

**MEMORANDUM OF UNDERSTANDING AMENDING THE FEBRUARY 27, 2024
MEMORANDUM OF UNDERSTANDING**

THIS MEMORANDUM OF UNDERSTANDING is entered into by and between the City of Grand Junction, for the use and benefit of the Persigo Wastewater Treatment Facility located at 2145 River Road, Grand Junction, CO 81505 ("City") and Ute Water Conservancy District, 2190 H ¼ Road, Grand Junction, CO 81505 ("District"). The District and the City may be referred to collectively as the Parties.

RECITALS

- A. The District operates and maintains a potable water system in Mesa County, Colorado. The District's system serves domestic and commercial customers.
- B. The City operates and maintains the Persigo Wastewater Facility ("Persigo") located within the District's service area at 2145 River Road, Grand Junction, CO 81505. The City is a commercial customer of the District.
- C. In July 1983 in order for the City to receive commercial water service and for fire protection at Persigo, the City paid the prevailing tap fees for a 6-inch meter and connection to the District's water system.
- D. In April of 1998, Persigo staff, the Grand Junction Fire Department Fire Marshall, and the District agreed to remove the 6-inch meter and install a 2-inch meter to measure the commercial water usage at Persigo.
- E. A 6-inch inline valve with an above-grade valve position indicator was installed on the 6-inch service line which would remain closed except for cases in which it was needed for fire protection in accordance with the April 1998 agreement.
- F. Additionally, in order to allow commercial water usage to bypass the 6-inch inline valve described in paragraph E above, a 2-inch water line including the installed 2-inch meter was connected to the 6-inch service line upstream of the 6-inch inline valve and reconnected downstream of the 6-inch inline valve.
- G. Consistent with District policy no amount of the tap fee paid by the City for the 6-inch meter in 1983 was credited or refunded as part of the removal and replacement of the 6-inch meter with the 2-inch meter in 1998.
- H. The City was not charged a tap fee for the 2-inch meter.

- I. Neither the City nor the District are making any claim(s) for payment for the change made to the meter in 1998 or for the water that flowed through it in the past.
- J. In 2023, it was discovered that the 6-inch inline valve had intermittently been opened without the need or use for fire protection, causing unknown amounts of Persigo's commercial water usage to bypass the 2-inch meter and flow unmetered, and subsequently not billed to or paid for by the City.
- K. Construction and installation of a separate commercial water service line and a separate fire protection service line to serve Persigo is currently cost prohibitive for the City.
- L. In the interest of continuing the Parties prior common effort at addressing the service needs of Persigo and the District's need to serve its customer, the City and the District enter into this Memorandum of Understanding which supersedes the 1998 agreement and specifically amends the February 27, 2024 Memorandum of Understanding.

Now, therefore, in consideration of the Recitals and the following terms, understandings and agreements, the Parties state as follows:

The purpose of this MOU is to permit and allow the installation of a single, City owned and operated, looped domestic and fire service line to serve Persigo through two separate meter vaults on City property near and adjacent to the River Road right-of-way. The location of the vaults shall be agreed upon by the District and City. The locations shall permit the District reasonable access to the meters and vaults for normal operation and maintenance activities performed by the District. The 6-inch fire service meters, and the water that flows through it, shall serve both the commercial water service and fire protection needs of Persigo.

1. The District shall furnish and install two 8-x12-inch wet tap connections to the District's distribution main, an 8-inch water service extension from each wet tap connection to the distribution main, an 8-x6-inch reducer upstream of each meter vault, both meter vaults and 6-inch fire service meters, a 6-inch stub downstream of each meter vault, two 6-inch gate valves, two 6-x8-inch reducers and the 8-inch pipe stubs including all the necessary earthwork, traffic control, labor and equipment, and surface restoration. The installation and connections shall be constructed according to the specifications of the District. The District will perform quality assurance disinfection and pressure-testing. Upon completion of the work the District shall bill the City the applicable 8-x12-inch wet tap fees for connection to the District's distribution main and for the actual labor, equipment, overhead, and materials necessary for the installation of the meter vaults, the 6-inch fire service meters, and the 8-inch water service extensions. The City shall be responsible for all the materials, means and methods necessary to connect the City's existing 8-inch service line to the 8-inch pipe stubs installed by the District immediately downstream of the meter vaults. Subject to the necessary

materials and equipment for the installation and connection being received, the Parties agree that installation and connection shall be completed no later than October 31, 2024.

2. The work as planned and as described in Paragraph 1 allows the District's construction to proceed without interrupting water service at Persigo. The City shall coordinate the connection between the meter vaults and service lines when it best suits Persigo operations. After the City makes these connections, the City shall coordinate a service outage with the District to allow removal of the abandoned 6-inch valve and pipe as necessary to allow installation of a 6-inch blind flange on the 12-x6-inch tee/saddle. The City will provide all the necessary earthwork, labor, materials, traffic control, and site restoration to perform this work. The District will inspect this work to ensure that the installation and connections shall be constructed according to the specifications of the District.

3. The City shall install, operate, and maintain reduced pressure zone (RPZ) assembly devices on the service line downstream of the meter vaults at locations approved by the District. The City understands that each assembly must be installed, operated, and maintained in accordance with applicable Colorado Department of Public Health and Environment and backflow prevention requirements including that the service line from the meters to each assembly contain no secondary or alternative connections.

4. The City agrees and understands that as a result of water for commercial water service and water for fire protection being delivered and measured through the 6-inch fire service meters, the District is unable to differentiate the type of use for billing purposes. In the event water is utilized for fire protection/suppression needs, including water use related to the inspection, testing, or leaks in the fire protection infrastructure, uses for which the District does not currently bill or adjusts the billing for, the District and the District alone shall make the final determination as to whether the use was for fire protection needs by the City and what amount, if any, to credit against the City's billed usage amount.

5. Upon completion of the work described in paragraphs 1-3 above, Persigo's monthly billing for water service shall be calculated at the District's 2-inch meter commercial billing rate as that rate is amended from time to time. Additionally, the City shall be subject to the District's monthly private fire line water service charge for a 6-inch fire line service as that rate is amended from time to time.

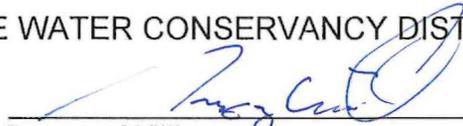
6. The City agrees and understands that due to the originally purchased and installed 6-inch meter in 1983, the subsequent election to reduce the meter to a 2-inch meter in 1998, and the agreed upon solution including the reinstallation of a 6-inch fire service meters, a credit shall not be issued to the City by the District for the removal of the existing 2-inch meter. The District agrees to not charge and collect for the difference in current tap fees between the existing 2-inch meter and the 6-inch meters to be installed.

7. If at a later date the City determines that separating the commercial service line from the fire protection service line is necessary, the City shall be subject to the District's then current rules and regulations, prevailing rates and fees, and if applicable, the time and materials incurred by the District related to separating the service lines downstream of the meter or individually metering the separated service lines.

8. This Memorandum of Understanding shall supersede any prior written agreements related to the service provided by the District at 2145 River Road.

9. This Memorandum of Understanding shall remain in effect unless and until the City determines to exercise paragraph 7 and is subject to the District's rules and regulations as amended or revised from time to time.

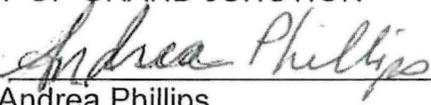
UTE WATER CONSERVANCY DISTRICT

By: 

Gregory Williams
Assistant Manager

Date: April 29, 2024

CITY OF GRAND JUNCTION

By: 

Andrea Phillips
Interim City Manager

Date: April 29, 2024