

AGREEMENT

THIS AGREEMENT, made this 2nd day of January 2026, by and between THE CITY OF GRAND JUNCTION, a Colorado Home Rule City, hereinafter "City," and TILTON LATERAL, INCORPORATED, a Colorado Not for Profit Association, hereinafter "Association."

Recitals

A. The Association operates and maintains certain irrigation water conveyances within the City and unincorporated Mesa County, Colorado, hereafter referred to as the "ditches".

B. The City and the Association wish to cooperate such that some of the irrigation ditches, specifically those along D 1/2 Road from 29 ¼ Road to 30 Road, may be improved as designed in the construction drawings and project manual dated July 29, 2025 (revised), hereinafter referred to as the "plans" or the "project".

C. In furtherance thereof the Association and the City have agreed to certain improvements, operations and maintenance, all as more fully set forth herein.

D. The City and the Association have a long and successful history of cooperative efforts to provide irrigation and drainage through the Association's ditches. The City and Association have been able to cooperatively solve construction, operational and maintenance issues. The City has designed improvements to D ½ Road and will be constructing those improvements during the calendar year 2026. The Association provided input and clarification of the existing system repeatedly through the design process, including a letter dated May 17, 2022, and included as Attachment 1. The parties desire that their past cooperation be memorialized for the City's D ½ Road re-construction and associated construction of the project.

NOW, THEREFORE, in consideration of the recitals, the mutual covenants and conditions contained herein, and other valuable considerations, the parties by authority of their respective governing bodies agree as follows:

1. The intent of this agreement is to outline the proposed relocation of Tilton Lateral irrigation components that conflict with proposed public improvements within the right-of-way. The City will have components moved or replaced in a manner that conveys irrigation water comparable to its existing use and does not diminish system capacity for Tilton Lateral Stakeholders.

2. The Association delivers irrigation water for private use to specific ditches, diversions or individuals that are not part of the Association's ditches. Delivery of water to a specific point, typically a tap-off service point owned and maintained by the individual stakeholders of the Association, completes the Association's operation and maintenance responsibility for certain ditches. After delivery to a specific point the private property owners purchasing the service are and become solely responsible for the delivery, operation and maintenance of the water and ditches delivering or distributing water. The Association and the City are not responsible or liable one to the other for the maintenance of any private ditch, ditches, pipes, culverts, conveyances or other works nor are the Association or the City responsible or liable one to the other for the distribution of irrigation water by or through private ditches. The City

and the Association acknowledge and agree that a private ditch exists within this project and that the parties will make every reasonable effort to accommodate the continued use of the private ditch but such agreement shall not constitute an assumption of maintenance or operation responsibility or liability of any type, manner or sort for the ditch generally described as Tilton Lateral, Headgate 160.

3. The City will, at its expense, construct and install underground pipe and all necessary and reasonable appurtenances including but not necessarily limited to, turnouts, cleanouts and headgates all in accordance with the plans. Said plans and specifications are incorporated by this reference as if fully set forth. The plans and specifications shall be the operative documents for the project and shall serve to limit and define the project. The Association acknowledges and agrees that it has reviewed and accepted the plans and the project and further represents that the design and specifications of the project are adequate and acceptable to the Association.

4. The Association shall assume, accept and be responsible for, the operation and maintenance of the project immediately upon the City's acceptance of the system installation. At a minimum, the Association shall keep, repair and maintain the project on a comparable basis with other Association facilities and improvements. The Association's maintenance obligations pursuant to this agreement are and shall be perpetual.

5. The City warrants to the Association the design and construction of the project and the installation of the facilities for a period of one year from the date of full and final acceptance of the project by the City. Such full and final acceptance of the project by the City shall be operative and binding upon the Association. The City shall not be liable, in accordance with 24-10-101 et. seq. C.R.S., to the Association or any third party for any direct or consequential damages which may result by virtue of failure of the project or failure of the project to convey irrigation water to customers or receive and convey wastewater, stormwater or tailwater or any other action in tort or which may lie in tort.

6. The project shall be designed, bid and expected to be constructed, installed and operational by 2026. Failure to meet the scheduled and anticipated completion date shall not subject the City to direct or consequential damages.

7. The City agrees to design and construct the project to allow for continued private use and operation of irrigation water, structures and facilities so that future extension of irrigation water conveyances along D 1/2 Road from 29 1/4 Road to 30 Road may be accomplished.

8. Failure to substantially perform any act, term, covenant or obligation hereunder, unless such term or obligation is specifically noted as not creating liability or contract, shall be actionable. The non-defaulting party, be it the City or the Association, shall provide written notice of default to the defaulting party, be it the City or the Association, prior to initiating legal action. The notice shall contain a complete and detailed description of the alleged default. The defaulting party shall have thirty (30) days from and after receiving such notice to correct any such default. If the default is not timely corrected, legal action may commence. A condition precedent to filing suit shall be the completion of mediation.

9. This Agreement contains the entire understanding of the parties and is intended as a complete and final expression of their Agreement and of the terms thereof. All prior statements and representations, including those which may have been negligently made, and all prior understandings and agreements are merged herein. The parties specifically waive any claims they may have for negligent misrepresentations

in the formation of this Agreement. This Agreement shall not be modified except by a writing signed by the parties hereto or their duly authorized representatives. No waiver by either party of any default shall be deemed a waiver of any subsequent default.

10. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado. Venue for all actions connected herewith shall be in Mesa County, Colorado.

11. If any clause or provision of this Agreement be determined to be illegal, invalid or unenforceable under present or future laws, then it is the intention of the parties that the other terms and provisions of this Agreement shall not be affected thereby.

12. If, on account of any breach or default by a party hereto under the terms and conditions hereof, it shall become necessary or appropriate for the other party to employ or consult with an attorney concerning the enforcement or defense of its rights or remedies hereunder, the party breaching or in default hereunder shall pay all reasonable attorney's fees so incurred by the other party.

13. The enforcement of the terms and conditions of this agreement and all rights of action relating to such enforcement shall be strictly reserved to the City and the Association.

14. For all purposes under this agreement the City and the Association are separate and distinct legal entities. No employee of either party is or shall be construed to be an employee of the other party nor are the parties partners or joint venturers for the purpose of this agreement or for any other purpose.

15. Notice arising under or concerning this agreement shall be made in writing by the Association to the City at 250 North 5th Street, Grand Junction, Colorado 81501 and by the City to the Association at 2967 D ½ Road, Grand Junction, CO 81504, by prepaid United States mail, return receipt requested. Mailed notices shall be deemed effective upon deposit with the U.S. Postal Service.

CITY OF GRAND JUNCTION

By: 

Michael P. Bennett

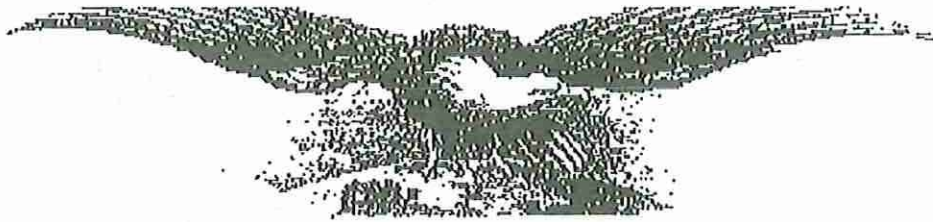
City Manager

TILTON LATERAL DITCH ASSOCIATION

By: 

Name: RICHARD TRAVER

Title: PRESIDENT



INCORPORATED UNDER THE LAWS OF THE STATE OF COLORADO

TILTON LATERAL, INC.

May 17, 2022

Public Works Engineering Department
City of Grand Junction

Attn: Planners for the D $\frac{1}{2}$ Road Improvements:

We are advised that plans are being prepared for the improvements to D $\frac{1}{2}$ Road between 29 Road and 30 Road. Utility locates are apparent in connection with this work.

We expect that you're aware that irrigation services exist along both sides of D $\frac{1}{2}$ Road. Those are provided under Headgate 141 and Headgate 160, the latter being that of Tilton Lateral, Inc. We also expect that the full extent of those services are not fully known.

TLI has provided irrigation services in the area since the 1950's, being incorporated in the early 1970's. We provide irrigation services to approximately 185 acres.

As this is an important service to numerous shareholders along D $\frac{1}{2}$ Road, including six subdivisions, its accommodation in the plans for these improvements is essential.

Irrigation runs some three-quarters of a mile west of 30 Road, not counting the service installed west of 2925 D $\frac{1}{2}$ road under the improvements already completed a few years ago when the west end of D $\frac{1}{2}$ Road was altered in connection with the 29 Road overpass construction.

In accommodating our main lines, we require that no alterations be made either laterally or depthwise that we aren't aware of and fully approving of. Our line is straight and flat, and must remain so to function properly. There is considerable velocity and head pressure in our 8" main line along the south side of the roadway. It's this velocity that keeps the line clean of accumulated silt and debris.

At this time we want to acquaint you with the many features of our system that you might not be aware of.

First is the 8" line from the southwest corner at 30 Road that runs west and empties into the Beswick Drain Ditch. That is on Headgate 141. Service to the Westland Subdivision is provided at the northeast corner of the 2979 property. Service to the Scottish Range Subdivision is provided at the northwest corner of their site, adjacent to 2965 D $\frac{1}{2}$ Road. At 2991 D $\frac{1}{2}$, the service is in an open unlined trench.

Beginning at the Beswick Ditch, an 8" main continues west to the west property line of 2929 D $\frac{1}{2}$ Road. This line is Tilton Lateral's. This line ends at a "lifter" essential to provide head pressure to up-line taps. At that point, it drains into the second of 3 branches of the Odelburg Drain.

The first point in the Odelburg Drain network originates in a manhole in the southwest corner of 2932 D $\frac{1}{2}$ Road, running under D $\frac{1}{2}$ and along the east property line of 2929 D $\frac{1}{2}$ before angling off toward the southwest midway down that parcel. The second is into a drain in the northwest corner of 2929 D $\frac{1}{2}$ below our "lifter". The third is an 8" drain at the Odelburg Drain's original location running along the east property line of 2925 D $\frac{1}{2}$ Road. Each of these drain points are integral with our system. (This third point serves another branch of our system that passes under D $\frac{1}{2}$ Road near the east side of 2926 D $\frac{1}{2}$. It is needed for annual draining of the mile-long service line that extends from the north from Calfrac and west along the railroad yard. The same line continues west to the lift structure and outfall on the south side of D $\frac{1}{2}$ at the new GVI Canal bridge.) A drain structure for this line is located in the northeast corner of 2925 D $\frac{1}{2}$ road.

Now, features that you might not have picked-up are our open trench drains located along the north side of D $\frac{1}{2}$ Road.

There is also another crossing of D $\frac{1}{2}$ in line with the west property line of 2952 D $\frac{1}{2}$ Road connected with these drains. It is a part of our drainage system that accepts tailwater from properties on the north side of the road. One begins in 2972 D $\frac{1}{2}$ flowing west into a sump in the southwest corner of 2952 D $\frac{1}{2}$. Directly across the road from this sump is a drop inlet with a slide valve needed to drain the center of our 8" D $\frac{1}{2}$ service line. This drain under the road is old and deep. That drain continues south through the Wexford Subdivision to the GVI canal.

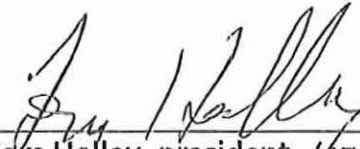
West of this drain is another tailwater ditch from the 2944 D $\frac{1}{2}$ Road property that flows west to the first Odelburg manhole mentioned above. It's partly open and partly piped. Another section of this drain flows east into the same manhole across the front of 2932 D $\frac{1}{2}$ Road.

A major crossing of D $\frac{1}{2}$ not identified previously is one at the Beswick Ditch from the north. This branch originates at the railroad, thru Calfrac, flowing south on the west bank of the Beswick, angling west from a head-level-maintaining well on the north side of the road. It passes under the road in a 15" pipe installed by the County in perhaps 2004. It is shallow, its top being just below the pavement. It replaced a corrugated metal pipe located a little east of it, which was abandoned-in-place and concrete-filled. It's also shallow. Integral with this crossing is a square Distribution Box on the south side that is to be replaced in the near future. That Distribution Box serves the 8" service line that runs west along the south side of D $\frac{1}{2}$ and another 8" line that continues south along the Beswick Ditch to serve D Road shareholders (including the West Branch Subdivision).

There are a number of service points, drain points and clean-outs that need to be maintained.

These are the features that come to mind. We will need these to be preserved, or at least their function provided for without interruption.

A copy of progress drawings would be appreciated so we can review what our mutual interests are. We are willing to meet with you at your convenience to explain any of these features.

Signed, 
Tom Holley, president, (970) 242-3352
On behalf of the TLI Board of Directors