

RESOLUTION NO. 50-23

**A RESOLUTION ENTERING INTO TWO INTERGOVERNMENTAL
AGREEMENTS WITH THE WEST JUNCTION METROPOLITAN DISTRICT
REGARDING CONSTRUCTION AND MAINTENANCE OF IMPROVEMENTS
ASSOCIATED WITH THE 176-ACRE MIXED USE DEVELOPMENT SITUATED
TO THE NORTHWEST OF THE INTERSECTION OF HIGHWAY 6 AND 50
PATTERSON ROAD**

Recitals:

In August 2020, the City Council conditionally approved the West Junction Metropolitan District Service Plan ("Service Plan"). A condition of Service Plan approval was the agreement and execution of one or more Intergovernmental Agreements ("IGA's") describing the improvements and responsibilities of the City of Grand Junction ("City") and the West Junction Metropolitan District ("District").

On June 1, 2022, Resolution 47-22 authorized the City and the District to execute two IGA's to implement the Service Plan, one related to obligations of and benefits to the City and the District ("Contractual IGA") and a second which defines roadway construction and financing mechanisms by and between the City and the District as the agreement pertains to certain rights-of-way within and adjacent to the District boundaries ("Roadway IGA").

A primary purpose of the District is to plan for, design, acquire, construct, install, relocate, redevelop, procure, contract for, operate, maintain, and finance certain Public Improvements as generally defined and described by the Service Plan. Approval of the Service Plan by the City Council constitutes the City's agreement that the District may perform the operation and maintenance functions described in that Agreement. Those services will be within a defined and described geographic boundary, which consists of the Service Area as of the date of the Agreement.

The District may impose mill levies on taxable property within its boundaries as a primary source of revenue for repayment of debt service, capital improvements, administrative expenses, and operations and maintenance of the Public Improvements.

The District proposes an addendum to the Roadway IGA to allow for the proceeds from District bonds as part of the Public Improvements Contracts ("PIC") for construction of improvements and to have the same serve as the guarantee required as part of the Development Improvements Agreement ("DIA") as provided in GJMC 21.02.070(m).

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

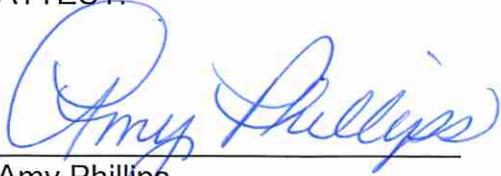
City Council hereby amends Resolution 47-22 to accept the attached addendum and amendment to the existing Roadway IGA and authorizes the President of the Council to execute and enter into the same with the West Junction Metropolitan District.

Passed, adopted, and approved this 21st day of June 2023.



Anna M. Stout
President of the City Council

ATTEST:



Amy Phillips
City Clerk



**ADDENDUM TO
INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE CITY OF GRAND JUNCTION
AND
WEST JUNCTION METROPOLITAN DISTRICT
CONCERNING ROADWAY CONSTRUCTION AND FINANCING**

THIS ADDENDUM TO THE INTERGOVERNMENTAL AGREEMENT (“**Addendum**”) is made and entered into effective June 21, 2023 by and between the **City of Grand Junction**, a Colorado home-rule municipality (“**City**”), and **West Junction Metropolitan District**, a quasi-municipal corporation and political subdivision of the State (the “**District**”). The City and the District are collectively referred to as the “**Parties**”.

RECITALS

WHEREAS, the Parties entered into that certain Intergovernmental Agreement Concerning Roadway Construction and Financing (“**IGA**”), effective June 1, 2022; for roadway improvements in connection with the Mesa Trails Subdivision, as provided in the IGA, and,

WHEREAS, capitalized terms herein shall have the meanings and definitions of the same terms as defined in the IGA; and,

WHEREAS, the Mesa Trails Subdivision is located within the City and within the District; and,

WHEREAS, the District has agreed to finance the cost of designing, constructing and installing the Developer Street Obligations and the City Street Responsibilities related to the Mesa Trails Subdivision, pursuant to the terms of the IGA and subject to the District’s Service Plan authorization, the City’s prior approval of construction plans, voter authorized debt, and financing capacity including TCP fee revenue sharing as provided in the IGA; and,

WHEREAS, as a political subdivision of the State, the District is required to follow state laws regarding public works contracting.

NOW, THEREFORE, the Parties agree as follows:

1. Public Improvements Construction Contract Bidding, Contracting and Payment Requirements.
 - a. The District shall design, construct and install sanitary sewer, water, street, traffic and safety, and storm sewer improvements, including public area landscaping (“**Public Improvements**”), to City or other appropriate governmental entity standards and specifications. Prior to performing work, the District will obtain the City or other appropriate governmental entity’s written approval of construction plans and will obtain all applicable permits for

construction and installation of the Public Improvements, pursuant to the IGA and City Code.

- b. The District must appropriate the full contract amount prior to letting a public improvements construction contract (“**Public Improvements Contract**”), pursuant to § 24-91-103.6, C.R.S.
- c. The District shall secure performance and payment bonds from the selected contractor issued by a company(ies) licensed to do business in Colorado equal to 100% of the Public Improvements Contract price and warranty bonding equal to 20% of the Public Improvements Contract price, pursuant to §§ 38-26-105 and 106, C.R.S.
- d. The Public Improvements Contract shall specify withholding 5% retainage of the Public Improvements Contract price until final payment is made, pursuant to § 24-91-103(1)(a), C.R.S. Retainage shall be withheld in the amount of 10% of approved pay applications until the work under the Public Improvements Contract is 50% complete. The total retainage withheld shall equal five percent (5%) of the Public Improvements Contract price.
- e. The District shall secure a warranty bond from the selected contractor issued by a company(ies) licensed to do business in Colorado with coverage equal to twenty percent (20%) of the Public Improvements Contract price for correction of defective workmanship and/or materials for a period of one year after initial written acceptance of the Public Improvements by the City or other appropriate governmental entity.

2. City Bonding Requirements for Subdivision Improvements.

- a. The City requires a development improvements agreement and guarantee (“**DIA**”) pursuant to GJMC 21.02.070 (m) in an amount equal to 120% of the cost of the improvements in the approved construction plan that shall be sufficient to cover all promises and conditions contained in the DIA.

3. Agreement Concerning Collateralization/Surety Coverage of District Constructed Public Improvements.

- a. Upon verification of the following terms and documents required by and under the District let Public Improvement Contract(s) for the Mesa Trails Subdivision, the City shall not require collateralization of Public Improvements constructed and installed by the District.
- b. Prior to issuing a Notice to Proceed under a Public Improvements Contract, the District shall coordinate with the City Public Works Director or his designee to verify:

- District Public Improvement Contract(s) funding in place.
- The selected contractor's performance bond and labor and materials payment bond are equal to 100% of the Public Improvements Contract(s) price with the City named as a dual-obligee.
- The selected contractor's warranty bond equaling 20% of the Public Improvements Contract(s) price with the City named as a dual-obligee.
- The Public Improvements Contract(s) requires withholding 5% retainage of the contract price until final payment.
- The Public Improvements Contract(s) requires final payment to be made following statutory publication requirements.

4. The terms hereof only apply to Public Improvement Contract(s) let by the District.

5. The terms of the IGA remain in full force and effect, except as amended by this Addendum.

[Signature Page to Follow]

IN WITNESS WHEREOF, this Addendum is executed by the Parties as of the date first written above.

WEST JUNCTION METROPOLITAN DISTRICT

BY:  _____
Chairman/President

ATTEST:

By:  _____
Secretary

CITY OF GRAND JUNCTION, COLORADO

By:  _____
President of City Council

ATTEST:

By:  _____
City Clerk