _____

Zoning Code Compliance Approved: Zoning Code Compliance Disapproved: _____Distance Requirements Approved: Distance Requirements Disapproved: _____

*Should a survey be required to verify proper distance, the cost of such survey will be the full responsibility of the Applicant
**No info available to confirm licensed day care locations.*



INTERNATIONAL BUILDING CODE CONFIRMATION FORM MARIJUANA BUSINESS APPLICATION

PROPERTY

Street Address: 95 Industrial

Lot Area: (in square feet or acres): 48,000 Existing Zoning: Commercial/Industrial

PROPOSED USE:

Trade Name of Establishment (d/b/a): San Juan Strains

Description of proposed use (include proposed use and summarize type of activity, as applicable): Marijuana Cultivation Facility

Size of Business in square feet: 4400

USE CATEGORY

- Medical Marijuana Center
- Retail Marijuana Center
- Optional Premise Cultivation
- Infused Product Manufacturer

CONTACT INFORMATION

Name of Owner or Contact Person: James Duffey

Business Mailing Address: Boboy 3163 Paxon Springs Co 81147
(if different from physical address) Jay @ SanJuanStrains.com

Business Phone: 731-2719 Business email: 731-2719

STAFF USE ONLY

Application reviewed by: John Ruyle Date: 7/12/16

Previous Reviews: New application.

Further Discretionary Review Required: _____

Building Code Compliance Approved: [Signature] Building Code Compliance Disapproved: _____



**SAN JUAN BASIN HEALTH
CONFIRMATION FORM
MARIJUANA BUSINESS APPLICATION**

PROPERTY

Street Address: 95 Industrial

PROPOSED USE:

Trade Name of Establishment (d/b/a): San Juan Strains LLC.

Description of proposed use (include proposed use and summarize type of activity, as applicable): Retail Marijuana Off Premises Cultivation Facility.

Size of Business in square feet: 4400

USE CATEGORY

- | | |
|---|---|
| <input type="checkbox"/> Medical Marijuana Center | <input type="checkbox"/> Retail Marijuana Center |
| <input type="checkbox"/> Medical Marijuana Infused Product Manufacturer | <input checked="" type="checkbox"/> Retail Optional Premise Cultivation |
| <input type="checkbox"/> Medical Optional Premise Cultivation | |

CONTACT INFORMATION

Name of Owner or Contact Person: James Diffez

Business Mailing Address: Po Box 3163 Pagosa Springs Co. 81147
(if different from physical address)

Business Phone: 970-731-2719 Business email: Jay@SanJuanStrains.Com

STAFF USE ONLY

Application and Premises reviewed by: Chris Engelhardt - SSBHD
Date: 7/13/16

Previous Reviews: _____

Further Discretionary Review Required: _____



Archuleta County
Development Services—Planning Department
1122 HWY 84
P. O. Box 1507
Pagosa Springs, Colorado 81147
970-264-1390
Fax 970-264-3338

MEMORANDUM

TO: Archuleta County Board of Adjustment

FROM: John C. Shepard, AICP; Planning Manager

DATE: July 19, 2016

RE: Perrie Request for Frontier Building Variances from Landscaping and Driveway Standards in the Commercial (C) zone, Lots 9-13 Correction Plat II Old West Landing at 40 County Road 600 and 10 Solomon Drive (PLN16-069)

EXECUTIVE SUMMARY

James Perrie has applied for the Frontier Building Variances for property owned by Philip J. Perrie and Rachella Perrie, Lots 9, 10, 11, 12 & 13, of Correction Plat II – Old West Landing, located at 40 County Road 600 and 10 Solomon Drive, Pagosa Springs, CO. The specific requests are to vary from Section 5.4.3.1 of the *Archuleta County Land Use Regulations* requiring landscaping of a minimum of 15% of commercial sites; Section 5.4.3.2 requiring a 40' landscaped buffer for commercial development along US Highway 160; and Section 5.4.3.3 requiring a 5-10' landscaped buffer along a major arterial (Piedra Road). Applicant is also requesting Variance from Section 27.1.7.3.A of the *Archuleta County Road and Bridge Design Standards* to allow an existing driveway to remain too close to the intersection with County Road 600. (PLN16-069)

Applicant has made a concurrent request for Use by Right Site Plan approval for Retail and Office use in the Commercial (C) zone, an Administrative approval. (PLN16-068)

REVIEW PROCEDURE

The *Archuleta County Land Use Regulations* (Section 1.2.4) provide for variance from the strict application of the regulations. The Board of Adjustment (at this time the Board of County Commissioners sits as the BOA) may grant relief if strict application of the Regulations would result in peculiar and exceptional practical difficulties, or exceptional and undue hardship. The *Archuleta County Road and Bridge Design Standards and Construction Specifications* provides in Section 27.6 for variances from design standards, with similar criteria. Variance is, essentially, a grant of authority for a property owner to use property in a manner forbidden by the regulations, and should be granted sparingly.

Public notice was published in the *Pagosa Springs Sun* prior to this hearing, posted on site, and mailed to adjacent property owners.

DISCUSSION

Applicant recently purchased two commercial buildings at the corner of US Highway 160 and County Road 600 (Piedra Road), and has submitted a Land Use Permit for Site Plan Review (an Administrative Approval by staff) to remodel the structures for retail and office use, which are Uses By Right in the Commercial (C) zone. Applicant has applied for a Building Permit to remove the existing un-used gas station pumps and canopy, and intends to remove underground gas tanks once site monitoring is completed by Geologic Services this fall. The parking lot will be restriped and a shared parking agreement executed covering all of the lots. A sign plan will also be submitted separately to bring signage into compliance with the Land Use Regulations.

The *Archuleta County Community Plan's* Future Land Use Map and the Joint Town/County Planning Commission map of 2010 recognize the corner of Hwy 160 and Piedra Road as "Mixed-Use Corridor". This property is zoned Commercial (C), as is the hotel next door to the west and the savings and loan building across Solomon Dr. to the north. Commercial property immediately to the east and south is within the Town of Pagosa Springs.

The Site in question is considered non-conforming because it does not meet the Development Standards in Section 5 of the *Archuleta County Land Use Regulations*, or the Design Standards for Driveways in the *Archuleta County Road & Bridge Design Standards*. No expansion of either structure is proposed at this time, only interior alteration; however, the second story of one building has been vacant for more than one year and the non-conforming status of the lot has expired (Sec. 1.3). Any "Land Use Change" (defined to include "construction, alteration or moving of buildings or roads", and any action to change from one type of use to another) requires a Land Use Permit (with certain exemptions), and approval of any Land Use Permit is contingent on meeting development standards in the Land Use Regulations and the Road & Bridge standards.

Applicant proposes to remodel the buildings without making site improvements, and based on issued identified in pre-application meetings has requested several Variances from Section 5.4.3 of the Land Use Regulations:

- Sec. 5.4.3.1 Less than 15% landscaping—approximately 2.5% of the site is landscaped, averaging all lots together as one development.
- Sec. 5.4.3.2 A 40' landscape buffer is required along US Highway 160. There is a 25' open space parcel, dedicated on the plat and apparently dedicated to Archuleta County, which might be counted toward that 40'. However, the additional 15' is paved. Further, County policy does not allow private parties to plant trees and shrubs on County property.
- Sec. 5.4.3.3 A 5-10' landscape buffer is required between commercial parking areas along any major arterial, such as County Road 600. Existing pavement extends from the road surface, across a guard rail in the right-of-way, and onto the Applicant's property.

US Highway 160 and County Road 600 (Piedra Rd) are Arterial Roads. County Engineering is working on plans to improve County Road 600 in the near future. Solomon Dr. is functionally classified as a Local Access route, on the Primary Road network and is maintained by the County. Section 5.4.5.6 of the Land Use Regulations require that parking layout and traffic flow must be

approved by the County Engineer. The existing driveway onto Solomon at the northeast corner of the site does not meet the standards in Section 27.1.7.3.A of the Road & Bridge Standards:

- Sec. 27.1.7.3.A(1) A driveway connecting to a local access road must be at least 50' from the nearest intersection. The existing concrete driveway has zero separation from the intersection of Solomon and County Road 600. This is a public safety concern, with growing traffic on Piedra Road likely to cause increasing conflicts with side road traffic on Solomon and left-turns coming from the frontage road across the street. Applicant did not submit a Traffic Study or accident data to justify the request. Variance from the standards may expose the Applicant and the County to liability for future crashes at this intersection.

One phone call was received from an adjacent property owner. Reviews for both the administrative Site Plan and Variance applications were combined. Consulting agency comments included:

- County Engineering has concerns with site access and public safety. Sight Distance Triangles must be maintained at road intersections and driveways, and are to be shown on site plans. The minimum site distance at CR 600 and Solomon Dr. is 70'. Since there is another driveway to serve this property, the existing driveway adjacent to CR 600 should be closed (no Variance granted).
- County Engineering notes that driveways and parking lots must meet all of the requirements in Sections 27.1.7.3 and 27.1.7.4, even if variance is granted for the existing driveway onto Solomon Dr.
- County Engineering will not approve landscaping in the County right-of-way and property adjacent to Highway 160 and County Road 600.
- A Drainage Study is required to be approved by the County Engineer, prior to administrative Site Plan approval.
- Pagosa Fire Protection District Fire Marshal had no objections to the variances. PFPD had previously reviewed plans to remodel 10 Solomon Dr., and would review the specific plans to remodel the two-story building at 40 CR 600.
- PAWSD and LPEA had no comments.
- The Town of Pagosa Springs Planning Director expressed concerns with safety of the existing driveway closest to Piedra and need to define the driveways with curbs and pavement improvements. Trees to be planted should be minimum 2"+ caliper size. Exterior lighting should require shielding, and special consideration should be given to preventing glare onto Highway 160. Also, a new 20' wide pedestrian/non-motorized trail will require an easement at this location as part of the next phase of the Town to Pagosa Lakes trail improvements, which could utilize Tract B along the highway.

The Board of Adjustment may grant a variance if all of the standards in Section 1.2.4.4 of the Land Use Regulations are found to exist:

- a. Peculiar and exceptional practical difficulties or an unnecessary and unreasonable hardship will be imposed on the property owner if the provisions of these Regulations are strictly enforced.
- b. Circumstances creating the hardship were created subsequently through no fault of the appellant.

- c. That the property for which a variance is requested possesses exceptional narrowness, shallowness, shape or topography or other extraordinary and exceptional situation or condition which does not occur generally in other property in the same zoning or overlay district.
- d. That the variance, if granted, will not diminish the value, use or enjoyment of the adjacent properties, nor curtail desirable light, air and open space in the neighborhood, nor change the character of the neighborhood.
- e. The variance, if granted, will not be directly contrary to the intent and purpose of these Regulations or the Community Plan.

Applicant discusses justification of their requests in their narrative (See attached). In summary, the contention is that removal of existing pavement would not be feasible, and that County right-of-way and greenspace is available. Regarding the existing driveway, Applicant contends that there is no history of accidents at that location.

In summary, Applicant is not expanding the existing buildings, but needs to bring the site up to current standards to occupy the second floor of one building. Rather than make improvements, Applicant is asking for Variances from the Development Standards. Landscaping requirements apply to any Commercial property in a similar situation—the only peculiar difficulty is that the property is undergoing redevelopment instead of building on a greenfield site. If in the Board’s opinion these standards should not apply in this situation, the proper procedure would be to amend the Land Use Regulations. Regarding the driveways, County Engineering is recommending the Variance from Design Standards NOT be granted, for reasons of public safety.

RECOMMENDATION AND FINDINGS

- I. Considering the requests for Variance from required **Landscaping**, should the Board of Adjustment accept that Applicants have provided sufficient evidence for relief, staff recommends the Board of Adjustment find that:
 - a. The application meets the standards for a grant of variance in Section 1.2.4.4(1) of the *Archuleta County Land Use Regulations*, and
 - b. Variance is granted for the specific plans proposed by Applicant, not to provide required landscaping and landscape buffers; and

That the Board of Adjustment approves the Perrie Request for Frontier Building Variances from Landscaping Standards in the Commercial (C) zone, in Section 5.4.3.1, 5.4.3.2 and 5.4.3.3 of the *Archuleta County Land Use Regulations*, with the following conditions:

- 1. No landscaping is approved in the County right-of-way or on County property.

And that the Board of Adjustment instruct staff to draft a Resolution stating these Findings and Conditions of Approval for consideration at the earliest public meeting.

- II. Considering the request for Variance from **Design Standards for Driveways**, should the Board of Adjustment accept that Applicants have provided sufficient evidence for relief, staff recommends the Board of Adjustment find that:
- a. The application meets each of the standards for a grant of variance in Section 1.2.4.4(1) of the *Archuleta County Land Use Regulations*, and
 - b. The application meets the standards for variance from design standards in Section 27.6 of the *Archuleta County Road and Bridge Design Standards and Construction Specifications*, and
 - c. Variance is granted for the specific plans proposed by Applicant, to leave the existing driveways in place; and

That the Board of Adjustment approves the Perrie Request for Frontier Building Variances from Driveway Standards, in Section 27.1.7.3 of the *Road and Bridge Design Standards*, with no conditions.

And that the Board of Adjustment instruct staff to draft a Resolution stating these Findings and Conditions of Approval for consideration at the earliest public meeting.

PROPOSED MOTION

- I. **I move to approve the requested variance from LANDSCAPING requirements in the Land Use Regulations, with Condition 1 of the staff report, and instruct staff to draft a Resolution memorializing these Findings and Conditions for Approval.**
- II. **I move to approve the requested variance from DRIVEWAY requirements in the Road and Bridge Design Standards, with No Conditions, and instruct staff to draft a Resolution memorializing these Findings and Conditions for Approval.**

ATTACHMENTS.

- Attachment 1: Area Maps
- Attachment 2: Review Comments
- Attachment 3: Applicant's Narrative
- Attachment 4: Site Plan



Site Map

Frontier Building
Site Plan/Variations
PLN16-068/-069

Legend

- Highway
- Primary Road
- Pagosa Springs
- Parcels
- Project Location



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community



100 50 0 100 Feet





Site Map

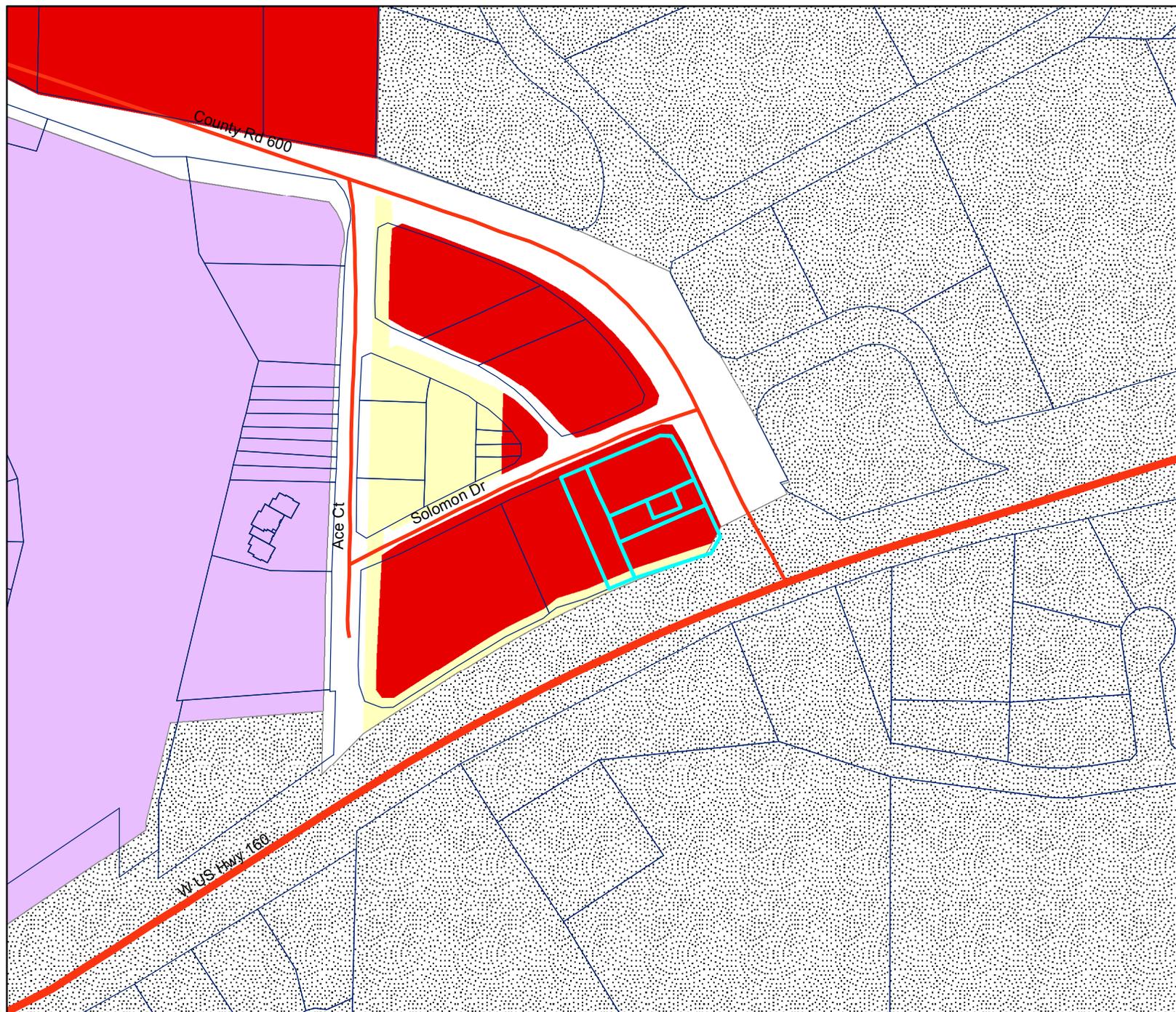
Frontier Building
Site Plan/Variances
PLN16-068/-069

Legend

- Highway
- Primary Road
- Pagosa Springs
- Parcels
- Zoning Map 2011**
- Zoning Districts**
- Agriculture Forestry (AF)
- Agriculture Ranching (AR)
- Agricultural Estate (AE)
- Rural Residential (RR)
- Residential (R)
- Mobile Home Park (MHP)
- Commercial (C)
- Industrial (I)
- PUD
- Project Location



100 50 0 100 Feet



This map has been produced using various geospatial data sources. The information displayed is intended for general planning purposes and the original data will routinely be updated. No warranty is made by Archuleta County as to the accuracy, reliability, or completeness of this information. Consult actual legal documentation and/or the original data source for accurate descriptions of locations displayed herein.



MEMO

Date: June 28, 2016

To: John Shepard

From: Yari Davis

CC: Bob Perry

RE: Frontier Building/ Variance

The Engineering Department recommends not to approve the applicant requesting variances, the reasons are as follows:

- For **safety** and visibility purposes, a sight distance triangle shall be maintained at road intersections and where driveways intersect roads. According to the Archuleta County Road & Bridge Design Standards, Section 27.1.6.3, the minimum sight distance from the exiting access to the intersection of CR 600 (functional classification as Arterial) on Salomon Drive shall be 70 feet. We recommend to close the existing driveway adjacent to CR 600 for the protection of the public safety. The property has another existing driveway that meet our Standards.
- Landscaping is not allowed on the County right-of-way including the open space dedicated to the County adjacent to Hwy 160. The Applicant cannot use public property to meet standards for his private development. The Applicant should do landscaping within his own property boundaries.
- The driveways and the parking lots shall meet all the requirements in the R & B Standards, Section 27.1.7.3., and 27.1.7.4.
- The applicant shall submit storm water runoff calculations for historic and developed runoff to the Engineering Department with detailed grading and drainage plans, which shall be prepared by a qualified Colorado Registered Professional Engineer. Detention requirements will be determined from these calculations. If runoff calculations show that stormwater detention is required the applicant shall supply calculations and plans for detention pond location, volume, and outlet structures with the plans.
- After the remodels and before the Building Department issued a Certificate of Occupancy (CO), the applicant shall submit to the Engineering Department a signed and sealed letter from the design engineer that drainage and detention basin was built according to plans.

⊕ 970-264-5660 ⊕ FAX: 970-264-6815 ⊕

⊕ PO Box 1507 ⊕ 1122 S. HIGHWAY 84 ⊕ PAGOSA SPRINGS, CO 81147

YARCENEUX@ARCHULETACOUNTY.ORG ⊕



Pagosa Fire Protection District



July 6, 2016

Subject: Frontier Building
Owner: Philip J. Perrie and Rachella Perrie
Project: Building Variances
Address: 10 Solomon Dr
Pagosa Springs, CO 81147

Attention: John C. Shepard, AICP

Dear Sirs;

The Pagosa Fire District has no objections to the landscape variances and the existing driveways meet the requirement of the International Fire code for apparatus access, therefore we have no objections to this project.

We would require a plan review of any remodel to the existing building.

Thank You

David Hartman

David Hartman
Fire Marshal



551 Hot Springs Boulevard
Post Office Box 1859
Pagosa Springs, CO 81147
P: 970.264.4151
F: 970.264.4634

Town of Pagosa Springs
Planning Department

Date: July 05, 2016
To: John Shepard, Archuleta County Planning Department
Re: Frontier Building Site Plan / Variances , 40 CR 600_10 Solomon Drive

Hello John,

Thank you for forwarding the application for the Frontier Building Site Plan and Variances requests located at 40 CR 600, 10 Solomon Drive.

I have the following comments regarding the application you and the Archuleta Planning Commission will be considering.

1) Access:

Defining the entrance driveways to the property from Solomon Drive is highly recommended. This may require curbed bulb outs at specific locations at each access. The distance from Piedra Road should be considered in defining the easterly access point. A one way exit may be the best scenario for this east access point, with the main entrance access at the western point of access.

In addition, defining and improving the Solomon Drive the access to Piedra Road should be considered. I realize this may be more a County improvement and not an applicant improvement, however, this intersection is poorly defined causing motorist confusion.

2) Landscaping:

The site plan indicates landscaped areas, however, plant species are not identified. It is highly recommended the landscaping plan incorporate Trees (Minimum 2"+ caliper size) in each of the landscaping areas including along each road frontage and in the parking lot islands.

3) Exterior Lighting:

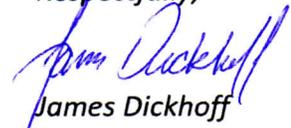
Though Parking Lot lighting is not indicated, any exterior lighting should require the concealment (shielding) of light sources, ensuring the light sources are not visible from off site. It is important that light glare is shielded from passing motorists as well as protecting neighboring properties from light glare. Give the elevation of the property in relation to the Hwy 160 corridor, special considerations should be given to light shielding designs.

4) Trail Alignment:

As part of the next phase of the Town to Pagosa Lakes trail segment, The Harman Hill Phase, a pedestrian crossing at the Hwy will require a trail 20-foot-wide easement / alignment along the east side of this development. Speaking with John Shepard, the county owns the area which would provide that trail alignment. The Harman Hill phase, estimated at 1.1 million, is in preliminary design stage with \$280,000 in grant funding already secured. Anticipated construction is 2018.

Thank You for your serious consideration of the recommendations provided above,

Respectfully,



James Dickhoff

Town of Pagosa Springs

Planning Department Director

Po Box 1859

551 Hot Springs Blvd.

Pagosa Springs, Co. 81147

970-264-4151 x225

jdickhoff@pagosasprings.co.gov

Request of variances for CR 600 and 10 Solomon Drive aka Frontier Building

The following variances are being requested to the Archuleta County Land use Regulations under Sections 5.4.3.1, 5.4.3.2, 5.4.3.3, and Road and Bridge Section 27.1.7.3.A.1.

The county planning department has informed me that the interior change of use and interior remodel of the Frontier Building has triggered the above mentioned sections to be addressed before business can be conducted on the property. I am willing to clean up and beautify the property to the extent that it logically and financially makes sense. The landscaping requirements for this property under Sec. 5.4.3.1 - 15% landscaped, Sec. 5.4.3.2 - 40' buffer along Hwy 160 and Sec. 5.4.3.3 - 5-10' buffer on arterial roads, would cause hardship because of the removal of existing pavement to meet the requirements is not logical. To meet these requirements the removal of pavement would almost equal the surface area of one lot. These variance requests are to alleviate that hardship. The site plan that was submitted shows the use of a 25' wide county owned green space along HWY 160 to satisfy Sec. 5.4.3.2 and Sec.5.4.3.1, and partial use of a county owned lot access easement along CR 600 to satisfy Sec. 5.4.3.3 and Sec. 5.4.3.1.

The properties surrounding this property should not be affected adversely from the approval of these variances.

Under Sec. 27.1.7.3.A.1 A variance is being requested because the requirement of 50' minimum from intersection would cause a closure of the entrance/exit on the East side of the Frontier Building

This causes a hardship because it would not only stop access to interior lots 10,11,and 12 but it would force all traffic to enter/ exit on the west side of the Frontier Building which is the access to lot 9 and another building causing unneeded congestion. The East entrance/exit has been in existence for many years and has not been an issue in the past. There is no reason that the approval of this variance will affect the surrounding properties.

PROPOSED SITE PLAN AND IMPROVEMENT LOCATION CERTIFICATE

LOTS 9, 10, 11, 12, & 13

CORRECTION PLAT II - OLD WEST LANDING

Lying within Section 15 T.35N R.2W, N.M.P.M.
ARCHULETA COUNTY, COLORADO

PARCEL DESCRIPTION:

Lots 9, 10, 11, 12, and 13 of Correction Plat II - Old West Landing according to the plat thereof filed September 1, 1987 as Reception No. 150052, LESS AND EXCEPT that portion described in instruments recorded at Reception Nos. 20500188 and 20500189, all in the office of the Clerk and Recorder, Archuleta County, State of Colorado.

PLAT REFERENCE:

Correction Plat II - Old West Landing, filed September 1, 1987 at Reception No. 150052 in the office of the Clerk and Recorder, County of Archuleta, State of Colorado.

NOTES:

1. Utility connections may be located under and through each building and lot shown hereon for service to adjacent buildings and lots. Only those utilities visible at the time of this survey are shown. The location of underground connections are unknown.
2. Bearings and distances shown hereon per recorded plat and deeds, unless otherwise noted.
3. Easements shown hereon per recorded plat.
4. No posted address.

SURVEYOR'S STATEMENT:

I hereby certify that this Improvement Location Certificate was prepared for Phillip J. Perrie and Rachella Perrie, that it is not a Land Survey Plat or Improvement Survey Plat, and that it is not to be relied upon for the establishment of fence, building, or other future improvement lines. This certificate is valid only for use by Phillip J. Perrie and Rachella Perrie, and describes the parcel's appearance on March 4, 2016.

I further certify that the improvements on the above described parcel on this date, March 4, 2016, except utility connections, are entirely within the boundaries of the parcel, except as shown, that there are no encroachments upon the described premises by improvements on any adjoining premises, except as indicated, and that there is no apparent evidence or sign of any easement crossing or burdening any part of said parcel, except as noted.



SCALE: 1" = 20'
U.S. SURVEY FEET

LEGEND

- | | |
|---|--------------------------|
| ● Found Plastic Cap PLS 29765 on 1/2" rebar | ○ Bollard |
| ● Found 1/2" rebar No Identification | ⊞ Electric Box |
| ● Found Plastic Cap PLS 26973 on 1/2" rebar | ⊞ Electric Junction Box |
| ⊞ Found 2" Aluminum Cap PLS 33675 | ⊞ Telephone Pedestal |
| ▲ Found Illegible Red Plastic Cap on 1/2" rebar | ⊞ Sanitary Sewer Manhole |
| ⊞ Utility Pole | ⊞ Storm Sewer Manhole |
| ⊞ Water Meter | ⊞ Monitor Well |
| ⊞ Water Spigot | ⊞ Water Valve |
| ⊞ Fire Hydrant | ⊞ Mailbox |
| ⊞ Sign | ⊞ 18" Tank Lid |
| ⊞ Light Pole | ⊞ 30" Tank Lid |

**PROPOSED SITE PLAN AND
IMPROVEMENT LOCATION CERTIFICATE**
LOTS 9, 10, 11, 12, & 13
CORRECTION PLAT II - OLD WEST LANDING
Lying within Section 15 T.35N R.2W, N.M.P.M.
ARCHULETA COUNTY, COLORADO

PROJECT NO: 16009.1		SCALE: 1" = 20'
DRAWN BY: DJM	MURREY LAND SURVEYING	DATE: 4/20/2016
CHECKED BY: DJM	PO BOX 5632	SHT: 1 OF: 1
SURVEYED BY: DJM	PAGOSA SPRINGS, CO 81147	
(970) 946-1043		



**BOARD OF COUNTY COMMISSIONERS
ARCHULETA COUNTY, COLORADO
RESOLUTION NO. 2016-___**

**A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS DENYING THE
TWO RIVERS PIT MAJOR SAND & GRAVEL PERMIT
IN SECTION 11, T33N R2W NMPM**

WHEREAS, the Board of County Commissioners has adopted the *Archuleta County Land Use Regulations*, pursuant to C.R.S. §30-28-101, *et. seq.*, C.R.S. §24-64.1-101 *et. seq.*; C.R.S. §24-67-101 *et. seq.*; and C.R.S. §29-20-101 *et. seq.*; and

WHEREAS, C&J Gravel Products, Inc, of Durango, Colorado, represented by Nathan Barton, Wasteline, Inc., applied for a Major Sand & Gravel Permit for the proposed Two Rivers Pit, to be located on property owned by the James A. Constant Jr Revocable Trust and Leila B. Constant Revocable Trust; NW $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$ and NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 10 and N $\frac{1}{2}$ SW $\frac{1}{4}$ and S $\frac{1}{2}$ NW $\frac{1}{4}$ Section 11, T33N R2W NMPM at 12500 County Road 500 (Trujillo Rd), Pagosa Springs, CO.; and

WHEREAS, C&J Gravel proposed to construct and operate a sand and gravel mining and processing facility on approximately 62.6 acres of the 100 acres of the property east of the San Juan River, in accordance with Colorado Division of Reclamation Permit M-2015-004; and

WHEREAS, the property is zoned Agricultural/Ranching (AR); and

WHEREAS, Section 9.1 of the *Archuleta County Land Use Regulations* provides for Sand, Soil and Gravel Mining, and requires that sand, soil and gravel mining operations must obtain a Conditional Use Permit as a Major Sand & Gravel operation; and

WHEREAS, public notice of hearings before the Planning Commission and Board of County Commissioners was given by publication in a newspaper of general circulation in the County, posted on site and mailed to adjacent property owners, at least twenty-one (21) days prior to each public hearing, as required by Section 2.2.3 of the *Archuleta County Land Use Regulations*; and

WHEREAS, the Archuleta County Planning Commission conducted a public hearing on the request on June 8, 2016, recommending disapproval (5-0); and

WHEREAS, the Board of County Commissioners opened a noticed public hearing on March 1, 2016, and continued that hearing to May 17, 2016 at staff's request; which public hearing was opened and continued at Applicant's request to a special meeting on June 28, 2016; and

WHEREAS, at the public hearing testimony was taken from all persons appearing and wishing to give testimony; and

WHEREAS, the Board of County Commissioners has taken into consideration the recommendations of the Archuleta County Planning Commission and public testimony; and

WHEREAS, the Board of County Commissioners considered in full the requirements of Section 9.1.6 of the *Archuleta County Land Use Regulations*, Performance Standards for All Operations for a Sand & Gravel Permit; and

WHEREAS, the Board of County Commissioners considered in full the requirements of Section 3.2.3.4 of the *Archuleta County Land Use Regulations*, Review Criteria for a Conditional Use Permit; and

WHEREAS, the Board of County Commissioners voted 3-0 to deny the request, citing, among other reasons, the impact on roads and inadequate mitigation of truck traffic as required by Sec. 9.1.6.1(2), not being able to find that the project is not detrimental to the public health, safety and welfare as required by Sec. 3.2.3.5(1), and not being able to find that the proposed use will be compatible with adjacent uses as required by Sec. 3.2.3.5(3) of the *Archuleta County Land Use Regulations*.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ARCHULETA COUNTY, COLORADO, AS FOLLOWS:

Section 1. Findings.

- a. The application does NOT meet the performance standards for a Major Sand & Gravel Permit, in Section 9.1.6 of the *Archuleta County Land Use Regulations*, and
- b. The application does NOT meet the required findings for a Conditional Use Permit in Section 3.2.3.5 of the *Archuleta County Land Use Regulations*,

MOVED, SECONDED AND ADOPTED BY THE BOARD OF COUNTY COMMISSIONERS OF ARCHULETA COUNTY, COLORADO, by a vote of _____ in favor to _____ against, this ___ day of _____, 2016.

**BOARD OF COUNTY COMMISSIONERS
ARCHULETA COUNTY, COLORADO**

By: _____
Chair

ATTEST:

Archuleta County Clerk and Recorder

Return to Planning

BASE CONTRACT
BETWEEN
JVIATION, INC.
AND
ARCHULETA COUNTY AIRPORT
PAGOSA SPRINGS, CO

Archuleta County Airport (the "Sponsor"), agrees to retain the firm of Jviation, Inc. (the "Engineer") to perform the scope of engineering services as outlined below at the Archuleta County Airport (the "Site"). The term of this Base Contract (the "Contract") shall become effective upon execution by the parties and will remain in effect for five years or as terminated in accordance with the terms below.

SECTION 1. THE PROJECT

1.1 This Contract is for engineering services at the Site, which may include the following items (collectively, the "Project"):

1. Seal Coat (GSB-88), Crack Seal & Strip T/W "A" from A1 to A3, T/W Bravo and Main and Side aprons.
2. Runway and Taxiway Maintenance: Seal Coat (GSB-88), Crack Seal & Stripe RW 1/19, TW A and North Ramp.
3. Pave 4,500 x 20' wide Vehicle Service Road (VSR) (Design and Construction).
4. Mid Field Apron Expansion Phase 1 (Design and Construction)

SECTION 2. THE SERVICES

The engineering services to be provided in connection with the Project will be specified in an Amendment to this Contract, a sample of which is attached as Exhibit A hereto, or a Statement of Work (an "SOW") accompanying such Amendment (such services collectively, when and as specified in Amendments and SOWs, the "Services").

2.1 Basic Services. Engineer shall:

2.1.1 Assist the Sponsor in the preparation of the pre-application, program sketch, program narrative, and engineer's estimate, required statements and notifications, the environmental documentation, and state and regional reviews as required.

2.1.2 Consult/coordinate with the airport authority, airport staff, the Federal Aviation Administration ("FAA"), users, city, county, and other interested parties;

2.1.3 Planning, procuring, and/or preparing necessary surveys, geotechnical engineering investigations, field investigations, and architectural and engineering studies required for design considerations;

2.1.4 Review, and revise as necessary, the airport drawings which provide the basis for the project design;

2.1.5 Prepare preliminary Plans and Specifications and cost estimates for the design and construction;

2.1.6 Provide an acceptable airport layout plan, including exhibits and associated drawings, as required;

2.1.7 Prepare and submit final Plans and Specifications and other contract documents for approval by the Sponsor and (as required) to the FAA prior to advertising for bids;

2.1.8 Prepare a design engineer's report, including estimates of final quantities and opinion of probable construction costs. The report will be submitted with the final Plans and Specifications to the Sponsor and when applicable to the FAA;

2.1.9 Prepare or assist in the preparation of an application for federal funds and a property map;

2.1.10 Prepare Construction Safety and Phasing Plan (CSPP);

2.1.11 Coordinate the establishment of bid proposals into schedules to allow flexibility of award to match the funds available;

2.1.12 Provide complete sets of approved Plans and Specifications and other contract documents for bidding the project;

2.1.13 Arrange for and conduct a pre-bid conference and job showing;

2.1.14 Assist with the bid opening and processing of bid documents and make recommendations to the Sponsor for award of contract schedules;

2.1.15 Perform miscellaneous engineering services, e.g. hydrology studies, as requested by airport management.

2.2 Special Services. The Engineer may also provide the following special Services:

2.2.1 Soils and pavement investigations (for design), including performing soils and/or pavement testing and investigation of proposed construction areas as required for design.

2.2.2 Topographic surveys (for design), including performing topographic surveys of proposed construction areas as required for design.

2.2.3 Construction administration, including administering proposed construction activity.

2.3 Field Engineering Services. This Section 2.3 shall apply only if engineering coordination services are included within an Amendment. In such case, Engineer shall arrange for and conduct a pre-construction conference, and shall provide complete resident engineering coordination of the construction work on the Project, with sufficient qualified inspectors, who shall be present during all construction operations, to observe that construction is accomplished in accordance with the Plans and Specifications. It is expressly understood that the term "engineering coordination" does not mean that the Engineer will assume any responsibility that replaces in any way the duties and authority of a construction superintendent or other contractor charged with responsibility for the construction operation, including ways or means of construction or job site safety.

2.3.1 The Engineer, in carrying out his responsibilities for engineer coordination, shall endeavor to guard the Sponsor against defects and deficiencies in the permanent work constructed by the contractor, but does not in any way guarantee the performance of the contractor. The

provisions of this Section 2.3 do not limit or modify Engineer's duty to act in accordance with the professional standards set forth in Section 7 below.

2.3.2 Whenever the Engineer considers it necessary or advisable in endeavoring to guard the Sponsor against defects and deficiencies in the work constructed by the contractor, the Engineer shall have the authority to provide surveys and to observe and check surveys conducted by the contractor.

2.3.3 The Engineer shall conduct materials tests required by the FAA and observe and evaluate all such tests made by the contractor in the field and in the laboratory as necessary in accordance with the Plans and Specifications. Copies of all test reports will be furnished to the Sponsor and the FAA. Test results will be available on the day tests are taken.

2.3.4 The Engineer shall act as the Sponsor's agent during construction to protect the Sponsor's interest and shall have the authority to recommend to the Sponsor that the construction be stopped if not in accordance with the Plans and Specifications. The Engineer will furnish the Sponsor and the FAA a weekly construction progress and inspection report if requested.

2.3.5 The Engineer shall prepare all addition and deletion change orders and supplemental agreements as required. After acceptance of a construction contract by the contractor, copies will be submitted to the Sponsor and the FAA for approval and signature before proceeding with the work.

2.3.6 The Engineer shall prepare periodic estimates during the construction of the Project and shall prepare the final estimate when the work is completed. Periodic estimates shall be submitted regularly to the Sponsor for the concurrence and submittal to the FAA for Federal participation payment requests.

2.3.7 The Engineer shall review the submitted weekly contractor's payrolls, check shop drawings, and construction submittal; and prepare and maintain necessary records of construction progress.

2.3.8 When the Project has been completed and is ready for final acceptance, the Engineer shall arrange for inspection of the finished work by the FAA, the Sponsor, the contractor, and the Engineer, following which the final estimate for the work will be considered by the Sponsor.

2.3.9 Upon acceptance of the Project, the Engineer shall prepare record drawings, including any field surveying required to compute final quantities, and a construction engineering report, and shall provide the Sponsor and the FAA with one (1) set of reproducible record drawings, one electronic copy and one (1) copy of the construction report. These documents shall be provided in both hard copy and in an acceptable electronic format to the Sponsor.

2.3.10 On completion of the Project, the Engineer shall prepare and supply the Sponsor with an airport pavement maintenance program for the improvements constructed under the Project.

SECTION 3. COMPENSATION.

The Sponsor shall pay Engineer the consideration set forth in each Amendment; which consideration shall constitute complete payment for all Services furnished in connection with the work required to be performed under the Amendment.

3.1 Method of Compensation. Each Amendment shall specifically identify the Services, the type of compensation, the applicable rates, and the reimbursable expenses.

3.1.1 For performance of Services included in each "Lump Sum" Amendment, which shall be defined and delineated in advance, payment to the Engineer will be made on the basis of a lump sum. The agreed lump sum shall represent full payment for all payroll, overhead, profit, and other direct non-salary expenses as hereinafter described. The lump sum will not increase nor decrease unless there is a Change in Scope (as defined below). In that event, the lump sum would be subject to re-negotiation, and Engineer will prepare and submit a supplemental Amendment for Sponsor's approval.

3.1.2 For performance of Services described in each "Cost-Plus-a-Fixed-Fee" Amendment, the Sponsor shall reimburse the Engineer for allowable costs such as salary, overhead, and direct non-salary expenses, plus a fixed fee.

- (A) The overhead rate is 184.94%, and is subject to annual revision by the Engineer. Annual revision must be provided to Sponsor in writing.
- (B) The fixed fee is 20% of labor costs, and is subject to annual revision by the Engineer. Annual revision must be provided to Sponsor in writing.

Amendments with a cost-plus-a-fixed-fee payment may be renegotiated for both the contract upper limit, defined as the not-to-exceed contract value, and the fixed fee. In order for renegotiation to occur, the following must take place:

- 1) The Engineer must alert the Sponsor when the Engineer's cumulative costs approach the upper limit.
- 2) The Sponsor and Engineer should assess whether the remaining work effort can be completed within the remaining contract limits.
- 3) The Engineer must obtain Sponsor approval before exceeding the upper limit.

An increase in costs over the original contract value can occur for several reasons including, but not limited to, poor performance of construction contractor that results in additional inspection and oversight efforts; increase in construction contract time due to weather events that exceed the norm for the location; and added scope of work or services.

On occasion, the Engineer is called upon to continue technical inspection services on construction contracts overrunning the program schedule contemplated at the time of negotiation. In most instances, the time element is beyond the control of the Engineer. In this instance the Engineer must be reimbursed for services in excess of the specified period of time agreed upon in each Amendment at a mutually acceptable fee negotiated at the time all the pertinent circumstances are known. The cost of additional Engineer technical inspection services that result from contractor caused construction delays will be included in the liquidated damages established for construction contracts.

3.2 Expenses. Sponsor shall pay all publishing costs for advertisements of notices, public hearings, requests for bids, and other similar items; shall pay for all permits and licenses that may be required by local, state, or federal authorities; and shall secure the necessary land, easements, and rights-of-way required for the Project.

3.3 Payment Schedule.

3.3.1 For performance of the Services described in each Amendment, Sponsor shall pay the compensation set forth in such Amendment in monthly increments over the period of performance of the Services, based on percentage completed unless other specific payment schedules are mutually agreed to and set forth in the Amendment.

3.3.2 Payments for all Services performed pursuant to executed Amendments shall be due within thirty (30) days after the receipt of invoices. If the Sponsor disputes any portion of an invoice, it shall not be relieved of the responsibility of paying the undisputed portion thereof.

3.3.3 Archuleta County is a public entity. Nothing in this document waives the Colorado Governmental Immunity Act. All funding obligations beyond the current fiscal year are subject to the funds being budgeted and appropriated.

3.4 Changes in Scope.

3.4.1 It is mutually understood and agreed that the Sponsor will compensate Engineer for Services resulting from significant changes in general scope of the Project or its design, including changes in size, complexity, project schedules, character of construction, revisions to previously accepted studies, reports, design documents for contract documents and for preparation of documents for separate bids (collectively, "Changes in Scope"), only when:

- (A) Such revisions are due to causes beyond the Engineer's control,
- (B) The Sponsor has authorized the additional work in an executed Amendment.

3.4.2 Compensation for such extra work when authorized by the Sponsor shall be established in each Amendment.

3.5 Approval of Plans and Specifications. The Sponsor agrees to cooperate with the Engineer in the approval of all Plans and Specifications, or should they disapprove of any part of said Plans and Specifications, shall make a timely decision in order that no undue expense will be caused the Engineer because of lack of decisions. If the Engineer is caused to incur other expenses such as extra drafting, due to changes ordered by the Sponsor after completion and approval of the Plans and Specifications, the Engineer shall be equitably paid for such extra expenses and services involved.

SECTION 4. CONTRACT DOCUMENTS.

4.1 For purposes of this Contract, the "Plans and Specifications" means all engineering designs, plans, drawings, specifications, and other reports that the Engineer delivers to the Sponsor in connection with the Project.

4.2 Technical Information. The Sponsor shall make available to the Engineer all technical data that is in the Sponsor's possession including maps, surveys, property descriptions, borings, and other information required by the Engineer and relating to the Site, the Project, and the Services.

4.3 Approval of Plans. The Sponsor shall cooperate with the Engineer in the approval of the Plans and Specifications, or should any part of such Plans and Specifications be disapproved, shall make a timely decision in order that no undue expense will be caused the Engineer because of lack of decisions. If the Engineer is caused to incur other expenses such as extra drafting, due to changes

ordered by the Sponsor after completion and approval of the plans and specifications, the Engineer shall be equitably paid for such extra expenses and services involved.

4.4 Construction Cost Opinion. Upon request by Sponsor, the Engineer shall prepare an opinion of probable construction costs, representing Engineer's reasonable judgment as a design professional (a "Cost Report"). Such Cost Report shall be provided for Sponsor's internal use and guidance only, and under no circumstances does Engineer guarantee the accuracy of the Cost Report as compared to contractor bids or actual cost to the Sponsor. Sponsor acknowledges that Engineer has no control over the actual costs of labor or materials, or over competitive bidding or market conditions.

4.5 Ownership of Plans. The original Plans and Specifications shall remain the property of the Engineer. However, reproducible copies of drawings and copies of other pertinent data will be made available to the Sponsor upon request. The Sponsor may not reuse the Plans and Specifications for any purpose other than the Project except upon (A) prior written consent of Engineer, and (B) Sponsor's agreement to indemnify, defend and hold Engineer harmless for any liability resulting from such reuse.

4.6 Delivery of Plan. The Engineer shall deliver to the Sponsor: (A) one (1) hard-copy of the final Plans and Specifications, and (B) the final Plans and Specifications in electronic form, in a reproducible and modifiable format as reasonably requested by the Sponsor (such as, for example, AutoCAD, MicroStation or other computer aided design files).

SECTION 5. FEDERAL COMPLIANCE.

Engineer represents and covenants to Sponsor as follows:

5.1 The Sponsor, the FAA, and the Comptroller General of the United States or any of their designated representatives shall have access to any books, documents, papers and records of the Engineer which are directly pertinent to the grant program for the purpose of audit examination, excerpts, and transcriptions.

5.2 The Engineer has formulated, adopted, and actively maintains an affirmative action plan in compliance with Executive Order No. 11246 entitled, "Equal Employment Opportunity." The Engineer does not discriminate on the basis of race, color, religion, creed, national origin, sex or age. Goals and targets are specified in the affirmative action plan to assure its implementation.

5.3 All services performed shall be in conformance with any and all applicable rules and regulations of the FAA.

5.4 It is the policy of the DOT that "Disadvantaged Business Enterprises" (as defined in 49 CFR Part 26) shall have the maximum opportunity to participate in the performance of contracts financed in whole or in part with federal funds, and the requirements of 49 CFR Part 6 shall apply to this Contract.

5.5 The Engineer shall ensure that Disadvantaged Business Enterprises have the maximum opportunity to participate in the performance of contracts and subcontracts financed in whole or in part with federal funds. In this regard, all Contractors shall take all necessary and reasonable steps in accordance with 49 CFR Part 26 to ensure that Disadvantaged Business Enterprises have the maximum opportunity to compete for and perform in the award and performance of DOT assisted contracts.

SECTION 6. INSURANCE.

6.1 The Engineer shall procure and maintain at its expense during the effective period of this Contract the following insurance from insurance companies authorized to do business in the State in which the Site is located, covering all operations and services under this Contract performed by Engineer.

6.1.1 Worker's compensation and Employer's Liability insurance in accordance with the provisions of applicable law.

6.1.2 Commercial general liability in amounts not less than \$1 million combined single limit per occurrence and \$2 million aggregate for bodily injury, personal injury, and property damage with endorsements to include contractual liability. Engineer shall name Client as Additional Insured for ongoing operations, to the extent permitted by law. Coverage shall be primary.

6.1.3 Automobile liability, bodily injury and property damage with a limit of \$1 million for occurrence, combined single limit including owned, hired and non-owned autos.

6.1.4 Professional liability insurance in amounts not less than \$1 million per claim and annual aggregate.

6.2 The Engineer shall furnish to the Sponsor a certificate or certificates of insurance showing compliance with this Section 6.

6.2.1 To the extent commercially available to Jviation from its current insurance company, insurance policies required under subsection shall contain a provision that the insurance company or its designee must give the Client written notice transmitted in paper or electronic format: (a) 30 Days before coverage is non-renewed by the insurance company and (b) within 10 Business Days after cancelation of coverage by the insurance company.

SECTION 7. STANDARD OF CARE.

7.1 The Services shall be performed in accordance with that degree of care and skill ordinarily exercised by members of the engineering profession, performing similar services in the same locality, and under the same or similar circumstances and conditions as of the date that such Services are performed. Engineer's sole liability to Sponsor for any non-conforming Services or work shall be to correct the defective item.

7.2 The remedies provided above are the Sponsor's sole remedies for any failure of Engineer to comply with its obligations. Correction of any nonconformity or reimbursement to Sponsor in the manner and for the period of time provided above shall constitute complete fulfillment of all the liabilities of the Engineer for defective or nonconforming Services, whether the claims of the Sponsor are based in contract, in tort (including negligence and strict liability), or otherwise with respect to or arising out of work performed hereunder.

SECTION 8. FORCE MAJEURE.

Any delay or failure of engineer in the performance of its required obligations hereunder shall be excused if and to the extent caused by acts of God, war, riot, strike, fire, storm, flood, windstorm, discovery or uncovering of hazardous or toxic materials or causes beyond the reasonable control of the Engineer, provided that prompt written notice of such delay or suspension given by the Engineer to the Sponsor. Upon receipt of said notice, if necessary, the time for performing shall be extended

for a period of time reasonably necessary to overcome the effect of such delays and Engineer shall be reimbursed for the cost of such delays.

SECTION 9. TERMINATION.

9.1 Termination by Sponsor. Upon five (5) business days written notice to Engineer, Sponsor may terminate the Engineer's right to proceed further with the Project and Services under this Contract or any Amendment. In the event of such termination, Sponsor may take possession of the Project in such manner as Sponsor may deem expedient, but Engineer shall not be liable to the Sponsor for any excess cost of completion of any Services, Sponsor shall reimburse the Engineer for all costs associated with the cessation of Services, plus that portion of the Services performed prior to the date of such termination, and Sponsor shall thereafter assume all obligations, commitments, or other liabilities that the Engineer shall have theretofore incurred or made in connection with its performance of the Services and for which Engineer has not been paid and released.

9.2 Termination by Engineer. If work on the Project shall be delayed for more than 30 calendar days of account of one or more of the occurrences set forth in Section 8, or if Sponsor shall fail to pay the Engineer in accordance with the terms of Section 3, the Engineer may, at its option, upon five (5) business days written notice to Sponsor, terminate this Contract. In the event of any such termination, Sponsor shall reimburse the Engineer for all costs of performance of the Services as the Engineer may have incurred on account of such delays. Sponsor shall thereafter assume all obligations, commitments, or other liabilities that Engineer shall have previously incurred or made in connection with its performance of the Services and for which the Engineer has not been paid and released.

9.3 Termination Without Cause. Either party may terminate this Agreement upon thirty (30) days prior written notice to the other party. In the case of such termination, Engineer shall be paid for all Services performed prior to the termination date.

SECTION 10. LIABILITY.

10.1 General Liability Indemnification. Each party (the "Indemnifying Party") to the fullest extent permitted by law, shall indemnify, defend, and hold harmless the other party (the "Indemnified Party") their consultants and agents and employees of any of them from and against claims, damages, losses and expenses, including but not limited to attorney's fees, arising out of or resulting from performance of the Work, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Work itself), but only to the extent caused by the negligent acts or omissions of the Indemnifying Party, a subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, regardless of whether or not such claim, damage, loss or expense is caused in part by a party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity which would otherwise exist as to a party or person described in this paragraph.

10.2 Professional Liability Indemnification. To the fullest extent permitted by applicable law, the Engineer agrees to indemnify and hold the Client harmless from and against any liabilities, claims, damages and costs (including reasonable attorney's fees) to the extent caused by the negligence of the Engineer in performance of professional services under this Agreement. In no event shall the indemnification obligation extend beyond the date when the institution of legal or equitable proceedings for professional negligence would be barred by an applicable statute of repose or statute of limitations

10.3 Damages Waiver. Neither party to this Contract shall be liable to the other for any indirect, incidental, consequential, exemplary, punitive or special damages or loss of income, profit or savings of any party, including third parties, arising directly or indirectly from the parties' relationship under this Contract or applicable law, including claims based on contract, equity, negligence, intended conduct, tort, or otherwise (including breach of warranty, negligence, and strict liability in tort).

SECTION 11. MISCELLANEOUS.

11.1 Interpretation. In this Contract, unless a clear contrary intention appears, (a) words used with initial-capitalized letters shall have the definitions set forth herein, (b) the term "or" shall not be used in an exclusive manner, (c) reference to any gender includes each other gender; (d) reference to any agreement, document, or instrument means such agreement, document, or instrument as amended or modified and in effect from time to time in accordance with the terms thereof; (e) "including" (with any correlative meaning "include") means including without limitation the generality of any description preceding such term; and (f) the headings in this Contract are inserted for convenience only and shall not affect the meaning or interpretation of this Contract.

11.2 Notices. All notices, reports, records, or other communications which are required or permitted to be given to the parties under this Contract shall be sufficient in all respects if given in writing and delivered in person, by electronic mail (return receipt requested), overnight courier, or by certified mail, to the receiving party at the following address:

If to Sponsor: Archuleta County Airport – Stevens Field
By Courier: 61 Aviation Court, Pagosa Springs, CO 81147
By Mail: P.O. Box 4666, Pagosa Springs
Attention: Kate Alfred
Telephone: (970) 731-3060
Email: kalfred@archuletacounty.org

If to Engineer: Jviation, Inc
900 S Broadway, Suite 350
Denver, CO 80209
Attention: Mark Lovato
Telephone: (303) 524-3034
Email: mark.lovato@jviation.com

or to such other address as such party may have given to the other by notice pursuant to this Section. Notice shall be deemed given on the date of delivery.

11.3 Disputes. All disputes, claims, and other matters in question arising out of, or relating to, this Base Contract or the breach thereof, except for claims which have been waived, may be decided by mediation if the parties mutually agree. Any agreement to mediate shall be specifically enforceable under the prevailing arbitration law. The award rendered by the mediators shall be final, and judgment may be entered upon it in any court having jurisdiction thereof. Notice of the request for mediation shall be filed in writing with the other party to the Base Contract. Request for mediation shall in no event be made on any dispute, claim, or other matter in question which would be barred by the applicable statute of limitations. The Engineer shall carry on the work specified in the Base Contract during any mediation proceedings, unless otherwise mutually agreed.

11.4 Severability. The provisions of the Contract are severable, and, if any provision shall be determined to be illegal or unenforceable, such determination shall in no manner affect any other provision hereof, and the remainder of this Contract shall remain in full force and effect, provided

however, that the intention and essence of this contract may still be accomplished and satisfied. In the event that any provision of the Contract is held to be unenforceable or invalid by any court of competent jurisdiction, Engineer and Sponsor shall negotiate an equitable adjustment in the provisions of this Contract to preserve the purpose of this contract and maintain the allocation or risk, liabilities and obligations originally agreed upon.

11.5 Governing Law. The terms of this Agreement shall be construed and interpreted under, and all respective rights and duties of the parties shall be governed by, the laws of the State of Colorado. Any action brought to enforce any provision shall be maintained in Archuleta County, Colorado.

11.6 Entire Agreement. This Contract constitutes the entire agreement between the parties and the terms and conditions hereof were negotiated between the parties on an arms-length basis and no obligation or covenant of good faith or fair dealing shall be implied or interpreted as conferring upon either party any right, duty, obligation or benefit other than expressly set forth herein. No modifications or amendments to this Contract shall be valid unless agreed to by the parties in writing and signed by their authorized representatives.

11.7 Warranties – Exclusion or Limitation. Except as specifically provided in this Contract, Engineer does not make, give or extend, and the Sponsor waives, any warranties, representations or guarantees of any kind or nature, express or implied, arising by law, statute, in contract, civil liability or tort, or otherwise, concerning the transaction which is the subject of the Plans and Specifications or the Services, including any performance guaranty and any implied warranty as to merchantability or fitness for a particular purpose or arising from a course of dealing or usage of trade as to any equipment, materials, or work furnished under this Contract.

11.8 Successors; Assignment. This Agreement shall be binding upon each party and its successors and assigns. Neither the Sponsor nor the Engineer shall assign, sublet, or transfer its interest in this contract without the written consent of the other.

11.9 Counterparts and Facsimile or Electronic Signatures. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one agreement. A facsimile or other electronically delivered signature to this Agreement shall be deemed an original and binding upon the party against whom enforcement is sought.

SECTION 12. FAA PROVISIONS.

I. CIVIL RIGHTS ACT OF 1964, TITLE VI – CONTRACTOR CONTRACTUAL REQUIREMENTS (*Reference: 49 CFR Part 21*)

During the performance of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "Engineer") agrees as follows:

- **Compliance with Regulations.** The Engineer shall comply with the Regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.
- **Nondiscrimination.** The Engineer, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Engineer shall not

participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.

- **Solicitations for Subcontracts, Including Procurements of Materials and Equipment.** In all solicitations either by competitive bidding or negotiation made by the Engineer for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the Engineer of the Engineer's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
- **Information and Reports.** The Engineer shall provide all information and reports required by the Regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the Sponsor or the Federal Aviation Administration (FAA) to be pertinent to ascertain compliance with such Regulations, orders, and instructions. Where any information required of an Engineer is in the exclusive possession of another who fails or refuses to furnish this information, the Engineer shall so certify to the sponsor or the FAA, as appropriate, and shall set forth what efforts it has made to obtain the information.
- **Sanctions for Noncompliance.** In the event of the Engineer's noncompliance with the nondiscrimination provisions of this contract, the sponsor shall impose such contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to:
 - a) Withholding of payments to the Engineer under the contract until the Engineer complies, and/or
 - b) Cancellation, termination, or suspension of the contract, in whole or in part.
- **Incorporation of Provisions.** The Engineer shall include the provisions of paragraphs one through five (*Compliance with Regulations, Nondiscrimination, Solicitations for Subcontracts, Information and Reports, and Sanctions for Noncompliance*) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The Engineer shall take such action with respect to any subcontract or procurement as the sponsor or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event an Engineer becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the Engineer may request the Sponsor to enter into such litigation to protect the interests of the sponsor and, in addition, the Engineer may request the United States to enter into such litigation to protect the interests of the United States.

II. AIRPORT AND AIRWAY IMPROVEMENT ACT OF 1982, SECTION 520 - GENERAL CIVIL RIGHTS PROVISIONS (*Reference: Airport and Airway Improvement Act of 1982, Section 520; Title 49 47123; AC 150/5100-15, Para. 10.c*)

The Engineer assures that it will comply with pertinent statutes, Executive orders and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision obligates the tenant/concessionaire/lessee or its transferee for the period during which Federal assistance is extended to the airport a program, except where Federal assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon. In these cases the provision obligates the party or any transferee for the longer of the following periods: (a) the period during which the property is used by the airport sponsor or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits or (b) the period during which the airport sponsor or any transferee retains ownership or possession of the property. In the case of Engineers, this provision binds the Engineers from the bid solicitation period

through the completion of the contract. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

III. DISADVANTAGED BUSINESS ENTERPRISES (*Reference: 49 CFR Part 26*)

- **Contract Assurance (§26.13)** - The Engineer or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The Engineer shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT assisted contracts. Failure by the Engineer to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as the recipient deems appropriate.
- **Prompt Payment (§26.29)** - The prime Engineer agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than *Fifteen (15)* days from the receipt of each payment the prime Engineer receives from Sponsor. The prime Engineer agrees further to return retainage payments to each subcontractor within Fifteen (15) days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the Board. This clause applies to both DBE and non-DBE subcontractors.

IV. LOBBYING AND INFLUENCING FEDERAL EMPLOYEES (*Reference: 49 CFR Part 20, Appendix A*)

The bidder or offeror certifies by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

- 1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Bidder or Offeror, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- 2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- 3) The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

V. ACCESS TO RECORDS AND REPORTS (*Reference: 49 CFR Part 18.36(i); FAA Order 5100.38*)

The Engineer shall maintain an acceptable cost accounting system. The Engineer agrees to provide the Sponsor, the Federal Aviation Administration and the Comptroller General of the United States or any of their duly

authorized representative's access to any books, documents, papers, and records of the Engineer which are directly pertinent to the specific contract for the purpose of making audit, examination, excerpts and transcriptions. The Engineer agrees to maintain all books, records and reports required under this contract for a period of not less than three years after final payment is made and all pending matters are closed.

VI. BREACH OF CONTRACT TERMS (Reference: 49 CFR Part 18.36)

Any violation or breach of terms of this contract on the part of the contractor or its subcontractors may result in the suspension or termination of this contract or such other action that may be necessary to enforce the rights of the parties of this agreement.

Sponsor will provide Engineer written notice that describes the nature of the breach and corrective actions the Engineer must undertake in order to avoid termination of the contract. Sponsor reserves the right to withhold payments to Engineer until such time the Engineer corrects the breach or the Sponsor elects to terminate the contract. The Sponsor's notice will identify a specific date by which the Engineer must correct the breach. Sponsor may proceed with termination of the contract if the Engineer fails to correct the breach by deadline indicated in the Sponsor's notice.

The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder are in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law.

VII. RIGHTS TO INVENTIONS (Reference: 49 CFR Part 18.36(i)(8); FAA Order 5100.38)

Contracts or agreements that include the performance of experimental, developmental, or research work must provide for the rights of the Federal Government and the Sponsor in any resulting invention as established by 37 CFR part 401, Rights to Inventions Made by Non-profit Organizations and Small Business Firms under Government Grants, Contracts, and Cooperative Agreements. This contract incorporates by reference the patent and inventions rights as specified within in the 37 CFR §401.14. Contractor must include this requirement in all sub-tier contracts involving experimental, developmental or research work.

VIII. TRADE RESTRICTION CLAUSE (Reference: 49 CFR Part 30.13; FAA Order 5100.38)

By submission of an offer, the Engineer certifies that with respect to this solicitation and any resultant contract, the Engineer --

- is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms as published by the Office of the United States Trade Representative (U.S.T.R.);
- has not knowingly entered into any contract or subcontract for this project with a person that is a citizen or national of a foreign country included on the list of countries that discriminate against U.S. firms as published by the U.S.T.R; and
- has not entered into any subcontract for any product to be used on the Federal on the project that is produced in a foreign country included on the list of countries that discriminate against U.S. firms published by the U.S.T.R.

This certification concerns a matter within the jurisdiction of an agency of the United States of America and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

The Engineer must provide immediate written notice to the Sponsor if the Engineer learns that its certification or that of a subcontractor was erroneous when submitted or has become erroneous by reason of changed circumstances. The Engineer must require subcontractors provide immediate written notice to the Engineer if at any time it learns that its certification was erroneous by reason of changed circumstances.

Unless the restrictions of this clause are waived by the Secretary of Transportation in accordance with 49 CFR 30.17, no contract shall be awarded to an Engineer or subcontractor: Required Contact Provisions Issued on January 29, 2016 Page 64 AIP Grants and Obligated Sponsors Airports (ARP)

- 1) who is owned or controlled by one or more citizens or nationals of a foreign country included on the list of countries that discriminate against U.S. firms published by the U.S.T.R. or
- 2) whose subcontractors are owned or controlled by one or more citizens or nationals of a foreign country on such U.S.T.R. list or
- 3) who incorporates in the public works project any product of a foreign country on such U.S.T.R. list;

Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by this provision. The knowledge and information of a contractor is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

The Engineer agrees that, if awarded a contract resulting from this solicitation, it will incorporate this provision for certification without modification in all lower tier subcontracts. The contractor may rely on the certification of a prospective subcontractor that it is not a firm from a foreign country included on the list of countries that discriminate against U.S. firms as published by U.S.T.R, unless the Engineer has knowledge that the certification is erroneous.

This certification is a material representation of fact upon which reliance was placed when making an award. If it is later determined that the Engineer or subcontractor knowingly rendered an erroneous certification, the Federal Aviation Administration may direct through the Sponsor cancellation of the contract or subcontract for default at no cost to the Sponsor or the FAA.

IX. TERMINATION OF CONTRACT (*Reference: 49 CFR Part 18.36(i)(2); FAA Order 5100.38*)

The Sponsor may, by written notice to the Engineer, terminate this Agreement for its convenience and without cause or default on the part of the Engineer. Upon receipt of the notice of termination, except as explicitly directed by the Sponsor, the Engineer must immediately discontinue all services affected.

Upon termination of the Agreement, the Engineer must deliver to the Sponsor all data, surveys, models, drawings, specifications, reports, maps, photographs, estimates, summaries, and other documents and materials prepared by the Engineer under this contract, whether complete or partially complete.

The Sponsor agrees to make just and equitable compensation to the Engineer for satisfactory work completed up through the date the Engineer receives the termination notice. Compensation will not include anticipated profit on non-performed services.

The Sponsor further agrees to hold Engineer harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

Either party may terminate this Agreement for cause if the other party fails to fulfill its obligations that are essential to the completion of the work per the terms and conditions of the Agreement. The party initiating the termination action must allow the breaching party an opportunity to dispute or cure the breach.

The terminating party must provide the breaching party [7] days advance written notice of its intent to terminate the Agreement. The notice must specify the nature and extent of the breach, the conditions necessary to cure the breach, and the effective date of the termination action. The rights and remedies in this clause are in addition to any other rights and remedies provided by law or under this agreement.

Termination by Sponsor: The Sponsor may terminate this Agreement in whole or in part, for the failure of the Engineer to:

- 1) Perform the services within the time specified in this contract or by the Sponsor approved extension;
- 2) Make adequate progress so as to endanger satisfactory performance of the Project;
- 3) Fulfill the obligations of the Agreement that are essential to the completion of the Project.

Upon receipt of the notice of termination, the Engineer must immediately discontinue all services affected unless the notice directs otherwise. Upon termination of the Agreement, the Engineer must deliver to the Sponsor all data, surveys, models, drawings, specifications, reports, maps, photographs, estimates, summaries, and other documents and materials prepared by the Engineer under this contract, whether complete or partially complete.

The Sponsor agrees to make just and equitable compensation to the Engineer for satisfactory work completed up through the date the Engineer receives the termination notice. Compensation will not include anticipated profit on non-performed services.

The Sponsor further agrees to hold Engineer harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

If, after finalization of the termination action, the Sponsor determines the Engineer was not in default of the Agreement, the rights and obligations of the parties shall be the same as if the Sponsor issued the termination for the convenience of the Sponsor.

Termination by Engineer: The Engineer may terminate this Agreement in whole or in part, if the Sponsor:

- 1) Defaults on its obligations under this Agreement;
- 2) Fails to make payment to the Engineer in accordance with the terms of this Agreement;
- 3) Suspends the Project for more than [180] days due to reasons beyond the control of the Engineer.

Upon receipt of a notice of termination from the Engineer, Sponsor agrees to cooperate with Engineer for the purpose of terminating the agreement or portion thereof, by mutual consent. If Sponsor and Engineer cannot reach mutual agreement on the termination settlement, the Engineer may, without prejudice to any rights and remedies it may have, proceed with terminating all or parts of this Agreement based upon the Sponsor's breach of the contract.

In the event of termination due to Sponsor breach, the Engineer is entitled to invoice Sponsor and to receive full payment for all services performed or furnished in accordance with this Agreement and all justified reimbursable expenses incurred by the Engineer through the effective date of termination action. Sponsor agrees to hold Engineer harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

X. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION (*Reference: 49 CFR Part 29; FAA Order 5100.38*)

- **Withholding for Unpaid Wages and Liquidated Damages.** The Federal Aviation Administration or the Sponsor shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any monies payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other Federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph 2 above.
- **Subcontractors.** The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraphs 1 through 4 and also a clause requiring the subcontractor to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs 1 through 4 of this section.

XIV. FEDERAL FAIR LABOR STANDARDS ACT (FEDERAL MINIMUM WAGE) (Reference: 29 USC § 201, et seq.)

All contracts and subcontracts that result from this solicitation incorporate by reference the provisions of 29 CFR part 201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers.

The Engineer has full responsibility to monitor compliance to the referenced statute or regulation. The Engineer must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

XV. TEXTING WHEN DRIVING (References: Executive Order 13513, DOT Order 3902.10)

In accordance with Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving" (10/1/2009) and DOT Order 3902.10 "Text Messaging While Driving" (12/30/2009), the FAA encourages recipients of Federal grant funds to adopt and enforce safety policies that decrease crashes by distracted drivers, including policies to ban text messaging while driving when performing work related to a grant or sub-grant.

In support of this initiative, the Sponsor encourages the Engineer to promote policies and initiatives for its employees and other work personnel that decrease crashes by distracted drivers, including policies that ban text messaging while driving motor vehicles while performing work activities associated with the project. The Engineer must include the substance of this clause in all sub-tier contracts exceeding \$3,500 and involve driving a motor vehicle in performance of work activities associated with the project.

XVI. ENERGY CONSERVATION REQUIREMENTS (References: 2 CFR § 200 Appendix II(H))

Engineer and Subcontractor agree to comply with mandatory standards and policies relating to energy efficiency as contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6201 et seq).

XVII. VETERAN'S PREFERENCE (References: 49 USC § 47112(c))

In the employment of labor (excluding executive, administrative, and supervisory positions), the contractor and all sub-tier contractors must give preference to covered veterans as defined within Title 49 United States Code Section 47112. Covered veterans include Vietnam-era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns (as defined by 15 U.S.C. 632) owned and controlled

by disabled veterans. This preference only applies when there are covered veterans readily available and qualified to perform the work to which the employment relates.

[Signature Page Follows]

The parties executed this Base Contract as of this ____ day of _____, 2016.

SPONSOR:
ARCHULETA COUNTY AIRPORT

ATTEST:

By: _____

Name: _____

Title: _____

ENGINEER:
Aviation, Inc.

By: _____

Name: _____

Title: _____

Exhibit A
to
Base Contract
Form of Amendment

See attached

MEMORANDUM OF UNDERSTANDING

The State of Colorado Department of Human Services

and

**The Board of County Commissioners or other elected governing body of Archuleta
County, Colorado**

This Memorandum of Understanding (or “MOU”) is made this ___ day of July 2016, between the State of Colorado Department of Human Services (the “CDHS”) and the Board of County Commissioners or other elected governing body of Archuleta County, Colorado (the “County”).

CDHS is the sole state agency with the responsibility to administer or supervise the administration of the human services programs listed in CRS 26-1-201.

The Colorado General Assembly enacted Senate Bill 97-120 in response to the passage of the federal “Personal Responsibility and Work Opportunity Reconciliation Act of 1996” thereby adopting the Colorado Works Program (“Works Program”) and the Colorado Child Care Assistance Program (“Child Care Program”).

CRS 26-2-715 requires CDHS and the County to enter into an annual performance contract that explains the County’s duties and responsibilities in implementing the Works Program and the Child Care Program.

CDHS and the County understand and agree that the services and assistance outlined in this MOU are subject to available appropriations by the General Assembly, and the County, and neither party will be obligated to provide services or assistance if adequate appropriations have not been made.

The following terms are agreed to by CDHS and the County:

1. MOU MEETS PERFORMANCE CONTRACT REQUIREMENT

The parties agree that the provisions of this MOU constitute compliance with CRS 26-2-715.

2. TERM

The term of this MOU will be from July 1, 2016 through June 30, 2017.

3. REQUIRED DUTIES OF THE COUNTY

- a) The County will administer and implement the Works Program and the Child Care Program using fair and objective criteria, and in compliance with federal law.
- b) The County will not reduce the basic assistance grant administered according to CRS 26-2-709, except as otherwise provided by law.
- c) The County will not restrict eligibility or the provisions of services, nor will it impose sanctions that are inconsistent with Part 7 of Article 2 of Title 26, C.R.S., or the State Plan submitted by CDHS to the federal government.
- d) For the term of this MOU, the County agrees to meet work participation rates equal to the federally required participation rate less any employment credit, caseload reduction credit, or other possible credit that might subsequently be adopted. The percentages contained in this paragraph (d) represent the maximum work participation rates to which the County may be held during the term of this MOU. The County's agreement to meet the federally required participation rate is relevant to CDHS's anticipation that CDHS will, in turn, be able to meet any work participation rates imposed by the federal government.
- e) The parties acknowledge that the work participation rate is, as of the signing of this MOU, the only federally-mandated performance goal identified. This performance goal is in accordance with CRS 26-2-712 (4). The parties also acknowledge that, in an effort to help individuals prepare for and enter the

workforce, they may adopt alternate measures as outlined under “OPTIONAL OUTCOME MEASURES” below.

- f) The County will maintain sufficient records, and will permit CDHS, its duly designated agents and/or representatives of the federal government, to inspect the records and will make such records available to CDHS as specified in CRS 26-2-717. The County must also continue to report to CDHS as currently required by CRS 26-2-716, 717 and shall report to the Department in the future as required by law. In addition, counties or county departments that are covered entities or contracting parties to a business associate agreement pursuant to the Health Insurance Portability & Accountability Act of 1996 (“HIPAA”) must comply with HIPAA as may be required by law.
- g) The County agrees to provide its adopted policies to CDHS, as required by CRS 26-2-716 (2.5). The County may, at its discretion, change the way in which it implements the Works and Child Care Programs in any manner that is still consistent with state and federal law. The County agrees to provide CDHS with updated written information, when or if, changes to these Programs are made. The County agrees to provide the information and policies specified in paragraph (g) herein to CDHS within thirty (30) days of their adoption.
- h) The parties agree that information and policies provided by the County to CDHS as described in paragraph (g) herein are for informational purposes, and are provided to assist CDHS in meeting its responsibilities with respect to these Programs. Nothing in this MOU gives CDHS the authority to approve, deny or require any County policies beyond what is required by statute or rule. The County acknowledges CDHS’s right to review, comment upon or request reasonable additional information or clarification of any County policies or records. Such requests will be made in writing and directed to the County department of social services director. The County maintains that it will consider such comments in its implementation of these Programs, but is not obligated to incorporate them.

4. OPTIONAL OUTCOME MEASURES

- a) Counties/regions of the state may submit a proposal as an attachment to this MOU, either at the time of execution or anytime throughout the duration of this MOU. The proposal is limited to issues regarding the pursuit of programs, strategies, and associated evaluation plans that focus on improving employment outcomes and contributing to the evidence base for effective programs focusing on employment and/or credential attainment that lead to employment. In addition, terms and conditions will require either interim targets for each performance measure or a strategy for establishing baseline performance on a set of performance measures and a framework for how interim goals will be set after the baseline measures are established. The terms and conditions will establish consequences for failing to meet interim performance targets, including but not limited to, the implementation of an improvement plan and/or, termination of approved programs and strategies due to the county's or region's continued failure to meet performance targets.
- b) Upon approval of the proposal by CDHS, the county or region will be subject to the performance measures, interim goals, and other conditions set forth in the MOU addendum and not the work participation rates outlined in Paragraph 3(d) above.

5. DUTIES OF CDHS

- a) In consultation with the Counties, CDHS will oversee the implementation of the Works Program statewide, and will develop standardized forms that streamline the application process, delivery of services, and track participants; and
- b) CDHS will monitor the County's provision of basic assistance grants, and if necessary, perform the duties outlined CRS 26-2-712(5)(e); and
- c) CDHS exercises oversight of and responsibility for the development, implementation, maintenance, and enhancement of the Colorado Benefits Management System (CBMS) and its application relative to the Colorado Works Program. Because CBMS is a system that utilizes decision tables run by a rules engine for determining eligibility and amount of benefits, to the extent allowed

by law, the counties shall be held harmless for erroneous decisions made by CBMS. Without limitation, this applies to erroneous eligibility decisions, erroneous determinations of amount of benefits, erroneous decisions resulting in overpayments and subsequent claims, and erroneous decisions resulting in underpayments and subsequent supplemental payments or restorative benefits. Counties will also not be accountable for any legal or recovery actions resulting from erroneous, inaccurate, or inadequate CBMS controlled notices to Colorado Works households. The State will hold counties harmless, and will not take recovery action against a county for any claim, including a legal claim that is defined as a CBMS system caused error. This hold harmless provision does not apply to any errors, claims or issues caused by a county's inaccurate data entry into the system, the county's failure to follow clear, reasonable, and lawful instructions, or failure to follow program rules formally adopted by the State Board of Human Services. This hold harmless provision does apply to CBMS training and data entry rules and/or any rules that are part of the CBMS rules engine.

- d) CDHS will develop and provide CBMS training for Works Program staff as required by CRS 26-2-712(7) (training is available and provided by the Colorado Department of Healthcare Policy & Financing and CDHS); and
- e) The amount identified for a county's level of spending shall be identified annually in the Allocation Agency Letter as required by CRS 26-2-712 and pursuant to CRS § 26-2-715.

6. SANCTIONS

- a) Subject to limitations set forth herein, including those contained in paragraph 5(c) herein, if CDHS is subject to a federal sanction, CDHS may impose sanctions pursuant to this MOU. Regardless of whether CDHS is subject to any federal sanction, CDHS may develop a remediation plan, as provided in this MOU, if, during the term of this MOU, the County engages in any of the following actions:

- i. Misusing federal or state Works Program or Child Care Program funds, including receipts or recoveries that are not reported, where a federal or state law or regulation enacted before the use of the funds requires the funds to be spent in a different way. County Works Program and Child Care Program funds that are misused will not qualify toward meeting the County maintenance of effort or County share requirements.
 - ii. Failing to satisfy work participation rates as contained in this MOU and/or failing to meet other negotiated performance measures within a negotiated time frame.
 - iii. Reducing the basic assistance grant, restricting eligibility or the provision of services, or imposing sanctions in a manner inconsistent with a federally compliant state law and state plan.
 - iv. Failing to comply with any other provision of the Colorado Works Program if such failure causes CDHS to incur a federal fiscal sanction.
- b) In any case where CDHS is considering a sanction or remediation plan for the County due to the County's failure to achieve its work participation rate or other agreed-upon performance measure, CDHS will first follow the procedures for determining whether the County made a good faith effort to achieve its work participation rate or other agreed-upon performance measure. In making its determination, CDHS, without limitation, shall consider documentation of the following:
- i. Implementation of an effective process for moving clients through programs and resources to obtain and maintain employment using the full range of countable federal work activities;
 - ii. Implementation of a County procedure for encouraging participation at the required number of hours, such as incentives for meeting individual responsibility contract (IRC) hour commitments, an assessment and an IRC for all Works Program participants;

- iii. Accurate and timely data entry in CBMS for all Works program participants, including proper coding and work participation data tracking, and any other documentation which may demonstrate a good faith effort;
 - iv. County identification of problems in performance and implementation of an action plan to improve performance;
 - v. The operational capacity of CBMS. The County will be held harmless for any CBMS programming irregularities, missing or incomplete functionality necessary to support work programs and work participation documentation and/or implementation problems attributed to CDHS that affects documentation for work participation.
- c) CDHS will not sanction or develop a remediation plan for the County's failure to meet its performance measure(s) unless it was determined that the County did not make a reasonable and good faith effort towards meeting its performance measure(s). The process for a sanction (fiscal or non-fiscal) against the County by CDHS will be as follows:
- i. CDHS will provide the County thirty (30) days written notice of the proposed sanction before imposing any sanction. This notification will include the rationale of imposing the sanction, as well as all associated documentation, a calculation of the proposed sanction, and an indication of what constitutes a remedy or correction that will allow the County to avert the sanction, if any remedy or correction is possible. Any corrective action contained in the notice shall be specific to the action giving rise to the sanction, and shall not extend beyond such violation. Upon receiving such notice, the County has thirty (30) days to contest, explain, offer evidence of mitigating factors, and/or submit a corrective action plan to correct the alleged failure before CDHS imposes the sanction. CDHS shall allow the County corrective action plan to be implemented unless it is manifestly insufficient.

- ii. If the County corrective action plan does not rectify the performance problem, CDHS will negotiate a remediation corrective action plan (RCAP) with the board of county commissioners within thirty (30) days of CDHS' determination that the County corrective action plan has failed, in an effort to further the mutual goal of the successful operation of MOU-related programs. The RCAP shall be agreed to within thirty (30) days of failure of the corrective action plan specified herein. If the RCAP includes deployment of fiscal resources, the County will determine the source of such resources. The County's utilization of financial resources does not necessarily constitute fiscal sanction as contemplated by CRS § 26-2-716(4)(b) and the amount of the fiscal resources committed shall be mutually agreed upon, adequate to meaningfully attempt to correct the performance problem.
 - iii. If the County fails to correct the action, and a sanction is imposed, the amount cannot be greater than that imposed by the federal government, and cannot exceed the amount expended by CDHS as a result of the County's failure to meet its obligation. If CDHS has incurred a sanction due to the failure of more than one County to meet its obligations, the County will only be sanctioned for its share of the sanction.
 - iv. CDHS agrees to provide the County with all documents received from the federal government related to any proposed or imposed federal sanction within twenty (20) days of receipt, together with all CDHS documents related to the actions giving rise to that federal sanction, or that relate to the sanction process.
- c) If the County continues to deliberately or consistently fail to meet its obligation specified in this MOU, CDHS, at its sole discretion, may do the following:

- i. CDHS (or its duly designated agent) may assume the County's administration and implementation of the Works Program and the Child Care Program. In that event, CDHS will provide the County thirty (30) days written notice before assuming these duties. Upon receiving such notice, the County shall have the opportunity to contest, explain, offer evidence of mitigating factors, or to correct the failure before the Department assumes the duties.
- ii. CDHS may allocate the amount of moneys that are provided to the County as part of the County's block grant for the purpose of its administration and implementation of the Works Program in accordance with the formulas described in CRS 26-2-714.
- iii. CDHS will, in consultation and in conjunction with the County, develop or modify automated systems to meet the reporting requirements of CRS 26-2-717.

5. DISCRETIONARY MATTERS

The parties agree that all portions of Part 7 of Article 2 of Title 26, C.R.S., and Part 8 of Article 2 of Title 26, C.R.S. that grant discretion to either party regarding the administration of the Works or Child Care Programs in the County will not be affected by the execution of this MOU.

6. SEVERABILITY

To the extent that this MOU is executed, and performance of the obligations of the parties may be accomplished within the intent of the MOU, the terms of the MOU are severable. Thus, should any term or provision herein be declared invalid or become inoperative for any reason, such invalidity or failure shall not affect the validity of any other term or provision herein. The waiver of any breach of term herein shall not be construed as a waiver of any other term, or of the same term upon subsequent breach.

7. INTEGRATION OF UNDERSTANDING

This MOU is intended as the complete integration of the understanding between the parties concerning the matters negotiated between them and incorporated in this MOU. No prior or contemporaneous addition, deletion, or other amendment hereto shall have any force or effect whatsoever unless embodied in writing. No subsequent notation, renewal, addition, deletion, or other amendment hereto shall have any force or effect unless embodied in a written amendment executed by the parties.

The parties recognize the nature of the relationship between the County and the State. This relationship is governed more broadly by pertinent provisions of the Colorado Constitution and of state statutes and rules, including lawful rules promulgated by the State Board of Human Services. The parties further recognize that this MOU is not intended to supersede or change the relationship between the County and the State as established by any legal authority.

8. NO THIRD PARTY BENEFICIARY

This MOU is binding on CDHS and the County, as well as their respective successors and assigns. It is agreed that the enforcement of the terms and conditions of this MOU are reserved for CDHS and the County, to the extent permitted by law. Nothing contained in this MOU allows a claim or right of action by a third party. Any third party receiving services or benefits under the provisions of this MOU is deemed an incidental beneficiary.

9. DISPUTE RESOLUTION

Prior to the execution of this document, if the parties are unable to reach agreement concerning the inclusion of, or wording of, provisions of the MOU, either party may refer the dispute to the State Board of Human Services for resolution pursuant to the provisions of CRS 26-2-715(3).

Subsequent to the execution of this document, both parties will work in good faith to resolve a dispute arising from any provision of this executed MOU. If the parties are

unable to resolve such dispute, any of the following non-binding mediation options are available by agreement of the parties:

- a) Mediation by the Governor or a third party of the Governor's choosing. Such review must be initiated by notice provided to the Governor and other party by certified mail. Decision by the Governor or his appointed third-party is non-binding.
- b) Mediation by a dispute resolution panel, to consist of one County-designated member, one CDHS-designated member, and one member selected by the other two panelists. Each party must pay for its own costs and attorney fees, and will share equally in any fees paid to panel members. The panel's decision will be made by a majority vote of its members, and is non-binding.
- c) Mediation by the State Board of Human Services. If the State Board is requested to mediate, the provisions of CRS 26-2-715(3) concerning time limits and final effect of the State Board's decision will not apply. The State Board of Human Services' decision is non-binding.

None of these options will be a jurisdictional prerequisite to legal action by either party.

REGGIE BICHA
STATE OF COLORADO
DEPARTMENT OF HUMAN SERVICES

Executive Director

COUNTY OF _____ COLORADO,
by and through the BOARD OF COUNTY COMMISSIONERS

Chairman

ATTEST:

_____ County Clerk to the Board

DATE: _____



DEPARTMENT OF HUMAN SERVICES

P.O. Box 240
Pagosa Springs, CO 81147

970.264.2182
Fax: 970.264.2186

Matthew A. Dodson, LCSW - Director

Reggie Bicha, Executive Director
Colorado Department of Human Services
1575 Sherman Street, 8th floor
Denver CO 80203

RE: Full-Time Information Gathering Services for Archuleta County

Dear Mr. Bicha,

The Archuleta County Board of County Commissioners (BOCC) officially requests that the State of Colorado Department of Human Services provide Information Gathering services for our county on a full time basis. In this case, full time is defined as 24 hours a day 7 days a week. It is understood that the Hotline County Connection Center (HCCC) will answer our calls of suspected child abuse and neglect, provide Information Gathering Services and document those initial reports in the statewide reporting system. It is also understood that all screening, assessment and decision-making responsibilities remain with Archuleta County.

We acknowledge that a Memorandum of Understanding (MOU) outlining the terms and conditions, the roles and responsibilities, and cost reimbursement will need to be prepared and agreed to by all parties prior to the arrangements becoming final.

It is understood that the aforementioned request is subject to available resources as determined by the state and the Hotline County Connection Center (HCCC). In addition, we acknowledge this request is subject to approval by the State of Colorado Department of Human Services Executive Director.

Requesting Authority

Chairman, Archuleta County, Board of County Commissioners (Signature)

Date

State Confirming Authority

Reggie Bicha, Executive Director, DHS (Signature)

Date

MEMORANDUM OF UNDERSTANDING
Between
ARHCULETA COUNTY
And
PROWERS COUNTY

PURPOSE:

- This Memorandum of Understanding (MOU) is developed in partnership between Prowers County and Archuleta County with confirmation by the State of Colorado.
- The purpose of the joint agreement is to facilitate the Prowers County Hotline County Connection Center (HCCC) with answering and processing of Child Welfare (CW) related Hotline calls and performing the tasks outlined in this MOU. In addition, Archuleta County agrees to provide all conditions identified in the MOU to assist the HCCC with successfully taking the Hotline calls so Archuleta County can complete the final disposition of each call.

EFFECTIVE DATE:

- This MOU becomes effective on 08/15/2016 for the period of 12 months, ending 08/14/2017.

LETTER OF RENEWAL OPTION:

- To renew the MOU, the requesting county, 30 days prior to the End Date of the existing MOU, shall send an Option to Renew Letter requesting the renewal of the MOU, without changes. The county receiving the Option to Renew Letter will then have 30 business days to reply to the request for renewal with any proposed changes to the MOU or accept the Option of Renewal with all terms and conditions intact until the next End Date. In the event proposed changes are made then both parties must agree and the changes must be codified in writing by changing the MOU and/or supporting Amendments and signed by all parties.

CANCELLATION:

- Any party may, at its sole discretion, terminate or cancel the MOU upon 30 days' written notice to the other party.

COST FOR SERVICE(S):

- The calculations used to determine the cost of services are based on an annual projection of the number of Child Protection Program Area 5, Program Area 4 and Institutional reports taken and an equivalent number of Other Child Welfare (C/W) Inquiry related call reports (10 calls = 1 report).
- Each county is allocated 48 free reports which are subtracted from the total number of projected reports.
- Projections are based on the total monthly average number of reports taken for the most current 12 month period. If there are not 12 full months then the basis will be all reports taken since August 2015 then extrapolated to represent 12 months.
- The cost for the HCCC to provide call coverage is based on \$22.00 per report taken plus the Other C/W equivalent reports less the 48 free reports.
- The cost of call coverage services provided to Archuleta County per the terms of the MOU is:

Projected number of reports annually:

40

- | | |
|---|---------|
| Projected number of Other CW Inquiries: | 4 |
| Less the Annual allotment of reports: | 48 |
| Total Number of Projected Reports: | <0> |
| Times the Cost per Report: | \$22.00 |
| Total Annual Cost for Call Coverage Services: | \$ 0 |
- The Prowers County will invoice for the associated services in a timeframe mutually agreed to with Archuleta County. Archuleta County will submit payment of the invoice within 60 days of receipt.
- In the event the HCCC must expend additional funds to accommodate adding additional positions to take calls on behalf of counties, the cost of that expansion may be proportionately distributed amongst all counties requesting HCCC Call Coverage Services. Should this situation arise, Counties will be notified 60 days in advance so they can decide to continue Call Coverage Services or invoke the cancellation clause.

JOINT RESPONSIBILITIES SHARED BETWEEN ARCHULETA COUNTY AND PROWERS COUNTY HOTLINE COUNTY CONNECTION CENTER.

- Both Powers County and Archuleta County acknowledge that the State of Colorado Department of Child Welfare must concur with this MOU prior to final execution.
- This MOU was preceded by an official request of call coverage services from the Board of County Commissioners for Archuleta County.
- Both parties understand that nothing in this agreement supersedes nor replaces each party's requirements and responsibilities to follow and adhere to all requirements as set forth in Statute, Volume 7 Rules and/or Division of Child Welfare Policy.

GENERAL RESPONSIBILITIES OF HOTLINE COUNTY CONNECTION CENTER

1. The Hotline County Connection Center (HCCC) will make the appropriate routing changes and take all calls for Archuleta County during After-hours which includes weekends and Holidays. After-hours is defined as any time outside normal business operating hours.
2. All next step decisions regarding Hotline call records will be left to the discretion of Archuleta County. The County will be responsible to complete a review of all information in the Trails Hotline Application (THA) and Trails to ensure appropriate disposition.
3. Reports (Referrals) taken by the HCCC will be entered into the THA, submitted, and transferred to the county's Trails Inbox. When Archuleta County is notified, HCCC will provide the Hotline ID, Referral ID, family last name, and a brief synopsis of the report (if requested).
 - a. Before transferring primary responsibility of the report to Archuleta County the HCCC will need to type in the first and last name of who we gave the information to in two places in Trials, Assign tab Summary box and Referral Notes.
 - b. HCCC will provide the Hotline ID and/or Referral ID number via personal contact (pursuant to Volume 7 Rules) to an entity designated by Archuleta County.
4. If the HCCC believes the report is of an immediate response nature, the HCCC will notify Archuleta County while information is being entered into the THA.
5. For Child Welfare Inquiries notification of the call will occur via personal contact (pursuant to Volume 7 Rules) to an entity designated by Archuleta County and will be sent to Archuleta County's Pending Incoming Hotline Queue. HCCC will provide the Hotline ID number and a brief synopsis (if requested). It will be the responsibility of Archuleta County to check the pending queue and manage the final disposition of all records.

6. HCCC will notify Archuleta County with the Hotline ID and will type in the first name, last name and time the information was given to Archuleta County.
7. Information and Referral (non-C/W) calls will be sent to Archuleta County's Pending Incoming Hotline Queue (pursuant to Volume 7 Rule). It will be the responsibility of Archuleta County to check the pending queue and manage the final disposition of all records. Call purpose will be included in the comments.
8. If HCCC receives a call from law enforcement or medical personnel that requires immediate response from Archuleta County, the call will be transferred to a Archuleta County on-call designee; if not available then a message will be taken and HCCC will continue to make attempts to notify the County. If appropriate, the HCCC will take a report while notifying the County.
9. HCCC's primary role is managing CW calls and related reports. In the event Adult Protection Services (APS) calls are inadvertently routed to the HCCC the HCCC agrees to:
 - a. If during the day time business hours, transfer the call to the designated APS number for Archuleta County. If the HCCC should take an APS report it will be documented in the Colorado Adult Protection System (CAPS) and in the THA. Once complete, the record will be transferred to the county's Pending Incoming Hotline Queue. Archuleta County will have to confirm receipt and update in the THA.
 - b. If an APS call is regarding an adult over 70 years old, the HCCC will document the call in the THA and advise the reporter to call local law enforcement. The HCCC will then notify the county of the call.
 - c. If the call arrives during after-hours then the HCCC will document the call in CAPS and THA. Once complete, the record will be transferred to the county's Pending Incoming Hotline Queue. Archuleta County will have to confirm receipt and update in the THA.
 - d. If the HCCC determines the volume of APS calls exceeds the reasonable ability to take those calls the HCCC has the right to refuse taking such calls. In doing so the HCCC will work with the State to help develop options for routing APS calls to another agreed upon entity.

GENERAL RESPONSIBILITES OF ARCHULETA COUNTY:

1. Archuleta County will provide an updated list of on-call workers name(s) or designees and telephone/cellphone numbers at all times. The on-call list will include backup contact name(s) and number(s) in case the first worker is unable to answer within the notification time frame as outlined in Volume 7 Rules. If the designee changes it is the responsibility of the Archuleta County to immediately inform the HCCC of the change and to provide the required contact telephone number.
2. Archuleta County will notify the HCCC of any special circumstances where Archuleta County staff will be unavailable by voice telephone/cellphone (i.e., workers are in court, meetings, training, etc.). Archuleta County should make every attempt to identify another entity that can receive notification. This can be any entity designated by Archuleta County.
3. Archuleta County will monitor and appropriately status all calls in their Pending Queue in the Trails Hotline Application and status all records by the end of the next business day or 12 business hours; whichever is greater.

Approving Entities

Approving Entities

Signed: _____

Signed: _____

Name: _____

Name: _____

Title: _____

Title: _____

Entity: Archuleta County

Entity: Prowers County

State Confirmation

Date: _____

Signed: _____

Name: _____

Title: _____

Entity: Colorado Department of Human Services

All three of the authorizing and confirming agencies listed below must agree to the conditions set forth in the proceeding document before the MOU can be finalized

**RETAIL LIQUOR OR 3.2 BEER
 LICENSE RENEWAL APPLICATION**

SUBMIT TO LOCAL LICENSING AUTHORITY

BUCK STOPS HERE MARKET AND EATERY THE
 19 NAVAJO TRAIL DR
 PAGOSA SPRINGS CO 81147

Fees Due	
Renewal Fee	\$500.00
Storage Permit \$100 x _____	_____
Optional Premise \$100 x _____	_____
Related Resort \$75 x _____	_____
Amount Due/Paid	

Make check payable to: Colorado Department of Revenue. The State may convert your check to a one-time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If your check is rejected due to insufficient or uncollected funds, the Department may collect the payment amount directly from your banking account electronically.

PLEASE VERIFY & UPDATE ALL INFORMATION BELOW

RETURN TO CITY OR COUNTY LICENSING AUTHORITY BY DUE DATE

Licensee Name THE BUCK STOPS HERE LLC		DBA BUCK STOPS HERE MARKET AND EATERY THE		
Liquor License # 4701727	License Type Hotel & Restaurant (county)	Sales Tax License # 0662975003	Expiration Date 08/21/2016	Due Date 07/07/2016
Operating Manager <i>Kevin Schuchart</i>	Home Address <i>603 Weasel Dr. Pagosa Springs, CO 81147</i>			
Manager Phone Number <i>970-903-4481</i>	Email Address <i>coloradojerky@centurytel.net</i>			
Street Address 19 NAVAJO TRAIL DR PAGOSA SPRINGS CO 81147				Phone Number 9707316328
Mailing Address 19 NAVAJO TRAIL DR PAGOSA SPRINGS CO 81147				

- Do you have legal possession of the premises at the street address above? YES NO
 Is the premises owned or rented? Owned Rented* *If rented, expiration date of lease _____
- Since the date of filing of the last application, has there been any change in financial interest (new notes, loans, owners, etc.) or organizational structure (addition or deletion of officers, directors, managing members or general partners)? If yes, explain in detail and attach a listing of all liquor businesses in which these new lenders, owners (other than licensed financial institutions), officers, directors, managing members, or general partners are materially interested. YES NO
NOTE TO CORPORATION, LIMITED LIABILITY COMPANY AND PARTNERSHIP APPLICANTS: If you have added or deleted any officers, directors, managing members, general partners or persons with 10% or more interest in your business, you must complete and return immediately to your Local Licensing Authority, Form DR 8177: Corporation, Limited Liability Company or Partnership Report of Changes, along with all supporting documentation and fees.
- Since the date of filing of the last application, has the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) been convicted of a crime? If yes, attach a detailed explanation. YES NO
- Since the date of filing of the last application, has the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) been denied an alcohol beverage license, had an alcohol beverage license suspended or revoked, or had interest in any entity that had an alcohol beverage license denied, suspended or revoked? If yes, attach a detailed explanation. YES NO
- Does the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) have a direct or indirect interest in any other Colorado liquor license, including loans to or from any licensee or interest in a loan to any licensee? If yes, attach a detailed explanation. YES NO

AFFIRMATION & CONSENT

I declare under penalty of perjury in the second degree that this application and all attachments are true, correct and complete to the best of my knowledge.

Type or Print Name of Applicant/Authorized Agent of Business <i>Kevin Schuchart</i>	Title <i>Owner</i>
Signature <i>[Signature]</i>	Date <i>6/3/16</i>

REPORT & APPROVAL OF CITY OR COUNTY LICENSING AUTHORITY

The foregoing application has been examined and the premises, business conducted and character of the applicant are satisfactory, and we do hereby report that such license, if granted, will comply with the provisions of Title 12, Articles 46 and 47, C.R.S. **THEREFORE THIS APPLICATION IS APPROVED.**

Local Licensing Authority For	Date
Signature	Title
	Attest

OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO

CERTIFICATE OF FACT OF GOOD STANDING

I, Wayne W. Williams, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

The Buck Stops Here, LLC

is a

Limited Liability Company

formed or registered on 11/15/2005 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20051418425 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 07/05/2016 that have been posted, and by documents delivered to this office electronically through 07/08/2016 @ 14:24:16 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 07/08/2016 @ 14:24:16 in accordance with applicable law. This certificate is assigned Confirmation Number 9732495 .



A handwritten signature in cursive script that reads "Wayne W. Williams".

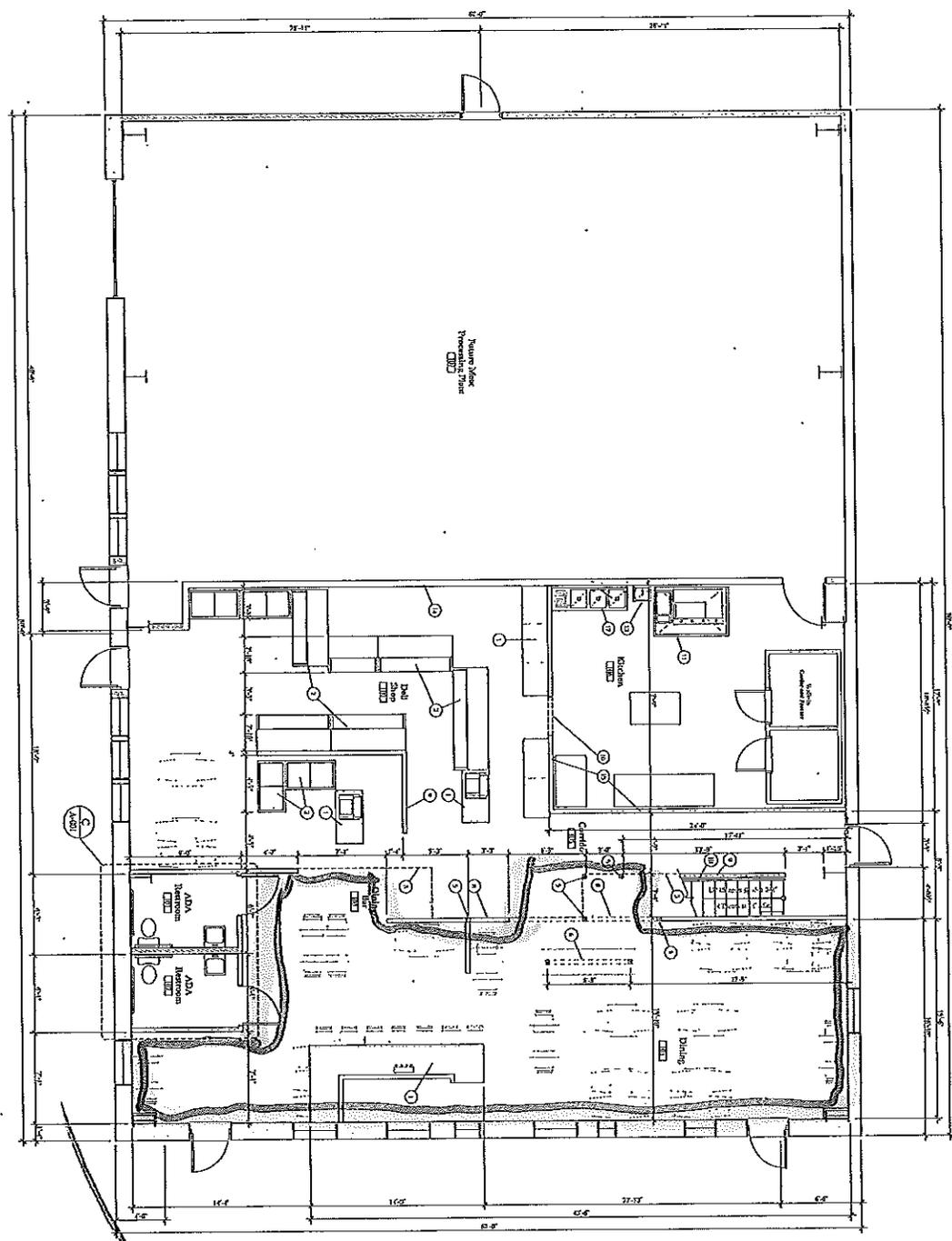
Secretary of State of the State of Colorado

*****End of Certificate*****
Notice: A certificate issued electronically from the Colorado Secretary of State's Web site is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's Web site, <http://www.sos.state.co.us/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our Web site, <http://www.sos.state.co.us/> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."



Main Floor Plan

1/A-101



Handwritten signature

- General Notes
1. Existing building systems to remain.
 2. Existing structural members to remain - provide analysis as required per Plans C, D, and exterior doors to remain, all interior doors to be 2' x 6' solid Pine, 1 3/4" K-99 Series.
 3. Finish schedule:
 4. All interior walls to be 5/8" gypsum board on metal studs.
 5. All interior floors to be 1/2" gypsum board on concrete.
 6. All interior ceilings to be 5/8" gypsum board on metal studs.
 7. All interior doors to be 2' x 6' solid Pine, 1 3/4" K-99 Series.
 8. All interior windows to be 2' x 4' vinyl clad double paneled units.
 9. All interior doors to be 2' x 6' solid Pine, 1 3/4" K-99 Series.
 10. All interior walls to be 5/8" gypsum board on metal studs.
 11. All interior floors to be 1/2" gypsum board on concrete.
 12. All interior ceilings to be 5/8" gypsum board on metal studs.
 13. All interior doors to be 2' x 6' solid Pine, 1 3/4" K-99 Series.
 14. All interior windows to be 2' x 4' vinyl clad double paneled units.
 15. All interior doors to be 2' x 6' solid Pine, 1 3/4" K-99 Series.
 16. All interior walls to be 5/8" gypsum board on metal studs.
 17. All interior floors to be 1/2" gypsum board on concrete.
 18. All interior ceilings to be 5/8" gypsum board on metal studs.

Project No.: 2013-03
 Date: 2013-03-21
 Drawn By: JOW
 Issue Date: 2013-03-21
 Permit No:

Buck Stops Here
 19 Navajo Trail Drive
 Pagosa Springs CO 81147



Interface
 ARCHITECTURE
 Jeff Wilson, RA
 52 Colorado Drive, Pagosa Springs CO 81147
 970-925-0571 Fax: 970-925-0571

A-101

RESOLUTION NO. 2016 - ____

**A RESOLUTION APPROVING THE CONSOLIDATION OF CERTAIN
LOTS IN ARCHULETA COUNTY, COLORADO**

WHEREAS, the Board of County Commissioners of Archuleta County, Colorado, has heretofore adopted regulations relating to the consolidation of lots in Archuleta County, Colorado, (Resolution No. 2006-25); and

WHEREAS, the Board has received an application from Mark Mahlum and Linda Mahlum, to consolidate certain lots in Archuleta County pursuant to the regulations heretofore adopted by the Board; and

WHEREAS, the Board has found that Mark Mahlum and Linda Mahlum, has met all the requirements contained in said regulations for Lot Consolidations and the Board may consolidate the hereafter mentioned lots.

NOW THEREFORE BE IT RESOLVED by the Board of County Commissioners of Archuleta County as follows: The Chair does hereby sign on authority granted by the Board of County Commissioners and approves the consolidation of Lots 104 and 105, Pagosa Highlands Estates, according to the plat thereof filed for record February 7, 1972, as Reception No. 75409, Archuleta County, Colorado, to become Lot 104X with the condition that if, at a future date, there is a request to split or re-subdivide the consolidated lots, the applicant must comply with the applicable Land Use Regulations in effect at the time the application is made.

APPROVED AND ADOPTED DURING A MEETING DULY AND REGULARLY CALLED, NOTICED, CONVENED AND HELD IN PAGOSA SPRINGS, ARCHULETA COUNTY, COLORADO, this 19th day of July, 2016.

The Board of County Commissioners
Archuleta County, Colorado

ATTEST:

June Madrid,
Archuleta County Clerk and Recorder

Chairman Michael Whiting

Return copy to Planning Dept.



High Country Title, Inc.
Post Office Box 2400
486 Lewis Street
Pagosa Springs, CO 81147
(970) 264-2128 Office
(970) 264-2130 Fax

**OWNERSHIP & ENCUMBRANCE REPORT
O&E-16-3612**

June 6, 2016

Mark Mahlum
Linda Mahlum

RE: O&E Report 16-3612 – Lot Consolidation

PROPERTY DESCRIPTION(S):

Lots 104 & 105, Pagosa Highlands Estates, according to the plat thereof filed February 7, 1972, as Reception No. 75409, in the office of the Clerk and Recorder, Archuleta County, Colorado.

TAX SCHEDULE NO(S):

5583-253-02-071 as to Lot 104
5583-253-02-072 as to Lot 105

VESTED OWNER(S):

Mark Mahlum and Linda Mahlum by Warranty Deed in to Joint Tenancy recorded May 18, 2016 as Reception No. 21602947, in the office of the Clerk and Recorder, Archuleta County, Colorado. (As to Lot 104)

Mark Mahlum and Linda Mahlum by Warranty Deed in to Joint Tenancy recorded May 18, 2016 as Reception No. 21602948, in the office of the Clerk and Recorder, Archuleta County, Colorado. (As to Lot 105)

LIEN(S) AND ENCUMBRANCE(S) OF RECORD AS OF June 1, 2016 @ 8:00 a.m.:

NONE

Any tax, assessment, fee or charge by reason of the inclusion of the subject property in the Owner's Association (If any) as supported by the most recent Certificate of Taxes Due, issued by the Archuleta County Treasurer's Office.

Authorized Signature

THE INFORMATION SET FORTH IN THIS REPORT IS BASED ON A CAREFUL SEARCH AND EXAMINATION OF THE RECORDS OF THE ARCHULETA COUNTY CLERK AND RECORDER'S OFFICE. HOWEVER, THIS REPORT IS NOT TO BE CONSTRUED AS AN ABSTRACT OF TITLE, NOR AN OPINION OF TITLE, NOR A GUARANTY OF TITLE, AND THE LIABILITY HEREIN SHALL NOT EXCEED THE AMOUNT PAID FOR THIS REPORT.

RESOLUTION NO. 2016 - ____

**A RESOLUTION APPROVING THE CONSOLIDATION OF CERTAIN
LOTS IN ARCHULETA COUNTY, COLORADO**

WHEREAS, the Board of County Commissioners of Archuleta County, Colorado, has heretofore adopted regulations relating to the consolidation of lots in Archuleta County, Colorado, (Resolution No. 2006-25); and

WHEREAS, the Board has received an application from Bruce C. Redd and Roberta E. Stellman-Redd, to consolidate certain lots in Archuleta County pursuant to the regulations heretofore adopted by the Board; and

WHEREAS, the Board has found that Bruce C. Redd and Roberta E. Stellman-Redd, has met all the requirements contained in said regulations for Lot Consolidations and the Board may consolidate the hereafter mentioned lots.

NOW THEREFORE BE IT RESOLVED by the Board of County Commissioners of Archuleta County as follows: The Chair does hereby sign on authority granted by the Board of County Commissioners and approves the consolidation of Lots 252 and 253, Pagosa Highlands Estates, according to the plat thereof filed for record February 7, 1972, as Reception No. 75409, Archuleta County, Colorado, to become Lot 252X with the condition that if, at a future date, there is a request to split or re-subdivide the consolidated lots, the applicant must comply with the applicable Land Use Regulations in effect at the time the application is made.

APPROVED AND ADOPTED DURING A MEETING DULY AND REGULARLY CALLED, NOTICED, CONVENED AND HELD IN PAGOSA SPRINGS, ARCHULETA COUNTY, COLORADO, this 19th day of July, 2016.

The Board of County Commissioners
Archuleta County, Colorado

ATTEST:

June Madrid,
Archuleta County Clerk and Recorder

Chairman Michael Whiting

Return copy to Planning Dept.



WESTCOR
Land Title Insurance Company

GUARANTEE NO.
MG-1-CO1026-4936678

**WESTCOR LAND TITLE
INSURANCE COMPANY**

MORTGAGE GUARANTEE

No. AR21601650 Liability \$ 24,999.00 Fee \$ 150.00

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE LIMITS OF LIABILITY AND THE OTHER PROVISIONS OF THE GUARANTEE CONDITIONS AND STIPULATIONS HEREOF, WESTCOR LAND TITLE INSURANCE COMPANY, A CALIFORNIA CORPORATION, herein called the Company,

Guarantees the Assured named herein against loss (including attorney fees) not exceeding the liability amount stated in above which the Assured shall sustain by reason of any incorrectness in the assurance which the Company hereby gives that, according to public records, on the date stated below.

1. The title to the herein described estate or Interest was vested in the vestee named, subject to the matters shown as Exceptions herein, which exceptions are not necessarily shown in the order of their priority;
2. The existence of a lien or encumbrance on the title, other than those shown as Exceptions (which Exceptions are not necessarily shown in the order of their priority.)

IN WITNESS WHEREOF, WESTCOR LAND TITLE INSURANCE COMPANY has caused its corporate name and seal to be hereunto affixed by its duly authorized officers.

Issued By:
CO1026 * AR21601650

Colorado Title & Closing Services, LLC dba Colorado Land Title Company, LLC, dba CLT Closing & Title Services, LLC

970 Main Avenue
Durango, CO 81301

WESTCOR LAND TITLE INSURANCE COMPANY



By: Mary O'Donnell
President

Attest: Patricia W. Power
Secretary

Authorized Agent Chelsea Rey Bamford

NOTICE CONCERNING FRAUDULENT INSURANCE ACTS

(This Notice is Permanently Affixed Hereto)

It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the department of regulatory agencies.

C. R. S. A. § 10-1-128 (6)(a).

MORTGAGE GUARANTEE

SCHEDULE A

State:Colorado
County:Archuleta

Agent Number	File Number	Guarantee Number	Guarantee Effective Date	Amount of Guarantee
CO1026	AR21601650	MG-1-4936678	May 31, 2016	\$24,999.00

1. Party (Parties) Assured:

BRUCE C. REDD and ROBERTA E. STELLMAN-REDD

2. The record title to the estate in said land is at the date hereof vested in:

BRUCE C. REDD and ROBERTA E. STELLMAN-REDD

3. The estate or interest in the land described in this schedule is:

FEE SIMPLE

The mortgage(s), if any, to which said land is subject:

NONE

4. Description of the Land:

Lots 252 and 253 in PAGOSA HIGHLANDS ESTATES, according to the plat thereof filed for record February 7, 1972 as Reception No. 75409.

This Guarantee Valid Only if Cover and Schedule A & B are attached.

MORTGAGE GUARANTEE

SCHEDULE B

Agent #: CO1026

Order #: AR21601650

Guarantee Number: MG-1-4936678

GUARANTEE STANDARD EXCEPTIONS:

This guarantee does not insure against loss or damage, including attorney fees, by reason of the matters shown below:

1. Any facts, rights, interest, or claims which are not shown by the public records.
2. Any lien, or right to a lien, for services, labor or material imposed by law.
3. Any and all recorded rights of way and easements including, but not limited to roads, highways, ditches, creeks, laterals, canals, reservoirs, drainage ways, flumes, utilities, guy line/anchors, railroads and aircraft overflight.
4. Any and all unpaid taxes, assessments, bonds and unredeemed tax sales.
5. Any Restrictions, Covenants, Declarations, Conditions, Leases, Agreements and Mineral Reservations of record, and all modifications thereof, if any.
6. Unpatented mining claims, reservations or exemptions in patents or in Acts authorizing the issuance thereof, water rights, claims or title to water.
7. Discrepancies, conflicts in boundary lines, encroachments, easements, variations in area or content, party walls and/or any facts that a correct survey and/or physical inspection of the premises would disclose.

Title to the land described in Schedule A is subject to the following liens, encumbrances and defects shown in the public records:

NONE

GUARANTEE CONDITIONS AND STIPULATIONS

1. DEFINITION OF TERMS- The following terms when used in the Guarantee mean:

- (a) "the Assured": the party or parties named as the Assured in this Guarantee, or on a supplemental writing executed by the Company.
- (b) "land": the land described or referred to in Schedule (A)(C) or in Part 2, and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule (A)(C) or in Part 2, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways.
- (c) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.
- (d) "public records": records established under state statutes at Date of Guarantee for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge.
- (e) "date": the effective date.

2. EXCLUSIONS FROM COVERAGE OF THIS GUARANTEE

- (a) Taxes or assessments which are not shown as existing by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
- (b) Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof, water rights, claims or title to water.
- (c) Title to any property beyond the lines of the land expressly described in the description set forth in this Guarantee, or title to streets, roads, avenues, lanes, ways or waterways on which such land abuts, or the right to maintain therein vaults, tunnels, ramps or any other structure or improvement; or any rights or easements therein unless such property, rights or easements are expressly and specifically set forth in said description.
- (d) Defects, liens, encumbrances, adverse claims against the title as guaranteed or other matters (1) created, suffered, assumed or agreed to by one or more of the Assured; or (2) resulting in no loss to the Assured.

3. PROSECUTION OF ACTIONS

- (a) The Company shall have the right at its own cost to institute and prosecute any action or proceeding or do any other act which in its opinion may be necessary or desirable to establish or confirm the matters herein guaranteed; and the Company may take any appropriate action under the terms of this Guarantee whether or not it shall be liable thereunder and shall not thereby concede liability or waive any provision hereof.
- (b) In all cases where the Company does so institute and prosecute any action or proceeding, the Assured shall permit the Company to use, at its option, the name of the Assured for such purpose. Whenever requested by the Company, the Assured shall give the Company all reasonable aid in prosecuting such action or proceeding, and the Company shall reimburse the Assured for any expense so incurred.

4. NOTICE OF LOSS-LIMITATION OF ACTION

A statement in writing of any loss or damage for which it is claimed the Company is liable under this Guarantee shall be furnished to the Company within sixty days after such loss or damage shall have been determined, and no right of action shall accrue to the Assured under this Guarantee until thirty days after such statement shall have been furnished, and no recovery shall be had by the Assured under this Guarantee unless action shall be commenced thereon within two years after expiration of said thirty day period. Failure to furnish such statement of loss or damage or to commence such action with the time herein before specified, shall be a conclusive bar against maintenance by the assured of any action under this Guarantee.

5. OPTION TO PAY, SETTLE OR COMPROMISE CLAIMS

The Company shall have the option to pay or settle or compromise for or in the name of the Assured any claim which could result in loss to the Assured within the coverage or this Guarantee, or, if this Guarantee is issued for the benefit of a holder of a mortgage, the Company shall have the option to purchase the indebtedness secured by said mortgage. Such purchase, payment or tender of payment of the full amount of the Guarantee shall terminate all liability of the Company hereunder. In the event after notice of claim has been given to the Company by the Assured the Company offers to purchase said indebtedness, the owner of such indebtedness shall transfer and assign said indebtedness and the mortgage securing the same to the Company upon payment of the purchase price.

6. LIMITATION OF LIABILITY-PAYMENT OF LOSS

- (a) The liability of the Company under this Guarantee shall be limited to the amount of actual loss sustained by the Assured because of reliance upon the assurances herein set forth, but in no event shall such liability exceed the amount of the liability stated on the face page hereof.
- (b) The company will pay all costs imposed upon the Assured in litigation carried on by the Company for the Assured, and all costs and attorney's fees in litigation carried on by the Assured with the written authorization of the Company.
- (c) No claim for damages shall arise or be maintainable under this Guarantee (1) if the Company after having received notice of an alleged defect, lien or encumbrance not shown as an Exception or excluded herein, removes such defect, lien or encumbrance within a reasonable time after receipt of such notice, or (2) for liability voluntarily assumed by the Assured in settling any claim or suit without written consent of the Company.
- (d) All payments under this Guarantee, except for attorneys' fees as provided for in paragraph 6(b) hereof, shall reduce the amount of the liability hereunder pro tanto, and no payment shall be made without producing this Guarantee for endorsement of such payment unless the Guarantee be lost or destroyed, in which case proof of such loss or destruction shall be furnished to the satisfaction of the Company.
- (e) When liability has been definitely fixed in accordance with the conditions of this Guarantee, the loss or damage shall be payable within thirty days thereafter.

7. SUBROGATION UPON PAYMENT OR SETTLEMENT

Whenever the company shall have settled a claim under this Guarantee, all right of subrogation shall vest in the Company unaffected by any act of the Assured, and it shall be subrogated to and be entitled to all rights and remedies which the Assured would have had against any person or property in respect to such claim had this Guarantee not been issued. If the payment does not cover the loss of the Assured, the Company shall be subrogated to such rights and remedies in the proportion which said payment bears to the amount of said loss. The Assured if requested by the Company, shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect such right of subrogation, and shall permit the Company to use the name of the Assured in any transaction or litigation involving such rights or remedies.

8. GUARANTEE ENTIRE CONTRACT

Any action or actions or rights of action that the Assured may have or may bring against the Company arising out of the subject matter hereof must be based on the provisions of this Guarantee.

No provision or condition of this Guarantee can be waived or changed except by a writing endorsed or attached hereto signed by the President, a Vice President, the Secretary, an Assistant Secretary or other validating officer of the Company.

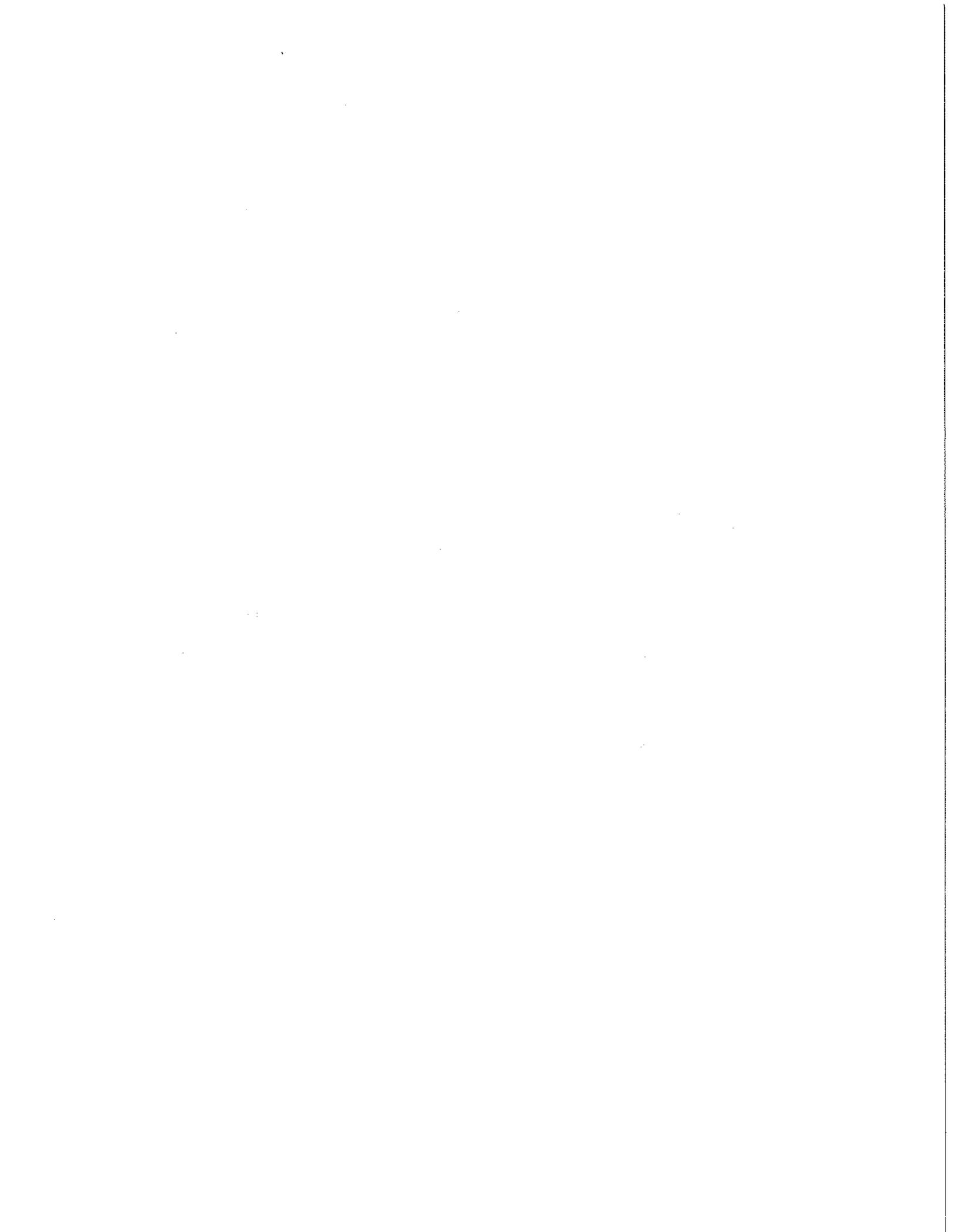
9. NOTICES, WHERE SENT

ALL notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this Guarantee and shall be addressed to: Westcor Land Title Insurance Company, 875 Concourse Parkway South, Suite 200 Maitland, FL 32751.

10. FEE

The fee specified on Schedule A of this Guarantee is the total fee for title search and examination and for this Guarantee.

WESTCOR LAND TITLE INSURANCE COMPANY	MORTGAGE GUARANTEE	HOME OFFICE 875 Concourse Parkway South, Suite 200 Maitland, FL 32751 Telephone: (407) 629-5842
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EVALUATION CRITERIA	Vendor: ImageNet/Samsun		Vendor: Capital/Canon		Vendor: Capital/Ricoh		Vendor: Mtn/Xerox		TOTALS		
	Points	Weight	Points	Weight	Points	Weight	Points	Weight	Points	Weight	Score
Similar Customers in Region	5	5	5	5	5	5	4	5	19	25	475
Service Response/Performance	3	10	4	10	3	10	4	10	14	25	350
Equipment Meets/Exceeds County Needs	5	20	100	20	4	20	5	20	19	20	380
Simplicity of User Interface	3	15	45	15	5	15	5	15	17	5	85
Cost of Lease	1	30	30	30	5	30	3	30	14	10	140
Loan Equipment Available	4	5	20	5	4	5	5	5	17	5	85
Recommendations	5	10	50	10	5	10	5	10	20	5	100
Other	3	5	15	5	4	5	2	5	14	5	70
TOTAL SCORE POINTS			315	470		450		410			1685

Respondent	Rank	Points
ImageNet (Samsun)	4	315
Capital (Canon)	1	470
Capital (Ricoh)	2	450
Toner Mountain (Xerox)	3	410

Summary Notes

Capital worked in county for 15 years. 40 units in county, 200 units in region. Includes Counties, School Districts, etc...
 Capital (Ricoh) has user interface closest to existing equipment
 Capital (Canon) has fewest "jams", especially on large jobs.
 Capital team have 9 different relevant certifications.
 ImageNet claims over 100 units in county (but this includes multifunction and regular printers). They have 4,000 machines in "region".
 ImageNet bid is over budget and more than double the cost of the lowest acceptable bid.
 Toner Mountain is locally owned and employs County residents, unlike the other vendors. But, even with a 10% "local" adjustment, is still second most expensive (or third cheapest)...with no change in cost rank.
 Toner Mountain has 119 multifunction machines in the County, including SD 50JT.
 Toner Mountain has way faster service times. However, all vendors will provide loaners, and we want machines that don't break down. Per their own estimate, we would have 36 service calls in year 1 with the Xerox.
 Toner Mountain (Xerox) seem to have larger space requirements.



REQUEST FOR PROPOSALS

FOR MULTIFUNCTION COPY/SCAN/PRINTER MACHINES

RFP No. 4295-16-001

ARCHULETA COUNTY
PAGOSA SPRINGS, CO
BOARD OF COUNTY COMMISSIONERS

Response Deadline: **June 16, 2016 at 3:00 p.m.**

Submit Responses to:

Larry Walton
Finance Director
Archuleta County
398 Lewis Street
Pagosa Springs, CO 81147

A. INVITATION

The Archuleta County, Colorado Board of County Commissioners (“County”) invites qualified Vendors (“Respondent”) to submit proposals to provide multifunction office printers, with various options, to various County office locations.

B. PROJECT BACKGROUND

The County currently has two lease agreements for copy equipment. The original terms of those leases have expired, but they are continuing “month to month”, as allowed by those agreements. The existing equipment is functional, but very old. The County wishes to lease new equipment and both avoid down time for repairs, and take advantage of improvements in technology and reductions in price.

C. PERIOD OF THE CONTRACT

The County anticipates a lease contract period of three years. An option should exist to extend the three year lease period, with an option for equipment upgrades at that time. The County may, at its discretion, solicit for new proposals after the end of the three year term.

D. LOCATION WHERE WORK WILL BE PERFORMED

The County anticipates 16 different machines, to be housed in 9 different buildings. See Exhibit A for address information. Note that all locations are either located within the Town of Pagosa Springs, or within 3 miles of downtown.

E. PRE-PROPOSAL CONFERENCE

No pre-proposal meeting will be held.

F. SCOPE OF WORK

The County is seeking to lease multifunction equipment to meet the copy, printing, scanning (and in some cases, faxing) needs of various Departments, located in various buildings within the County. The expectations of the County, with regard to the number of machines, their minimum performance requirements and their physical location within the County are attached as Exhibit A.

G. QUALIFICATION OF THE RESPONDENTS

The Respondent must be a recognized representative of the printer manufacturer in order to submit a proposal. Documentation shall be provided to verify this requirement.

H. SUBMITTAL REQUIREMENTS

In order to be considered for selection, Respondents must submit a complete response to this RFP. One (1) unbound original and two (2) bound copies must be **received by** the Finance Director at the address below **by no later than June 16, 2016 at 3:00 p.m.**

Proposals must be submitted in a sealed box or envelope marked; **MULTI-FUNCTION COPY/SCAN/PRINTER MACHINES.**

UPS, Fed-Ex or hand delivered proposals shall be addressed to:

Larry Walton
Finance Director
Archuleta County
398 Lewis Street
Pagosa Springs, CO 81147

Proposals must be received by the final filing date and time. Late submittals will not be accepted and will be mailed back to the Respondent unopened. **Faxed, emailed or regular mailed proposals will not be accepted.**

Archuleta County reserves the right to reject any and all Submissions, in part or in whole, and to award the most responsive and responsible firm(s) as deemed in the best interests of the County; further, the right is reserved to waive any formalities or informalities associated with this process. All bids and proposals and copies thereof are to be prepared and submitted at the submitter's expense, and upon submittal to the County, will become a County record and therefore a public record.

I. WITHDRAWAL OF PROPOSALS

Proposals may be withdrawn by written notice at any time prior to the submission deadline.

J. PROPOSAL FORMAT

All submittals shall follow the same format. To be accepted for evaluation, the submittal format must address all required components. The aim of the required format is to simplify the submittal preparation and evaluation process and to ensure fair and equal treatment.

All submittals should include these components:

1. Respondent General Information
2. Experience and References
3. Repair & Maintenance
4. Proposed Equipment
5. User Interface
6. Cost
7. Sample Lease Agreement

Proposals shall be signed and dated by an authorized agent of the Respondent. Detail about the required proposal components follows:

Respondent General Information:

Provide the following information about your firm: (Limit of 1 Page)

1. The firm's name, email address, business address, phone number, and fax number.
2. Name, title, phone number, fax number, email address, and street address of the person in the firm's organization who will respond to questions about the submittal.

Experience and References:

Please provide the following: (Limit of 1 Page)

1. A description of the Respondents experience leasing and servicing multifunction machines within Archuleta County. Please quantify this information by providing the number of machines and number of years.
2. Provide the name, title, address, email and telephone number of three references for clients to whom you have provided services comparable to those detailed in this RFP.
3. If your company has had a contract *terminated for default* during the past five years, all such incidents must be described. Termination for default is defined as notice to stop performance due to the vendor's nonperformance or poor performance; and the issue was either (a) not litigated or (b) litigated and such litigation determined the vendor to be in default. If default occurred, list complete name, address and telephone number of the party. If NO such terminations for default have been experienced by the Respondent in the past five years, declare that.

Repair & Maintenance:

Please provide information about the following: (Limit of 1 Page)

1. Expected frequency of routine maintenance calls.
2. Response times for repair calls.
3. The availability of backup equipment to keep the County functional and eliminate down time.
4. Any other information relevant to providing assurance that the County will not suffer loss of equipment service for unreasonable lengths of time.

Proposed Equipment:

Please provide the following:

1. *A list of the specific equipment* proposed to meet the County's minimum performance needs, for each of the 16 machines requested. (Limit of 3 Pages). No specific information format is required by the County. However, whatever form is

used should simply and clearly demonstrate that the performance and features of the proposed equipment meets the minimum needs identified by County, which are shown within Exhibit A.

2. Brochures may be attached as *additional reference material*, but not as a substitute for your own summary of how the equipment meets the County's minimum performance requirements.

User Interface:

Please provide information demonstrating that the equipment proposed has a simple and/or intuitive "user interface". (Limit of 2 Pages). Brochures and/or screen shots may be attached as additional reference material.

Cost:

Please provide cost information as follows (Limit of 2 Pages)

1. A schedule of the fixed monthly leasing costs of the equipment, by each equipment model and the total.
2. A schedule of the per print charges, by each variable with a unique per print charge (such as "black & white", "color").
3. A schedule of any other associated costs that might not be included within the previous categories. Please note that ALL costs must be disclosed in the proposal; including delivery and set-up, removal fees, any documentation or invoicing fees, security deposits, lease renewal costs, training, upgrade costs, service plans, toner and/or other parts and consumables.

Sample Lease Agreement:

Please provide a sample of the Lease Agreement to be used. Note that the County cannot accept terms requiring "arbitration".

K. RFP EVALUATION PROCESS

Submittals will be evaluated using the following process:

1. Submittals received by the due date will be screened for responsiveness to RFP requirements.
2. Those found "responsive" will be evaluated by County staff using the following criteria:
 - a. Experience of the respondent in leasing and servicing multifunction machines within the region.
 - b. Response time for repair and service calls, as well as the availability or inclusion of backup equipment to keep the County functional and eliminate down time.

- c. The extent to which the proposed equipment satisfies and/or exceeds the County's minimum requirements.
 - d. The simplicity of the user interface of the equipment.
 - e. The cost of the proposed equipment, including fixed monthly lease costs, per print charges and any other required costs.
3. County staff will rank responsive proposals and make a recommendation to the Board of County Commissioners.
 4. The Board of County Commissioners will make (or not make) an award, during a public meeting.

The County reserves the right to reject any and/or all submittals, and to waive (or decline to waive) irregularities in any submittal. Lease cost and per print charges will not be the sole determining factor in selection. The County may also alter the above process, or make reference to selection criteria not listed in the RFP.

L. QUESTIONS CONCERNING THIS RFP

Any requests for clarification or additional information deemed necessary by any Respondent to present their proposals shall be submitted by email to Larry Walton, Finance Director at lwalton@archuletacounty.org, referencing this RFP. **No verbal instructions or clarifications will be provided to any Respondent**, except for minor "process" related questions.

All questions on matters of substance, received before 5:00 PM on June 9, 2016, will be answered in writing, in the form of an Addendum and shall be distributed to all recipients of the RFP.

M. SUMMARY OF SCHEDULE

May 18, 2016	Release of RFP
June 9, 2016 at 5:00 PM	Questions Due
June 16, 2016 at 3:00 PM	Proposals Due
June 20, 2016	Evaluation of Proposals
July 5, 2016	Estimated Date of BoCC Award

ARCHULETA COUNTY COPIER/PRINTER REQUIREMENTS

Exhibit A

Location	Office	Network Copy, Print and Scan	Fax	OPTIONS		Volumn	Tray 1 8 1/2 x 11	Tray 2 Letterhead 8 1/2 x 11	Tray 3 8 1/2 x 14 (and adjustable to 11 x 17 and A3)	Tray 4 11 x 17	Tray 5 Large Capacity 8 1/2 x 11	Tray 6 Bypass Tray	Double Sided Printing & Scanning	Collate	Locked/ Password Printing	Staple	Thick Paper Printing	Account/ Department Codes	Scaling
				Color	B & W														
1	Commissioners	X	X	X	X	Max of 15,000/mth	X		X		X	X	X	X	X	X	X	X	X
2	Assessor	X		X	X	Max of 5,000/mth	X		X	X		X	X	X	X		X		X
2	Assessor	X	?		X	Max of 10,000/mth	X	X	X		X	X	X	X	X		X		X
2	Clerk	X	X	X	X	Max of 5,000/mth	X	X	X	X		X	X	X	X	X	X	X	X
2	Clerk - Elections	X		X	X	Max of 5,000/mth	X		X			X	X	X	X		X		X
2	Sheriff - Admin	X	X	X	X	Max of 10,000/mth	X		X		X	X	X	X	X	X	X	X	X
2	Sheriff - Jail	X	X	X	X	Max of 5,000/mth	X		X			X	X	X	X		X		X
2	Treasurer	X	X		X	Max of 20,000/mth	X		X			X	X	X	X	X	X	X	X
3	Human Services	X	X	X	X	Max of 20,000/mth	X	X	X	X		X	X	X	X	X	X	X	X
4	Development Serv.	X	X	X	X	Max of 10,000/mth	X		X	X	X	X	X	X	X	X	X	X	X
4	Public Works	X	X	X	X	Max of 5,000/mth	X	X	X	X		X	X	X	X	X	X	X	X
5	Emergency Mgmt.	X	X	X	X	Max of 5,000/mth	X	X	X	X		X	X	X	X	X	X	X	X
6	CSU Extension	X	X	X	X	Max of 20,000/mth	X	X	X	X		X	X	X	X	X	X	X	X
7	Airport	X		X	X	Max of 5,000/mth	X		X			X	X	X	X		X		X
8	Dispatch	X		X	X	Max of 15,000/mth	X		X			X	X	X	X		X		X
9	Veteran's Services	X	X	X	X	Max of 5,000/mth	X	X	X			X	X	X	X		X		X

COUNTY BUILDING/DEPARTMENT LOCATIONS

- 1 398 Lewis Street
- 2 449 San Juan Street
- 3 551 Hot Springs Blvd.
- 4 1122 HWY 84
- 5 777 County Road 600 (Piedra Rd)
- 6 344 HWY 84
- 7 61 Aviation Court
- 8 56 Talisman Dr., Suite 4
- 9 451 Hot Springs Blvd.

[LETTERHEAD]

Mr. John Porter, Board President
C/O Bruce Whitehead, Executive Director
Southwestern Water Conservation District
841 E. Second Avenue
Durango, CO 81301

**Re: San Juan Water Conservancy District
Dry Gulch Reservoir Project**

Dear Mr. Porter:

The Archuleta County Board of County Commissioners (“Archuleta County”) has been approached by the San Juan Water Conservancy District (“the District”) with a request.

The request is to have Archuleta County’s representative on the Southwestern Water Conservation District (“Southwestern”) board initiate efforts for Southwestern to explore options with the District **for development of the Dry Gulch Project**. Archuleta County recognizes and expects this project is a long term effort that may take up to 40 years to complete.

The District simply asks the Southwestern board to develop a stronger working relationship with the District **to advance the Dry Gulch Project**. Archuleta County supported the District’s request for a grant from Southwestern, and this appears to be for a more structured commitment from Southwestern.

The Dry Gulch Project is planned as an 11,000 AF water storage facility as an identified project in the Basin Implementation Plan. Archuleta County participated on the Southwest Water Roundtable to develop the State Water Plan (“the Plan”). The Plan concludes Archuleta County will need an additional 12,000 AF of water within the next 20 years. **Dry Gulch will go a long way toward supplying the water needed by Archuleta County.**

Thank you in advance for giving this request your immediate attention, and in-depth consideration. **Archuleta County believes the value this project** will bring to our region of the State is worth your time and effort in reaching an agreement for participation.

The above notwithstanding, this letter should in no way be construed or represented as support or endorsement of a so-called “Dry Gulch Project” .

Archuleta County Board of County Commissioners
Sincerely,

By: _____ By: _____

DRAFT

By: _____

cc. J.R. Ford
San Juan Water Conservancy District

July 5, 2016

Mr. John Porter, Board President
C/O Bruce Whitehead, Executive Director Southwestern Water Conservation District
841 E. Second Avenue
Durango, CO 81301

Re: Letter of Support

Dear Mr. Porter:

At a recent meeting, our representative, JR Ford, and Director Bruce Whitehead of the Southwestern Water Conservation District (SWCD) reiterated and amplified their intention and willingness to continue high-level cooperation with the San Juan Water Conservancy District (SJWCD). The Archuleta County Board of County Commissioners (BoCC) has, and is in the form of this letter, expressing full support for that effort.

Each of the individual Commissioners have also publicly stated on more than one occasion that they will not either explicitly or tacitly support or endorse a "Dry Gulch Project" at this time, and that the County has no official position on the matter.

Our respective commitments to cooperation notwithstanding, a representative of the SJWCD has requested a letter to the SWCD reiterating the BoCC's position. We would like that position to be crystal clear.

The BoCC strongly supports continued, and even enhanced cooperation between San Juan Water Conservancy District, Southwest Water Conservation District, and other agencies in identifying, studying, and forwarding solutions to water supply needs in Archuleta County into the future. But, this letter should in no way be construed or represented as support or endorsement of a so-called "Dry Gulch Project".

Thank you for your time,

Sincerely,

Chairman Michael Whiting

Archuleta County “Courthouse” Project Timeline (Draft/Proposed/Revised)

Tuesday, July 19: BoCC Meeting (Decisions on Timeline and Synopsis)

Thursday, August 11: Public Work Session - Options

Wednesday, August 23: Public Work Session - Options

Wednesday, September 7: Public Work Session - Options

Tuesday, September 20: Morning Public Work Session - Options

Tuesday, September 20: BoCC Meeting - Vote - Project for Drill-Down

Wednesday October 12: Public Work Session/Meeting - Finalize RFP for Publication

Wednesday October 12: Public Work Session - Co. Budget and Funding (GKB/Staff/DOLA/SC)

Wednesday October 19: Morning Public Work Session - Project and Funding Options

Wednesday, October 19: BoCC Meeting - Vote on Project and Funding Options

Wednesday, November 9: Work Session on Funding (GKB/Staff/DOLA/SC)

Wednesday, January 25, 2017 Restart Project

November 2017 Ballot Question (if necessary)

Archuleta County “Courthouse” Project
Synopsis of Options

- 1. New Everything Under-One-Roof on Hot Springs = \$34,000,000**
- 2. New Sheriff, Detention, Courts on Hot Springs = \$28,000,000**
(Does not address Clerk, Assessor, Treasurer, Human Services)
- 3. Remodel Sheriff, Detention, Courts on San Juan Street = \$21,000,000**
(Does not address Clerk, Assessor, Treasurer, Human Services)
- 4. Purchase/Remodel Parelli for Courts, Sheriff, New 20-Bed Detention (Exp to 50+) And Remodel San Juan Street for all Admin = \$16,000,000 (\$13m + \$3m)**
- 5. Remodel Existing Detention (Safe/Secure) and Build Courts on San Juan Street = \$12,000,000**
- 6. Remodel Existing Detention, Courts, Sheriff, and Old Courthouse for (Safe/Secure) = \$8,000,000 (Roofs/HVAC/GEO/Elevator Rebuilt - Roofs Rebuilt/Surfaced \$2m)**

Notes:

1. Numbers are estimates for comparison only.
2. All numbers above rounded up to the nearest million.
3. All San Juan Options Assume Moity Purchase.
4. Options 1 and 4 are the only options that address all Elected Offices and departments.
5. Options 1 and 4 could be offset by an additional \$500,000 after sale of current Admin building at 398 Lewis.
6. Options 1 and 4 are the only options that meaningfully address the parking problem.
7. Option 4 provides underground staff parking and new public off-street surface parking.
8. Option 6 Trouble for Courts and DOLA. Does not accommodate growth.

Comments/Whiting:

- Top 3 are deal-breakers - High cost and/or half-measures.
- In most of these options we can reduce Sheriff Admin. by 5000' to 12,000'. (Saving \$1,500,000) *Average new square footage in comparably sized communities is 1 square foot of Sheriff Admin. per capita.
- Mees/Dawson land swap has no significant impact. Creates artificial sense of momentum.

Archuleta County Colorado

Sheriff + Courts + County Administrative Offices

1

Total Project Cost Model

11.23.15

A. Site Acquisition		TBD
Site yet to be selected		
B. Sitework		\$2,500,000
Off-site and On-site Sitework. Assume 10 acres @ \$250K/acre Hazardous Materials Remediation, if any, not included		
C. New Sheriff Admin + Law Enforcement Building		\$5,305,800
17,686 gross square feet (2038 requirement)	17,686 gsf @ \$300	
D. New Sheriff Detention Center		\$7,620,800
19,052 gross square feet (2038 requirement)	19,052 gsf @ \$400	
E. New Courts + Probation Building		\$6,440,000
18,400 gross square feet	18,400 gsf @ \$350	
F. New Building for C+R, Assessor, Treasurer, Human Services		\$4,656,000
15,520 gross square feet (20,834 gsf if Administration is included)	15,520gsf @ \$300	
<hr/>		
Subtotal Construction Costs (B - F)		\$26,522,600
G. Professional Services		\$2,652,260
Architect/Engineer (inc. Reimbursable Expenses)	2,387,034	
Surveying + Geotechnical Investigations	20,000	
Materials Testing during Construction	245,226	
H. Permit, Tap and Plant Investment Fees		TBD
Plan Review and Building Permit	Included in B - F	
Sanitary sewer and Domestic water Tap & Development Fees		
State, County, and City Sales and Use Taxes	Not Included in B- F	
I. Miscellaneous		TBD
New Mattresses in Detention Center Addition	50 @ \$125	6,300
Furniture for Sheriff Admin + Law Enforcement		TBD
Furniture for Clerk + Recorder, Assessor, Treasurer		TBD
Fiber Optics		TBD
Courtroom Technology		By State
Court Furniture		By State
Court Telephone System (excluding Switch)		By State
Telephone Switch in new Courts Building		
New Multipurpose Room furniture in Detention Center		2,000
Voice/Data cabling in new Courts Building		By State
<hr/>		
J. Sub-total A thru I		\$29,174,860
K. Contingency @ 15% of "J"		\$4,376,229
<hr/>		
L. Total including Contingency		\$33,551,089

*All figures assume a "Bid Date" in Fall 2016
All cost figures, except costs/sf, are rounded to the nearest hundred*

Hot Springs Boulevard Concept

Sheriff Law Enforcement | Detention + Courts | Probation

01.07.16

Sitework	\$2,000,000
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*Assumes cast-in-place concrete retaining wall on east side of building without any "vener"**Assume \$175K in snow-melting systems**Assumes property is environmentally "clean" and that no remediation of dirt is req'd.*

Deed Restriction Removal	TBD
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Deed Restriction must be removed for construction of Detention Center.

2-Story Sheriff Law Enforcement Courts Probation Building	\$12,025,000
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1 st Floor. Sheriff Law Enforcement Offices + Lobbies (2)	18,500 <u>gsf</u> @ \$300/gsf	5,550,000
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2 nd Floor. Courts + Probation	18,500 <u>gsf</u> @ \$350/gsf	6,475,000
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New Detention Center	\$7,920,000
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Street Level	17,000 <u>gsf</u> @ \$400/gsf	6,800,000
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Second Floor (Inmate Housing)	2,800 <u>gsf</u> @ \$400/gsf	1,120,000
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Remodel Existing Jail Building for County Administration	TBD
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Clerk + Recorder | Treasurer | Assessor

BOCC | County Mgr | HR | Atty | Finance + Budget

Subtotal Construction	\$21,945,000
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Add 27% "Soft Costs" including 15% Contingency	\$5,925,200
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Total Construction + "Soft Costs"	\$27,870,200
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Downtown Concept

All Uses Remain Downtown requiring Purchase of Moity + possibly other Property
01.05.16

Purchase adjacent Moity Property **TBD**

Purchase other downtown property for use as Parking **TBD**

The purchase of this other downtown property will likely be required to meet the Town's parking rqmts.

Sitework (on 0.86A Moity property) **\$300,000**

*Assumes property is environmentally "clean" and that no remediation of dirt is req'd.
Assumes no significant investment for Storm Water detention + water quality*

Sitework (on "other" purchased property) **TBD**

Remodel Existing Jail Building for Courts + Probation **\$3,600,000**

Basement (demo, new exit corridor, new Inmate Elevator)	9,000 sf @ \$015/sf	135,000
Street Level (includes new Exit Stair + Inmate Elevator)	15,400 sf @ \$225/sf	3,465,000

New Detention Center **\$7,196,000**

Street Level (including all of Mechanical + Electrical)	15,200 sf @ \$400	6,080,000
Second Floor (Inmate Housing)	2,790 sf @ \$400	1,116,000

New Sheriff Law Enforcement Offices **\$4,579,100**

Below-grade Parking Garage and Evidence Storage	7,110 sf @ \$125/sf	888,800
Street Level Public Lobby + LE offices (including both stairs)	5,956 sf @ \$300/sf	1,786,800
Second Floor LE offices (including both stairs)	6,345 sf @ \$300/sf	1,903,500

Subtotal Construction (excluding property purchase) **\$15,675,100**

Add 27% "Soft Costs" including 15% Contingency **\$4,232,300**

Total Construction + "Soft Costs" **\$19,907,400**

The purchase of additional property will likely be required to meet the Town's parking rqmts.

Buy Parelli Building + Remodel Detention Center for Continued Use

04.19.16

Purchase Parelli property + buy option for 2 adjacent lots (Lots 2 + 3)	4,500,000
Sitework (on-site)	0
None required at either site at this time	
Limited Remodel 1st Flr of Parelli Bldg for Sheriff Office+Probation	\$1,500,000
Includes 2 new Exit Stairs + Entry Vestibule	15,000 sf @ \$100/sf
Fill opening in 2nd Floor of Parelli Building	\$50,000
	1,000 sf @ \$50/sf
Add Inmate Elevator to Office Building	\$150,000
	2 stops at \$75K/stop
Remodel 2nd Floor of Parelli Building for Courts	\$3,000,000
Includes 2 new Exit Stairs	15,000 sf @ \$200/sf
Remodel portion of Parelli Building Warehouse for Sheriff	\$100,000
Ramp + Evidence Storage	2,000 sf @ \$50/sf
Repair existing Detention Center for "safe + secure" use	\$1,760,000
	8,800 sf @ \$200/sf
Subtotal Construction (excluding property purchase)	\$6,560,000
Add 27% "Soft Costs"	\$1,771,200
Total Construction + "Soft Costs"	\$8,331,200
Grand Total w/ assumed \$4.5M property purchase	\$12,831,200

Downtown Concept

All Uses Remain Downtown requiring Purchase of Moity + possibly other Property
04.18.16

Purchase adjacent Moity Property	\$600,000
Purchase other downtown property for use as Parking	TBD
<i>The purchase of this other downtown property will likely be required to meet the Town's parking needs.</i>	
Sitework (on 0.86A Moity property)	\$300,000
<i>Assumes property is environmentally "clean" and that no remediation of dirt is req'd. Assumes no significant investment for Storm Water detention + water quality</i>	
Sitework (on "other" purchased property)	TBD
Repair existing Detention Center for "safe + secure" use	\$1,760,000
8,800 sf @ \$200/sf	
Build new 1-Story Courts + Probation Building	\$6,125,000
Street Level	17,500 sf @ \$350 6,125,000
Build Parking Structure under the New Courts + Probation Building	\$2,100,000
Below-grade Parking Garage	17,500 gsf @ \$120/sf 2,100,000
Subtotal Construction (excluding property purchase)	\$10,285,000
Add 27% "Soft Costs" including 15% Contingency	\$2,777,000
Total Construction + "Soft Costs"	\$13,062,000
Grand Total w/ assumed \$600K property purchase	\$13,662,000

The purchase of additional property will likely be required to meet the Town's parking ~~needs~~.