

PAM02SEW

TYPE OF RECORD: PERMANENT

CATEGORY OF RECORD: **DEED**

PURPOSE: PURCHASE OF PANORAMA IMPROVEMENT DISTRICT AND ALL APPURTENANCES AND PETITIONS FOR THE DISSOLUTION OF THE DISTRICT

NAME OF PROPERTY OWNER OR GRANTOR: PANORAMA IMPROVEMENT DISTRICT

STREET ADDRESS/PARCEL NAME/SUBDIVISION (LOT AND BLOCK):
PARCEL 1 OF HUTTO SUBDIVISION - 2947-151-45-944

PARCEL 3 - COMMON OPEN SPACE ADJ. TO LOTS 1,2 AND 3 AND SOUTH OF LOT 1 IN BLOCK 7 OF MONUMENT VILLAGE - 2947-143-13-944 - 621 YUCCA DRIVE

PARCEL 4 - A TRACT OF LAND LOCATED IN A PART OF THE NW $\frac{1}{4}$ OF THE REPLAT OF LOTS 10, 11 AND 12 OF PANORAMA SUBDIVISION - 2947-142-00-944

CITY DEPARTMENT: PUBLIC WORKS

YEAR: 2002

EXPIRATION DATE: NONE

DESTRUCTION DATE: NONE

2038536 02/01/02 0143PM
 MONIKA TODD CLK&REC MESA COUNTY CO
 REC FEE \$30.00
 DOCUMENTARY FEE \$NO FEE

WARRANTY DEED

The Panorama Improvement District, a Colorado political subdivision, Grantor, for and in consideration of the terms and provisions of the October 23, 2002 Plan and Agreement between Grantor and Grantee, and other consideration the receipt and sufficiency of which is hereby acknowledged, hereby sells, grants and conveys to

The City of Grand Junction, Colorado, for the benefit of the Persigo 201 Sewer System, whose address is 250 North 5th Street, Grand Junction, Colorado 81501, Grantee, its successors and assigns forever, the following described real property situate in the County of mesa, State of Colorado, to wit:

All real property relating to Grantor's sewer system, including but not limited to rights-of-way and easements, together with all buildings, equipment, facilities, fixtures, valves, pipes and equipment which are because of attachment to the property lawfully considered as realty and all rights of way and easements on which the Grantor's sewer system, facilities and lagoons are located.

The warranty specifically includes, but is not limited to, claims, damage or injury arising by, from, out of or as a result of construction, installation and/or maintenance of Grantor's lines, facilities, valves, pipes or equipment outside of all rights of way and easements;

See the **attached "Schedule A"** for metes and bounds description of parcels 1, 3 and 4, also conveyed by this warranty deed; AND

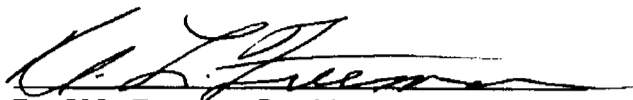
A twenty foot wide perpetual easement the center(s) of which shall be over the center of existing sewer lines, pipes and/or pipelines within, under and/or on the property described on the **attached Exhibit C**.

TO HAVE AND TO HOLD the premises aforesaid, with all and singular the rights, privileges, appurtenances and immunities thereunto belonging or in anywise appertaining, including all buildings and improvements and all fixtures attached thereto, and all existing sewer pipes and pipelines of whatever dimension or material along with the appurtenant facilities and mechanisms such as manholes, and similar equipment currently used to gather and treat sanitary sewage from the properties within Grantor's boundaries.

Grantor hereby covenants that it will warrant and defend the title to said premises unto the said Grantee and the City's successors and assigns forever, against the claims and demands of all persons whomsoever, except as provided on the **attached "Schedule B-----Section 2,"** consisting of two pages.

Executed and delivered this 31st day of January, 2002.

Panorama Improvement District


By: U.L. Freeman, President

Attest: 
Secretary

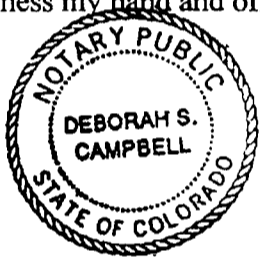


State of Colorado)
) ss.
County of Mesa)

The foregoing instrument was acknowledged before me this 31st day of January, 2002 by U.L. Freeman, as President and JERRY McDONOUGH as Secretary of the Panorama Improvement District.

My commission expires: 11/10/05
Witness my hand and official seal.

Deborah S. Campbell
Notary Public



SCHEDULE A

BOOK 3013 PAGE 234

2. Covering the Land in the State of Colorado, County of Mesa
Described as:

PARCEL 1:

Parcel 1 of
HUTTO SUBDIVISION

PARCEL 3:

Common Open Space adjacent to Lots 1, 2 and 3 and South of Lot 1 in Block 7 of
MONUMENT VILLAGE SUBDIVISION, FILING NO. 2;
EXCEPT that part conveyed in instrument recorded July 12, 1983 in Book 1444 at Page 1 and
recorded August 27, 1982 in Book 1388 at Page 749.

PARCEL 4:

A tract of land located in a part of the Northwest Quarter (NW1/4) of Section 14, T11S. R101W. of
the 6th P.M., Mesa County, Colorado, being more particularly described as follows:

Commencing at the Northeast corner (NE Cor.) of Lot 11 of the Replat of Lots 10, 11 and 12 of Panorama
Subdivision, Filing No. 2, as recorded in the office of the Mesa County Clerk and Recorder,
thence North 64°41'00" West along the Northerly line of said Lot 11 a distance of 152.0 feet;
thence North 04°11'00" East, 246.0 feet to the true point of beginning of said sewage lagoon site;
thence North 46°30'00" West, 145.0 feet;
thence North 43°30'00" East, 100.0 feet;
thence South 46°30'00" East, 240.0 feet;
thence South 43°30'00" West, 100.0 feet;
thence North 46°30'00" West 95.0 feet to the true point of beginning.

A tract of land located in Monument Village Subdivision, Filing No. 2, being designated and shown on said plat as Common Open Space 1 and being more particularly described as follows:

Commencing at the South Quarter corner of Section 14, T11S. R101W. of the 6th PM;

thence N 89°21'00" W 1,320.10 feet;

thence N 01°10'00" E 930.18 feet;

thence S 90°00'00" E 161.04 feet;

thence N 00°00'00" E 151.26 feet to the true point of beginning;

thence S 90°00'00" W 257.64 feet to a point of curvature;

thence around the arc of a curve to the right having a radius of 25 feet, whose chord bears

N 44°35'00" W 35.66 feet, through a central angle of 91°10'00", 39.78 feet along said

curve to a point of tangency;

thence N 01°10'00" E 156.52 feet;

thence N 90°00'00" E 123.82 feet;

thence N 01°10'00" E 300.00 feet;

thence S 76°00'00" E 500.00 feet;

thence S 15°19'34" E 340.92 feet;

thence S 90°00'00" W 245.59 feet;

thence S 00°00'00" E 32.10 feet to the point of beginning;

SCHEDULE B — Section 2

Schedule B of the policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company.

1. Rights or claims of parties in possession not shown by the public records.
2. Easements, or claims of easements, not shown by the public records.
3. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, and any facts which a correct survey and inspection of the premises would disclose and which are not shown by the public records.
4. Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
5. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof.
6. Any and all unpaid taxes, assessments and unredeemed tax sales.
7. Reservation of right of way for any ditches or canals constructed by authority of United States, in U.S. Patent recorded November 6, 1911 in Book 163 at Page 129.
8. Reservation of right of way for any ditches or canals constructed by authority of United States, in U.S. Patent recorded November 6, 1911 in Book 163 at Page 130.
9. Right of way, whether in fee or easement only, as granted to Public Service Company of Colorado by instrument recorded November 21, 1967 in Book 916 at Page 704, as set forth on the sheet attached hereto.
10. Right of way, whether in fee or easement only, as granted to Public Service Company of Colorado by instrument recorded November 28, 1973 in Book 1005 at Page 879, as set forth on the sheet attached hereto.
11. Reservation of a right of way 20' in width over and across subject property to provide ingress and egress to other lands owned by grantors located to the West of subject property. The exact location of said right of way shall be determined by the Grantee and at such time as the grantee place of record a legally described right of way the right of the grantors to use any other portion of subject parcel for right of way purposes shall cease and terminate, said subject property is parcel E in instrument recorded May 15, 1974 in Book 1024 at Page 738 and re-recorded October 1, 1974 in Book 1016 at Page 576, as set forth on the sheet attached hereto.
12. Agreement, including the terms, conditions, stipulations and obligations thereof, recorded September 24, 1974 in Book 1024 at Page 334, as set forth on the sheet attached hereto.
13. Permanent Road Easement, between Panorama Improvement District and the City of Grand Junction including the terms, conditions, stipulations and obligations thereof, recorded November 26, 1982 in Book 1402 at Page 154, as set forth on the sheet attached hereto.
14. Right of way, whether in fee or easement only, as granted to Public Service Company of Colorado by instrument recorded May 23, 1983 in Book 1434 at Page 932, as set forth on the sheet attached hereto.
15. Right of way, whether in fee or easement only, as granted to Public Service Company of Colorado by instrument recorded November 22, 1983 in Book 1466 at Page 12, as set forth on the sheet attached hereto.

SCHEDULE B — Section 2 Continued

16. Road on the North as declared to be a Public Highway by order of the Board of County Commissioners of Mesa County, Colorado dated March 11, 1890 and recorded August 7, 1957 in Book 714 at Page 521.
17. Easements as shown on the recorded Plat of Monument Village Subdivision Filing No. 2.
18. NOTE: All easements are 20' utility, irrigation and drainage easements 10' each side of lot line except where noted, as shown on the recorded Plat of Monument Village Subdivision Filing No. 2.
19. NOTE: All Common Open Space as shown is dedicated as utility, irrigation and drainage easements, as shown on the recorded Plat of Monument Village Subdivision Filing No. 2.
20. Lack of access from the land to any open public road, street or highway.

NOTE: This exception is necessary because it does not appear from the instruments in the office of the Clerk and Recorder of the County in which subject property is situated that any right of access exists to an open public roadway, as to Parcel 4.

HOSKIN, FARINA, ALDRICH & KAMPF

Professional Corporation

ATTORNEYS AT LAW

200 Grand Avenue, Suite 400
Post Office Box 40
Grand Junction, Colorado 81502

Telephone (970) 242-4903
Facsimile (970) 241-3760

Gregory K. Hoskin
Terrance L. Farina
Frederick G. Aldrich
Gregg K. Kampf
David A. Younger
David M. Scanga
Michael J. Russell
John T. Howe
Matthew G. Weber
John A. Siddeek
Laurie A. Cahill
Brandin Hay
David M. Doderio

William H. Nelson
(1926-1992)

February 7, 2002

Greg Trainor, Utility Manager
City of Grand Junction
City Hall
250 North 5th Street
Grand Junction, Colorado 81505

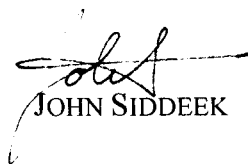
Re: Panorama Improvement District

Dear Greg:

Enclosed please find the original title policy we just received from Abstract & Title Co. of Mesa County, Inc. Please let me know if you have any questions or comments regarding this matter.

Sincerely,

HOSKIN, FARINA, ALDRICH & KAMPF
Professional Corporation

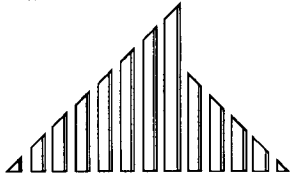


JOHN SIDDEEK

JS:dsc

Enclosure

cc: Al Freeman, Panorama Improvement District



**ABSTRACT & TITLE CO.
OF MESA COUNTY, INC.**

Issuing Agent For:
TRANSNATION
TITLE INSURANCE COMPANY

DATE: Feb. 6, 2002

TO: HOSKIN, FARINA, ALDRICH & KAMPF

ATTN: JOHN SIDDEEK

Please find attached the following:

Owners Policy A38-0036487 906558 City of Grand Junction

Plus Invoice #34810 for \$60.00 (recording fees)

Received by: _____

Date: _____

Company Name: _____

Time: _____

Please contact our office if you have any questions.

Sincerely,

Jan Pobirk
Policy Dept.

1114 N. 1st Street, Suite 201
P.O. Box 3738
Grand Junction, CO 81501
970/242-8234
FAX 970/241-4925

**SCHEDULE B
EXCEPTIONS FROM COVERAGE**

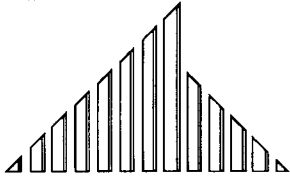
Policy No.: **A38-0036487**

File No. **00906558**

This Policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Rights or claims of parties in possession not shown by the public records.
2. Easements, or claims of easements, not shown by the public records.
3. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, and any facts which a correct survey and inspection of the premises would disclose and which are not shown by the public records.
4. Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
5. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof.
6. Any and all unpaid taxes, assessments and unredeemed tax sales.
7. Reservation of right of way for any ditches or canals constructed by authority of United States, in U.S. Patent recorded November 6, 1911 in Book 163 at Page 129.
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11. Reservation of a right of way 20' in width over and across subject property to provide ingress and egress to other lands owned by grantors located to the West of subject property. The exact location of said right of way shall be determined by the Grantee and at such time as the grantee place of record a legally described right of way the right of the grantors to use any other portion of subject parcel for right of way purposes shall cease and terminate, said subject property is parcel E in instrument recorded May 15, 1974 in Book 1024 at Page 738 and re-recorded October 1, 1974 in Book 1016 at Page 576, as set forth on the sheet attached hereto.
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Continued on next page



**ABSTRACT & TITLE CO.
OF MESA COUNTY, INC.**

Issuing Agent For:
TRANSNATION
TITLE INSURANCE COMPANY

DATE: Feb. 6, 2002

TO: HOSKIN, FARINA, ALDRICH & KAMPF

ATTN: JOHN SIDDEEK

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Time: _____

Please contact our office if you have any questions.

Sincerely,

Jan Pobirk
Policy Dept.

1114 N. 1st Street, Suite 201
P.O. Box 3738
Grand Junction, CO 81501
970/242-8234
FAX 970/241-4925



ISSUED BY
TRANSNATION TITLE INSURANCE COMPANY

Transnation
A LANDAMERICA COMPANY

OWNER'S POLICY OF TITLE INSURANCE

POLICY NUMBER

A38-0036487

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, TRANSNATION TITLE INSURANCE COMPANY, an Arizona corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title, as insured, but only to the extent provided in the Conditions and Stipulations.

IN WITNESS WHEREOF, TRANSNATION TITLE INSURANCE COMPANY has caused its corporate name and seal to be hereunto affixed by its duly authorized officers, the Policy to become valid when countersigned by an authorized officer or agent of the Company.

TRANSNATION TITLE INSURANCE COMPANY

Attest:

Wm. Chadwick Perrine

Secretary



By:

Janet A. Albert

President

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the affect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
 - (a) created, suffered, assumed or agreed to by the insured claimant;
 - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
 - (c) resulting in no loss or damage to the insured claimant;
 - (d) attaching or created subsequent to Date of Policy; or
 - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the Insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
 - (a) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
 - (b) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
 - (i) to timely record the instrument of transfer; or
 - (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

CONDITIONS AND STIPULATIONS

1. DEFINITION OF TERMS.

The following terms when used in this policy mean:

(a) "insured": the insured named in Schedule A, and, subject to any rights or defenses the Company would have had against the named insured, those who succeed to the interest of the named insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors.

(b) "insured claimant": an insured claiming loss or damage.

(c) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of the public records as defined in this policy or any other records which impart constructive notice of matters affecting the land.

(d) "land": the land described or referred to in Schedule A, 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, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.

(e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

(f) "public records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge. With respect to Section 1(a) (iv) of the Exclusions From Coverage, "public records" shall also include environmental protection liens filed in the records of the clerk of the United States district court for the district in which the land is located.

(g) "unmarketability of the title": an alleged or apparent matter affecting the title to the land, not excluded or excepted from coverage, which would entitle a purchaser of the estate or interest described in Schedule A to be released from the obligation to purchase by virtue of a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE AFTER CONVEYANCE OF TITLE.

The coverage of this policy shall continue in force as of Date of Policy in favor of an insured only so long as the insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from the insured, or only so long as the insured shall have liability by reason of covenants of warranty made by the insured in any transfer or conveyance of the estate or interest. This policy shall not continue in force in favor of any purchaser from the insured of either (i) an estate or interest in the land, or (ii) an indebtedness secured by a purchase money mortgage given to the insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

The insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 4(a) below, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as insured, and which might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if title to the estate or interest, as insured, is rejected as unmarketable. If prompt notice shall not be given to the Company, then as to the insured all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any insured under this policy unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

4. DEFENSE AND PROSECUTION OF ACTIONS; DUTY OF INSURED CLAIMANT TO COOPERATE.

(a) Upon written request by the insured and subject to the options contained in Section 6 of these Conditions and Stipulations, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an insured in litigation in which any third party asserts a claim adverse to the title or interest as insured, but only as to those stated causes of action alleging a defect, lien or encumbrance or other matter insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the insured to object for reasonable cause) to represent the insured as to those stated causes of action and shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the insured in the defense of those causes of action which allege matters not insured against by this policy.

(b) The Company shall have the right, at its own cost, to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest, as insured, or to prevent or reduce loss or damage to the insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this policy. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(c) Whenever the Company shall have brought an action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(d) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of the insured for this purpose. Whenever requested by the Company, the insured, at the Company's expense, shall give the Company all reasonable aid (i) in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest as insured. If the Company is prejudiced by the failure of the insured to furnish the required cooperation, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

5. PROOF OF LOSS OR DAMAGE.

In addition to and after the notices required under Section 3 of these Conditions and Stipulations have been provided the Company, a proof of loss or damage signed and sworn to by the insured claimant shall be furnished to the Company within 90 days after the insured claimant shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the defect in, or lien or encumbrance on the title, or other matter insured against by this policy which constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the insured claimant to provide the required proof of loss or damage, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such proof of loss or damage.

In addition, the insured claimant may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Policy, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the insured claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the insured claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgement of the Company, it is necessary in the administration of the claim. Failure of the insured claimant to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph shall terminate any liability of the Company under this policy as to that claim.

6. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the following options:

(a) To Pay or Tender Payment of the Amount of Insurance.

To pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay.

Upon the exercise by the Company of this option, all liability and obligations to the insured under this policy, other than to make the payment required, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be surrendered to the Company for cancellation.

(b) To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.

(i) to pay or otherwise settle with other parties for or in the name of an insured claimant any claim insured against under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to time of payment and which the Company is obligated to pay; or

(ii) to pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs (b)(i) or (ii), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

Conditions and Stipulations Continued Inside Cover

Exhibit A

PARCEL 1:

Parcel 1 of
HUTTO SUBDIVISION

PARCEL 3:

Common Open Space adjacent to Lots 1, 2 and 3 and South of Lot 1 in Block 7 of
MONUMENT VILLAGE SUBDIVISION, FILING NO. 2;
EXCEPT that part conveyed in instrument recorded July 12, 1983 in Book 1444 at Page 1 and
recorded August 27, 1982 in Book 1388 at Page 749.

PARCEL 4:

A tract of land located in a part of the Northwest Quarter (NW1/4) of Section 14, T11S. R101W. of
the 6th P.M., Mesa County, Colorado, being more particularly described as follows:

Commencing at the Northeast corner (NE Cor.) of Lot 11 of the Replat of Lots 10, 11 and 12 of Panorama
Subdivision, Filing No. 2, as recorded in the office of the Mesa County Clerk and Recorder,
thence North 64°41'00" West along the Northerly line of said Lot 11 a distance of 152.0 feet;
thence North 04°11'00" East, 246.0 feet to the true point of beginning of said sewage lagoon site;
thence North 46°30'00" West, 145.0 feet;
thence North 43°30'00" East, 100.0 feet;
thence South 46°30'00" East, 240.0 feet;
thence South 43°30'00" West, 100.0 feet;
thence North 46°30'00" West 95.0 feet to the true point of beginning.

PARCEL 2:

A twenty foot wide perpetual easement the center(s) of which shall be over the center of existing sewer lines,
pipes and/or pipelines within, under and/or on the property described as follows:

A tract of land located in Monument Village Subdivision, Filing No. 2, being designated and shown on said
plat as Common Open Space 1 and being more particularly described as follows:

Commencing at the South Quarter corner of Section 14, T11S. R101W. of the 6th PM;
thence N 89°21'00" W 1,320.10 feet;
thence N 01°10'00" E 930.18 feet;
thence S 90°00'00" E 161.04 feet;
thence N 00°00'00" E 151.26 feet to the true point of beginning;
thence S 90°00'00" W 257.64 feet to a point of curvature;
thence around the arc of a curve to the right having a radius of 25 feet, whose chord bears
N 44°35'00" W 35.66 feet, through a central angle of 91°10'00", 39.78 feet along said
curve to a point of tangency;
thence N 01°10'00" E 156.52 feet;
thence N 90°00'00" E 123.82 feet;
thence N 01°10'00" E 300.00 feet;
thence S 76°00'00" E 500.00 feet;
thence S 15°19'34" E 340.92 feet;
thence S 90°00'00" W 245.59 feet;
thence S 00°00'00" E 32.10 feet to the point of beginning.

Issued with Policy No.

SCHEDULE A

Amount of Insurance: **\$5,000.00**

Policy No.: **A38-0036487**

Premium **\$210.00**

File No. **00906558**

Date of Policy: **February 1, 2002 at 1:44 P.M.**

1. Name of Insured:

The City of Grand Junction, Colorado, for the benefit of the Persigo 201 Sewer System

2. The estate or interest in the land which is covered by this policy is:

Fee Simple

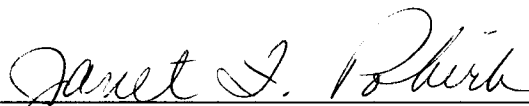
3. Title to the estate or interest in the land is vested in:

The City of Grand Junction, Colorado, for the benefit of the Persigo 201 Sewer System

4. The land referred to in this policy is described in said instrument, is situated in the County of **Mesa**, State of Colorado, and is described as follows:

See Exhibit A attached hereto and made a part hereof.

Countersigned: _____

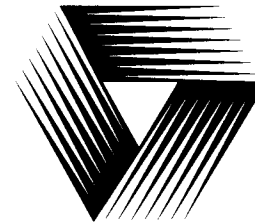

Authorized Officer or Agent

NM 1 PA 10
ALTA Owners
Schedule A
Form 1190-15

SCHEDULE B - (Continued)

15. Right of way, whether in fee or easement only, as granted to Public Service Company of Colorado by instrument recorded November 22, 1983 in Book 1466 at Page 12, as set forth on the sheet attached hereto.
16. Road on the North as declared to be a Public Highway by order of the Board of County Commissioners of Mesa County, Colorado dated March 11, 1890 and recorded August 7, 1957 in Book 714 at Page 521.
17. Easements as shown on the recorded Plat of Monument Village Subdivision Filing No. 2.
18. NOTE: All easements are 20' utility, irrigation and drainage easements 10' each side of lot line except where noted, as shown on the recorded Plat of Monument Village Subdivision Filing No. 2.
19. NOTE: All Common Open Space as shown is dedicated as utility, irrigation and drainage easements, as shown on the recorded Plat of Monument Village Subdivision Filing No. 2.
20. Lack of access from the land to any open public road, street or highway.

NOTE: This exception is necessary because it does not appear from the instruments in the office of the Clerk and Recorder of the County in which subject property is situated that any right of access exists to an open public roadway, as to Parcel 4.



**OWNER'S POLICY
OF TITLE INSURANCE
(10-17-92)**

AMERICAN LAND TITLE ASSOCIATION

ISSUED BY
TRANSNATION TITLE INSURANCE COMPANY



HOME OFFICE:
101 Gateway Centre Parkway, Gateway One
Richmond, Virginia 23235-5153

B 1190-58

A WORD OF THANKS

As we make your policy a part of our permanent records, we want to express our appreciation of this evidence of your faith in Transnation Title Insurance Company.

There is no recurring premium.

This policy provides valuable title protection and we suggest you keep it in a safe place where it will be readily available for future reference.

If you have any questions about the protection provided by this policy, contact the office that issued your policy or you may write to:

Consumer Affairs Department

**Transnation
Title Insurance Company**

P.O. Box 27567
Richmond, Virginia 23261-7567
TOLL FREE NUMBER: 1-800-446-7086

(Continued)

7. DETERMINATION, EXTENT OF LIABILITY AND COINSURANCE.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The liability of the Company under this policy shall not exceed the least of:

- (i) the Amount of Insurance stated in Schedule A; or,
- (ii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(b) In the event the Amount of Insurance stated in Schedule A at the Date of Policy is less than 80 percent of the value of the insured estate or interest or the full consideration paid for the land, whichever is less, or if subsequent to the Date of Policy an improvement is erected on the land which increases the value of the insured estate or interest by at least 20 percent over the Amount of Insurance stated in Schedule A, then this Policy is subject to the following:

- (i) where no subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rata in the proportion that the amount of insurance at Date of Policy bears to the total value of the insured estate or interest at Date of Policy; or
- (ii) where a subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rata in the proportion that 120 percent of the Amount of Insurance stated in Schedule A bears to the sum of the Amount of Insurance stated in Schedule A and the amount expended for the improvement.

The provisions of this paragraph shall not apply to costs, attorneys' fees and expenses for which the Company is liable under this policy, and shall only apply to that portion of any loss which exceeds, in the aggregate, 10 percent of the Amount of Insurance stated in Schedule A.

(c) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

8. APPORTIONMENT.

If the land described in Schedule A consists of two or more parcels which are not used as a single site, and a loss is established affecting one or more of the parcels but not all, the loss shall be computed and settled on a pro rata basis as if the amount of insurance under this policy was divided pro rata as to the value on Date of Policy of each separate parcel to the whole, exclusive of any improvements made subsequent to Date of Policy, unless a liability or value has otherwise been agreed upon as to each parcel by the Company and the insured at the time of the issuance of this policy and shown by an express statement or by an endorsement attached to this policy.

9. LIMITATION OF LIABILITY.

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the land, or cures the claim of unmarketability of title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title as insured.

(c) The Company shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY.

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto.

11. LIABILITY NONCUMULATIVE

It is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring a mortgage to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy to the insured owner.

12. PAYMENT OF LOSS.

(a) No payment shall be made without producing this policy for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

NM 1 PA 10
 ALTA Owner's Policy (10-17-92)
 Cover Page
 Form 1190-58

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

13. SUBROGATION UPON PAYMENT OR SETTLEMENT.

(a) The Company's Right of Subrogation.

Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the insured claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by the Company, the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The insured claimant shall permit the Company to sue, compromise or settle in the name of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the insured claimant, the Company shall be subrogated to these rights and remedies in the proportion which the Company's payment bears to the whole amount of the loss.

If loss should result from any act of the insured claimant, as stated above, that act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

(b) The Company's Rights Against Non-insured Obligors.

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

14. ARBITRATION

Unless prohibited by applicable law, either the Company or the insured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. All arbitrable matters when the Amount of Insurance is \$1,000,000 or less shall be arbitrated at the option of either the Company or the insured. All arbitrable matters when the Amount of Insurance is in excess of \$1,000,000 shall be arbitrated only when agreed to by both the Company and the insured. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.

(a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

16. SEVERABILITY.

In the event any provision of the policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect.

17. 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 policy and shall be addressed to: Consumer Affairs Department, P.O. Box 27567, Richmond, Virginia 23261-7567.

ORIGINAL

Valid Only If Face Page, Schedules A and B Are Attached

Bill of Sale

(From Panorama Improvement District
to the City of Grand Junction)

For and in consideration of the terms of the Plan and Agreement between the City of Grand Junction and the Panorama Improvement District, dated October 23, 2001, and other good and valuable consideration the adequacy of which is acknowledged by the parties,

The Panorama Improvement District ("Seller"), does hereby sell, transfer, and convey to The City of Grand Junction, Colorado, for the benefit of the Persigo 201 Sewer System ("Buyer"), the following personal property which Seller warrants to be free and clear of all encumbrances and liens, to wit:

1. Two blossom-type aerators
2. Two propeller-type aerators
3. One broken propeller-type aerator
4. Continuous weir measuring and recording device
5. Three (3) buildings
 - a. One cinder block (storage)
 - b. One metal (electrical)
 - c. One small wood with vinyl siding (Chlorine)
6. Two complete lift stations
7. All electrical components in electric building (metal)
8. Chlorine dosing meter
9. Chlorine tester
10. pH meter.

All property is transferred in a physical condition of "as is."

Seller promises to defend the Buyer against any claim from any person that Seller is not the lawful owner of such personal property.

DATED this 2nd day of January, 2002.

SELLER:

Panorama Improvement District

By: _____

U.L. Freeman, President

TRANSACTION DESCRIPTION

- Pick up
- Payee OTA
- Dep Cust Bank
- Mail

501 Main Street
Grand Junction, CO 81501

0367

A.G. Edwards & Sons, Inc. No. **36732403**
INVESTMENTS SINCE 1887

80-349/0815

36732403

Member New York Stock Exchange, Inc.

UMB Bank
Monroe City, MO

BRANCH	ACCOUNT NO.	IB	TYPE
367	029749	06	1

1-3 2002

PAY THE SUM OF:

One Hundred Seventeen Thousand Fourty Dollars and no/100ths

\$ 117,040.00

PAY TO THE ORDER OF

VOID AFTER 90 DAYS

Panorama Improvement Dist-Lift Station Reserve Fund
Al Freeman - President
Charles Stevenson - Tres
P.O. Box 2554
Grand Junction, CO 81502-2554

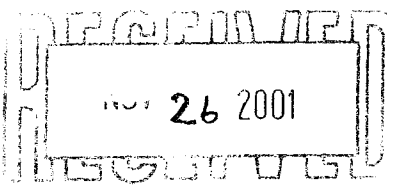
Carleen Walby
Linda S. Arledge
SECOND SIGNATURE REQUIRED FOR AMOUNTS OF
\$25,000.00 AND OVER
AUTHORIZED SIGNATURE(S)

⑈ 36732403 ⑈ ⑆ 081503490 ⑆ ⑈ 5900991874 ⑈

**FOLD ALONG PERFORATION AND
DETACH BEFORE DEPOSITING**

James M. Smith
Ch. L. Thomas

PAYEE(S), ENDORSEMENT OR ABSENCE OF ENDORSEMENT
GUARANTEED, REQUIRED:

DISTRICT COURT, MESA COUNTY, COLORADO 125 N. Spruce Grand Junction, CO 81501 (970) 257-3625	
In the Matter of the Petition of the CITY OF GRAND JUNCTION, a home rule city, To Amend the Service Plan of the PANORAMA IMPROVEMENT DISTRICT	2048266 04/01/02 1110AM AM MONIKA TODD CLK® MESA COUNTY CO REC FEE \$10.00 ▲ COURT USE ONLY ▲
John P. Shaver, No. 16594 Assistant City Attorney 250 North 5th Street, Grand Junction, CO 81501 (970) 244-1501	Case No. 01CV664 Div.: 11 Ctrm.:
<p style="text-align: center;">ORDER FOR AMENDMENT OF SERVICE PLAN AND MODIFICATION OF PANORAMA IMPROVEMENT DISTRICT</p>	

The Petition concerning the amendment of the service plan and modification of the Panorama Improvement District ("District" or "the District") having been called for hearing by the Court and the Court having been duly advised in the premises hereby finds that:


1. The District has filed in accordance with 32-1-207, C.R.S. for an amendment of its service plan. Consistent with the parties' agreement the City has filed a petition with this court to confirm the amended service plan and otherwise modify the Panorama District.
2. Section 32-1-308, C.R.S. provides that "the provisions of this article ... shall apply to all special districts existing on June 30, 1981...". Because the District existed on that date and because Article I of Title 32 generally provides for court supervision of the organization, inclusion, exclusion, consolidation and dissolution of special districts the court accepts and exercises its jurisdiction over the subject matter and the parties.
3. Furthermore, because the legislature clearly intended in 32-1-308, C.R.S. to make *organization* provisions of the Act applicable to Districts that were already in existence it stands to reason that the same would apply to *reorganization/modification* of a District.

4. On November 19, 2001, the Mesa County Board of Commissioners heard the District's application to amend its Service Plan in accordance with 32-1-207, C.R.S. The Board of Commissioners, by and through the Chair, authorized and approved the amended Service Plan. A copy of the minutes of the meeting of November 19, 2001 are attached and marked as Exhibit 1.

IT IS THEREFORE ADJUDGED, ORDERED AND DECREED BY THE COURT:

That sewer service for the lands described in the Petition, all situate within Mesa County, Colorado, is hereby converted from the Panorama Improvement District to the City of Grand Junction/Persigo Wastewater Treatment Facility and that the legal and common descriptions contained in said Petition are incorporated by this reference as if fully set forth. This order, among other things, shall serve to amend the District Service Plan and, as necessary or required, the mill levy of said District should be adjusted accordingly.

BY THE COURT THIS 30th DAY OF November, 2001.


AMANDA D. BAILEY
DISTRICT COURT JUDGE

2048265 04/01/02 1110AM
MONIKA TODD CLK&REC MESA COUNTY CO
REC FEE \$65.00

DISTRICT COURT, MESA COUNTY, COLORADO 125 N. Spruce Grand Junction, CO 81501 (970) 257-3625	
In the Matter of the Petition of the CITY OF GRAND JUNCTION, a home rule city, To Amend the Service Plan of the PANORAMA IMPROVEMENT DISTRICT	▲ COURT USE ONLY ▲
John P. Shaver, No. 16594 Assistant City Attorney 250 North 5th Street, Grand Junction, CO 81501 (970) 244-1501	Case No. 01 CV 664 Div.: 11 Ctrm.:
VERIFIED PETITION	

COMES NOW the City of Grand Junction, a home rule city, by and through the undersigned counsel and files a petition with the Court for a Hearing and Order on the amendment of service plan and for modification of the Panorama Improvement District:

1. The City and the District have petitioned the Board of County Commissioners of Mesa County) for a change to the District's Service Plan terminating the District's provision of sanitary sewer services. A hearing before the Board of County Commissioners will be held on November 19, 2001. A copy of the Plan and Agreement and the proposed Amended Service Plan are attached hereto and marked as Exhibits 1 and 2 respectively.
2. To the extent necessary or required the City seeks an Order from the Court to approve the amended service plan, reorganize and modify the District and terminate the District's obligation to provide sewer service within the District. It is intended that the City will hereafter provide sanitary sewer services as provided in the Agreement, within the District.
3. The City represents to the Court that the property within the District, although not annexed to the City of Grand Junction, Colorado, will be served by the City for the purposes of the provision of sewage treatment services.

4. The City further represents to the Court that it is unclear how the change to the District/District's services is to occur: counsel for Panorama contends that an order of the Court is not required and that action by the Board of County Commissioners is sufficient. The undersigned contends that an order of the Court is required and therefore, to that end, files this petition.
5. The District was formed under the 1963 Special District Act. None of the current statutory provisions are directly applicable to the modification or conclusive as to the process for transferring sanitary sewer service from the District to the City. The City contends that court supervision/approval is required under 32-1-308 C.R.S.
6. Section 32-1-308, C.R.S. provides that "the provisions of this article ... shall apply to all special districts existing on June 30, 1981..." Because the District existed on that date and because Article I of Title 32 generally provides for court supervision of the organization, inclusion, exclusion, consolidation and dissolution of special districts the court has jurisdiction over the subject matter and the parties.
7. The District, while it does not agree that court supervision/approval is required, has consented in Exhibit 1 to the jurisdiction of the Court and to the filing of this petition.
8. The City will provide sewer service to properties within the District in accordance with the Agreement for service and acquisition of the District's facilities. Upon full and final compliance with those terms, service of and to the properties in the District will continue uninterrupted in accordance with the amended service plan.
9. By verification of this Petition by Grand Junction Utility Manager Gregory O. Trainor, the Petitioner represents to the Court that the quality of service will not be adversely affected and that the quality of service will likely be improved by virtue of such change.
10. The Court is statutorily empowered to set a hearing and to enter an Order of Amendment upon satisfaction that all conditions are met.

Respectfully submitted this 9th day of November 2001.

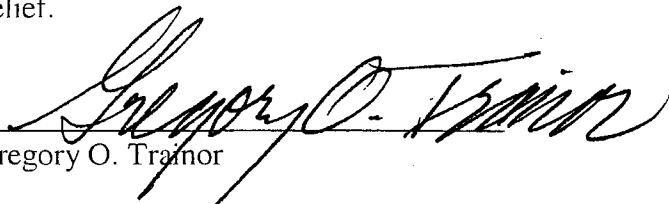
OFFICE OF THE CITY ATTORNEY

by:


John P. Shaver

VERIFICATION

I, Gregory O. Trainor, Utility Manager in and for the City of Grand Junction, do hereby state under oath that the facts contained herein are true and correct to the best of my knowledge and belief.


Gregory O. Trainor

STATE OF COLORADO)
COUNTY OF MESA)

Subscribed and sworn to before me by Greg Trainor this 9th day of November 2001.


Notary Public

My commission expires: MARCH 3, 2006

Recorder's Note: No Notary Seal
When Recorded

CERTIFICATE OF MAILING

I hereby certify that I hand delivered a copy of the attached document this 13th day of November 2001, addressed to:

John Sideek
c/o Hoskin, Farina, Aldrich & Kampf, Attorneys for the District
200 Grand Avenue
Grand Junction, CO 81501

Maurice Lyle DeChant
Mesa County Attorney
750 Main Street
Grand Junction, CO 81501



EXHIBIT 1

PLAN AND AGREEMENT

The City of Grand Junction, manager of the Persigo Sewer System and the Panorama Improvement District enter into this Agreement this 23 day of October, 2001.

Recitals.

Under the intergovernmental agreement between the City and the County signed October 13, 1998 ("the Persigo Agreement"), the City operates and co-owns with the County, the regional Publicly Owned Treatment Works (POTW) known as the Persigo Sewer System ("Persigo," "City" or "System").

The Panorama Improvement District ("District") is a special district organized and existing in accordance with Title 32 of the Colorado Revised Statutes. One purpose/service of the District has been the collection and treatment of sanitary sewer for the residents and owners of the District.

The District desires to convey its sanitary sewer system, along with maintenance and operation of it, to the City. The City has agreed in principle and will in accordance with this Plan and Agreement:

accept the District's sewer collection pipelines, lift stations, appurtenances and facilities; connect the District's sanitary sewer system to the System; and to thereafter maintain it as a part of the System.

As of April 4, 2001 there are 440 residents and owners of the District's sanitary sewer system. The Plan and Agreement provides that the System shall be paid a Plant Investment Fee (PIF) of \$750.00 for 440 Resident/User. The District, by and through the Board and the residents/users, shall pay to the City \$330,000.00 as further provided for herein.

The District does not desire to retain the land and improvements on which the District's sanitary sewer system lagoons are located. The District represents and agrees that such land is not developable and that the District intends that such land be open space/public lands. To that end the District shall donate the land to the City as further provided for herein.

This Plan and Agreement shall in no way affect, limit or increase the City's ability to annex the area served by the District.

NOW, THEREFORE, the City and the District agree as follows:

1. Definitions.

- (a) "Board" means the Board of Directors of the Panorama Improvement District.
- (b) "City" means the City of Grand Junction, Colorado as co-owner and as the manager of the Persigo Sewer System. The Persigo Agreement directs that the City take title to real and personal property of the System in the name and style of "the City of Grand Junction, Colorado, for the benefit of the Persigo 201 Sewer System."
- (c) "Closing" shall be January 2, 2002. Closing is more particularly described as the date by which the deed(s) provided for herein shall be conveyed to the City by the District and the District shall certify that the District's mill levy has been reduced.
- (d) "Council" means the City Council of the City.
- (e) "County" means the County of Mesa, Colorado, acting through its Board of County Commissioners.
- (f) "District" means the Panorama Improvement District. If the context suggests or requires action, District means its Board and/or an action of the same.
- (g) "Effective Date" means the later of the day on which the City begins management of the District's system or October 31, 2001.
- (h) "New Resident/User" means either a resident/user connecting to the System over and above the 440 identified herein or a resident/user connecting to the System after the April 4, 2001 date of the eligible electors' list used for the May 8, 2001 election.
- (i) "Persigo" or "System" means the Persigo Sewer System.
- (j) "Persigo Agreement" means the Intergovernmental Agreement between the City of Grand Junction, Colorado and the County of Mesa, County entered into on October 13, 1998.
- (k) "PIF" or "Plan Investment Fee" means a one-time payment to the City, as provided in Chapter 38 of the Grand Junction Code of Ordinances.
- (l) "Resident/User" means either a resident/user connecting to the System included in the 440 identified herein or a resident/user connected to the System as April 4, 2001. Fee title and equitable interest holders including, but not limited to, mortgage interest holders are subsumed in the definition.
- (m) "Service Plan" means the service plan of, or equivalent document prepared by, the District as described in Title 32 of the Colorado Revised Statutes.
- (n) "EQU" or "Equivalent Residential Unit" means the amount of sewage assumed to be produced by one (1) residence. See, Grand Junction Code of Ordinances Chapter 38.

2. Procedure.

- (a) The schedule provided for in and contemplated by this Agreement shall generally be as follows:
 - i) May 8, 2001 Election
 - ii) The Panorama Improvement District and the City of Grand Junction, as co-petitioners, shall submit a petition to the Mesa County Board of County Commissioners, on or before Friday, October 26, 2001, to modify the Panorama Improvement District Service Plan and then to take any other actions if necessary, including petition to the District Court to effect the modification of the Plan.
 - iii) January 2, 2002 Closing.

- (b) In any event the Board shall deliver to the City Utility Manager, with a copy to the City Attorney, a complete copy of its proposed amended Service Plan before the Effective Date. The amended Service Plan shall ensure that the District will no longer provide sewer service. The City shall have the right to approve the amended Service Plan, which approval shall not be unreasonably withheld. The District shall thereafter seek the approval of Mesa County and/or the court or courts of competent jurisdiction to take the actions provided for herein. The City has no interest in the District's Service Plans that do not affect sewer service and assets.

- (c) The District shall provide written notice to the City Utility Manager, with a copy to the City Attorney, within five working days of each approval of the terms hereof by Mesa County, the District's voters and the court(s).

- (d) The District shall deliver a final written notice via US Mail return receipt requested to the City Utility Manager, with a copy to the City Attorney, confirming that all such approvals have been obtained.

3. Services. On and after the Effective Date, the City shall provide to the owners of property within the District, subject to the rules, requirements and charges of the City, sanitary sewer services on substantially similar terms and conditions as it does to others in similar circumstances. The City shall be responsible for all costs incurred in the day-to-day operations of the District sewer system as of the Effective Date.

4. Fees, Charges and Mill Levy. It is agreed that there are 440 Resident/Users at the time of the May 8 election, as evidenced by the April 4, 2001 list of electors. It is further agreed that there are new resident/users who have connected to the District since the April 4, 2001 list was compiled who have not paid plant investment fees or property taxes to the District.

- (a) On and after the Effective Date:
 - i) each resident/user shall pay the monthly charges established by the City, presently \$11.71/month/EQU; and

- ii) each of the 440 Resident/Users shall pay a lump sum of \$484.00, which sum is payable in full to the City at City Hall by no later than the close of business January 31, 2002. If each Resident/User has not paid the lump sum, the City shall be authorized to bill and collect a monthly payment of \$9.35 per EQU for 60 months (plus 6% simple interest and a one-time administrative fee of \$15.00); and
 - iii) The District shall pay or require the new resident/users who connected to the District after April 4, 2001 to pay the current PIF at the time of connection to the system.
 - iv) neither the District nor the City shall allow connection to the System by a New Resident/User without payment of the current PIF to the City. Payment of the PIF shall be evidenced only by a Sewer Clearance issued by the City obtained prior to building permit issuance.
 - v) failure to pay as provided in ii), iii) or iv) shall be deemed an unlawful connection to the System and the same will be subject to disconnection, fines, fees and liens as provided in the Grand Junction Code of Ordinances.
 - vi) although they are not City residents, both Resident/Users and New Resident/ Users shall be deemed to have consented to the jurisdiction of the Grand Junction Code of Ordinances with respect to sewer service only.
 - vii) Before the first Resident/User is connected to the System, the District shall have notified each property owner of the preceding Section. The City shall record a notice of vi) at least ten days before the Effective Date.
 - viii) The District shall pay \$117,040.00 to the City at City Hall for and on behalf of all of the 440 Resident/Users on or before the closing date.
- (b) At Least 15 days Before the Closing Date:
- i) the Board shall reduce/take any and all actions necessary to reduce by the appropriate amount (as determined by the Board) the mill levy applicable to each user/resident subject to the District's mill levy and shall be prepared to certify in writing at Closing that the reduction will occur.
 - ii) the District shall deliver as-built plans of the District's entire sewer system and facilities to the City's Utility Manager.
 - iii) the District shall either deliver properly executed easements and rights-of-way documents proving that all of the District's sewer system and facilities are in locations lawfully authorized or the District shall show that any other facilities, pipes, *etc.* are located in lawfully deeded, granted or dedicated public rights of way which the City may readily and perpetually access, use, trench into and change, all in a reasonable manner, without permits or further permission being required from any person or entity. The City's Utility Manager in his sole discretion will determine if the rights-of-way/easements are acceptable.
 - iv) the District shall pay up to \$250.00 for and deliver a title insurance commitment along with copies of all documents listed in the Schedule of Exceptions to the City Utilities Manager, with a copy to the City Attorney (hereafter "the Title Documents"). The City will pay title premium amounts above \$250.00.
 - v) the District shall acknowledge in writing that the City shall have all right, title and interest to manage and operate the District's sanitary sewer system as part of the System from the Effective Date to Closing.

- (c) Monthly charges (currently \$11.71) and other charges relating to sewer services and usage will change from time-to-time. Those recurring charges will apply to all Residents/Users, New Residents/Users and all lands within the District serviced by Persigo.
- (d) Basic PIF charges (currently \$750.00) will change from time to time. New Resident/Users shall be required to pay PIF charges as provided in Chapter 38 of the Grand Junction Code of Ordinances

5. District Customers and Facilities.

- (a) The District represents that it has 440 resident/users, the names and addresses of which, are shown on the attached **Exhibit 1** entitled **Panorama Customers and Addresses.**
- (b) On or before the Closing date, the District shall provide a map that accurately and completely describes the lines, facilities, and appurtances that it proposes to transfer to the City.
- (c) The District represents that the District's sanitary sewer system and its facilities and appurtenances are functional with no known leaks, hazardous, dangerous or open or obvious defects or conditions. The City represents that it has visually inspected the District's above ground sanitary sewer system and its facilities.

6. Real and Personal Property Conveyed to System.

- (a) The District shall convey to the City at Closing, by general warranty deed, free of liens and/or encumbrances, all real property, together with all buildings, equipment, facilities, fixtures, valves, pipes and equipment which are because of attachment to the property lawfully considered as realty and all rights of way and easements on which the District's sewer system, facilities and lagoons are located. The warranty shall specifically include, but not be limited to, claims, damage or injury arising by, from, out of or as a result of construction, installation and/or maintenance of District lines, facilities, valves, pipes or equipment outside of all rights of way and easements.
- (b) All other assets of the District with respect to the sewer system including the lift stations shall be transferred to the City at Closing. Those assets are shown on the attached **Exhibit 2** entitled **Panorama/City Bill of Sale.**

7. Indemnification.

The District shall hold harmless and indemnify the City and the System from and with respect to the following claims that have accrued, been claimed, resulted and/or of which the District has had notice prior to the Effective Date, to wit:

- any claim, loss, assertion of loss or damage and any other claim or liability relating to or caused by the activity(ies) or claimed or alleged inactivity(ies) of the District or prior to the Effective Date including but not limited to employee claims and damages (including worker's compensation, unemployment, wage and hour, ADA, etc.);
- contracts with service providers, equipment dealers or suppliers, utility company charges and/or mechanics liens, contract claims or unpaid fees and charges; and
- any regulated or hazardous substance, oil, fuel or other contamination regulated by

any federal or state law, on, in, over, resulting from or caused by the real or personal property of the District or any act or failure to act of the District prior to the Effective Date;

for purposes of this indemnity "District" includes the employees, agents, officials, officers, contractors, assigns and successors.

The District shall hold harmless and indemnify the City and the System from and with respect to any and all claims arising out of or resulting from the District's mill levy not being reduced, changed or modified as contemplated by this Agreement.

8. Closing/Title.

- (a) Conveyance and transfer of real and personal property from the District to the City shall be by general warranty deed and bill of sale, respectively.
- (b) The City shall have 15 days prior to closing in which to review and object to the Title Documents. If the City does object in writing, the District and the City shall mutually agree to such new terms as are needed to satisfy the City.

9. District's Existing Contracts.

- (a) The parties acknowledge that the District had, has or may be claimed to have contracts with others besides the System.
- (b) The parties agree that any such contract, actual or asserted, and/or the obligation(s) arising out of or under the same shall not be transferred to the System or the City and, in accordance with paragraph 7 hereof, that the District shall make its own arrangements to resolve, satisfy and hold the City and/or the System harmless from the same.

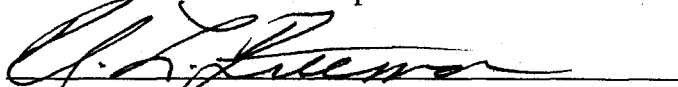
10. Other.

- (a) Because this Agreement is the result of negotiation between parties of equal sophistication and because each party has the benefit of counsel, the rule that ambiguities shall be construed against the drafter shall not apply.
- (b) So long as the Board exists, even if for a purpose other than for sewer services, no third party may sue to enforce any provision hereof.
- (c) In any event, no person not a signatory to this Agreement shall have neither standing nor may sue pursuant hereto after the 10th anniversary of the Effective Date.
- (d) This Agreement shall be void and of no further force and effect if all necessary approvals, including the vote of the District's voters, are not obtained before January 2, 2002.
- (e) The District and the City agree to execute such additional documents and take such additional action(s) as may be necessary to fulfill the intent and purposes of this Agreement.
- (f) The terms of this Agreement are contractual in nature and are not mere recitals.
- (g) The terms of this Agreement are severable. If a term(s) is declared by a court of

competent jurisdiction to be invalid or unenforceable then the valid terms shall be enforced.

- (h) This Agreement shall be governed by and is to be construed under the law of the State of Colorado. Venue for any action arising out of or under this Agreement shall be in Mesa County, Colorado. Each party shall bear its respective attorney, expert and other fees in any action brought out of or under this Agreement.

Approved this 23 day of October, 2001 by the Board of Panorama Improvement District.


U.L. Freeman
President, Panorama Improvement District

Approved this 23rd day of October, 2001 by the City of Grand Junction.

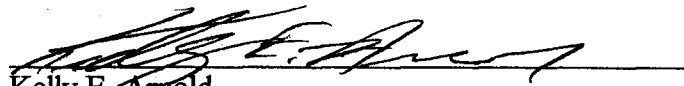

Kelly E. Arnold
City Manager, City of Grand Junction

EXHIBIT 2

AMENDED SERVICE PLAN FOR PANORAMA IMPROVEMENT DISTRICT

TO: THE BOARD OF COUNTY COMMISSIONERS
MESA COUNTY, GRAND JUNCTION, COLORADO

Pursuant to section 32-1-207(2), C.R.S., the following information is submitted to the Board of County Commissioners, Mesa County, Colorado, by the Panorama Improvement District (the District) and by the City of Grand Junction (the City), as Co-Petitioners.

The Co-Petitioners ask that the Board of County Commissioners approve a change to the District's Service Plan, terminating the District's provision of sanitary sewer services. The District's existing service plan, as amended by the Board of County Commissioners on December 2, 1986, is attached as Exhibit A.

The City, acting as manager of the Persigo Sewer System (Persigo) and the District have entered into an Agreement whereby Persigo will provide sanitary sewer service to the properties within the District by incorporating the District's facilities and services into the Persigo wastewater treatment facility that is co-owned by the City and County and managed by the City. The Agreement is attached as Exhibit B. Pursuant to the Agreement, the District and the City are submitting this petition and have agreed to take any other actions, if necessary, to effectuate the amendment to the District's Service Plan, including filing of a petition to approve the amendment with a court of competent jurisdiction. Also pursuant to the Agreement, the District and the City intend to complete the formal transfer of the District's sewer services to Persigo on January 2, 2002, effective January 1, 2002. Consistent with the Agreement, Co-Petitioners ask that the Board's resolution state that the requested amendment to the District's Service Plan will take effect at the time transfer is complete.

This transfer of the District's sanitary sewer service to Persigo is in the public interest and the residents of the County and of the Panorama Improvement District will benefit thereby.

The City, as the co-owner and manager of Persigo, is willing, capable and ready to provide for sanitary sewer services to the residents and property owners of the District, commencing January 1, 2002.

In a special advisory election held for this purpose, a majority of the electors of the District approved the transfer. Amendment of the District's Service Plan is required in order to effectuate the transfer.

Termination of sanitary sewer services by the District and transfer of such services and facilities to Persigo shall be accomplished in accordance with the terms of the Agreement between the City and the District.

The properties affected by the agreement are all properties lying within the boundaries of the District, all of which are within Mesa County, Colorado.

The District will continue to provide the other services contemplated by its service plan, *i.e.*, parks and recreation and irrigation.

The residents, electors and property owners within the District will not suffer regarding sanitary sewer services, expenses or benefits. Incorporation of the properties within the District into Persigo will provide economical and sufficient service for no substantial increase in cost, with a larger reserve fund and operating capacity. The District shall reduce its mill levy in an amount proportionate to the service fees residents of the District will pay to Persigo for sewer services.

In accordance with the October 13, 1998 agreement between the City and the County (the Persigo Agreement), the properties within the District will not be annexed to the City by virtue of connection to and service by Persigo. Pursuant to the Persigo Agreement and the Agreement, the City will serve the residents and properties within the District on a basis comparable to that of other customers of Persigo.

The District was originally formed pursuant to Chapter 89, Article 18, Section 4 of the Colorado Revised Statutes (1963), as amended. Under section 32-1-308, C.R.S., the provisions of present Title 32, Article 1 apply to the District. Accordingly, the Board is the proper authority to approve the change in the District's Service Plan. See section 32-1-207(2), C.R.S.


There will be no new debt created by the Agreement, termination and transfer.

The City's inclusion of the District as part of Persigo is consistent with the County's Master Plan adopted pursuant to section 30-28-106, C.R.S.


WHEREFORE, the County Commissioners of Mesa County are requested to set a date for public hearing upon the foregoing Amendment to Service Plan, provide an appropriate notice as is set forth in section 32-1-207(2) and 32-1-204(1), C.R.S.; and, upon hearing, to approve the Amended Service Plan as submitted and issue a resolution of approval to Co-Petitioners Panorama Improvement District and the City of Grand Junction.

Respectfully submitted,

PANORAMA IMPROVEMENT DISTRICT

By 
U.L. "Al" Freeman, President,
Panorama Improvement District
Board of Directors

CITY OF GRAND JUNCTION ON BEHALF
OF THE PERSIGO SEWER SYSTEM

By 
Greg Trainor
Utility Manager 10/25/01

NOTICE OF INCORRECT CONVEYANCE
Monument Village Subdivision, Filing No. 2
Tax Schedule No. 2947-143-24-945

2266476 BK 3953 PG 163
07/28/2005 04:23 PM
Janice Ward CLK&REC Mesa County, CO
RecFee \$5.00 SurChg \$1.00

RECITALS

As part of the conversion of sewer services from Panorama Improvement District to the Persigo 201 Sewer System, the City of Grand Junction, a Colorado home municipality (hereafter, "City") acquired real property by Warranty Deed recorded February 1, 2002 at Book 3013, Pages 232 through 237 of the public records of Mesa County (hereafter, the "Warranty Deed").

The Warranty Deed purports to convey to the City fee title to the property described on Schedule A of the Warranty Deed as Parcel 3 (tax schedule number 2947-143-24-945). The City should have acquired a twenty foot wide perpetual easement for sewer and utility maintenance, repair and operation, the center(s) of which should be over the center of sewer lines, pipes and pipelines, as those now exist or may exist in the future, within Parcel 3.

The City has contacted the attorney(s) of record for the Panorama Improvement District in an attempt to correct the conveyance. As of the date of this Notice, the Panorama Improvement District and its attorney(s) have not corrected or agreed to correct the Warranty Deed.

NOW THEREFORE, the City records this Notice of Incorrect Conveyance to put the public on notice of the City's intent to acquire a twenty foot wide perpetual easement across the property described in the Warranty Deed as Parcel 3 (tax schedule number 2947-143-24-945) instead of a fee simple interest.

DATED this 20th day of July 2005.

THE CITY OF GRAND JUNCTION
a Colorado home rule municipality

David Valley
ACTING City Manager

ATTEST:

Stephanie Tun
City Clerk

