TYPE OF RECORD: ACTIVE NON PERMANENT

CATEGORY OF RECORD: LEASE

NAME OF CONTRACTOR: REDLANDS WATER AND POWER COMPANY, A

CORPORATION

SUBJECT/PROJECT: GUNNISON RIVER PUMPING STATION

TAX PARCEL#: 2945-352-00-945

CITY DEPARTMENT: PUBLIC WORKS

YEAR: 1982

EXPIRATION DATE: 3/14/2072

DESTRUCTION DATE: 1/2079

DUFFORD, WALDECK, RULAND, WISE & MILBURN

ATTORNEYS AT LAW

900 VALLEY FEDERAL PLAZA

P. O. BOX 2188

GRAND JUNCTION, COLORADO 81502-2188

GEORGE S. GRAHAM RETIRED

AREA CODE 303 TELEPHONE 242-4614

RICHARD H, KROHN WILLIAM H, T, FREY AMANDA D. BAILEY BETTY C. BECHTEL HARRY GRIFF

B. J. BUFFORD
WILLIAM G. WALDECK
EDWIN G. RULAND
HUGH D. WISE
LAIRD T. MILBURN
JOSEPH C. COLEMAN

D. J. DUFFORD

December 20, 1982

Mr. Ralph Sterry Utilities Supervisor City of Grand Junction City Hall Grand Junction, CO 81501

RE: Our File No. 1430-013.1

Dear Mr. Sterry:

Enclosed please find a fully executed copy of the Lease Agreement of October 15, 1982, between Redlands and the City.

Sincerely,

Deborah A. Jackson Secretary to D. J. Dufford

Enclosure

cc: Ralph Sterry 3-15-84

## LEASE

This Lease was made at Grand Junction, Colorado, as of October 15, 1982, between REDLANDS WATER & POWER CO., a corporation ("Company"), and the CITY OF GRAND JUNCTION, a municipal corporation ("City").

1. In consideration of the rental payments specified in Section 2, and other valuable consideration, the Company leases to the City the following described real estate located in Mesa County, Colorado:

A part of the  $SE^{\frac{1}{4}}NW^{\frac{1}{4}}$  of Section 35, Township 1 South, Range 1 West of the Ute Meridian, described as follows:

Beginning at a point 90 feet South of a point whence the  $N^{\frac{1}{3}}$  Corner of said Section 35, Township 1 South, Range 1 West of the Ute Meridian bears North 5°56' East a distance of 1,852.1 feet, thence South 200', thence East 200 feet, thence North 200 feet, thence West 200' to the point of beginning. The tract contains .92 acres.

Together with the right to use the right of way described in the Lease dated March 15, 1973, between Redlands Water & Power Company and the City of Grand Junction.

- The term of this Lease shall commence on November 15, 1982, and end on March 14, 2072.
- 3. The City agrees to pay as rental for the Property an annual rent of \$500.00 each year, commencing November 15, 1982, with like installments on the 15th day of November of each year during the term, except that the rental payment due November 15, 2071, will be \$166.67. Rental payments shall be made to the Company at the offices of Rankin & Company, 768 North Avenue, Grand Junction, Colorado, or at such other place as the Company shall designate in writing.
  - 4. The City agrees to:
    - 4.1 Pay the rental payments specified in Section 2.
- 4.2 Use the Property only for the purpose of constructing, operating, and maintaining a water pumping station, water pipeline, and related appurtenances, and also to comply with all rules, laws, and regulations applicable to the Property.
- 4.3 Maintain the improvements on the Property in a reasonably clean and orderly condition at all times and, subject to the City's right to remove improvements, return the Property

to the Company at the end of the term in the same or better condition as such was at the date hereof.

- 4.4 Maintain the Property free of any liens or other encumbrances arising out of the City's use and occupation of the Property.
- 4.5 Immediately surrender the Property to the Company upon expiration of the term.
- 4.6 Pay all charges for electrical power and any other utilities used on or in connection with the Property.
- 4.7 Indemnify the Company and save it harmless from and against any and all loss, damage, or liability it may suffer or incur by reason of any acts of the City, its agent, or representatives.
- 4.8 Not sublease the Property or assign any or all of its rights under this Lease, without first obtaining the express written consent of the Company.
- 5. The Comany grants to the City the right to construct, operate, install, and maintain a pump station and a pipeline at the locations on the Property shown on the plat entitled "R.O.W. for Gunnison River Pumping Station and Flow Line," a copy of which is attached to this Lease as Appendix A and by reference made a part hereof.
- 6. The City warrants and represents that it has a conditional right to divert water out of the Gunnison River, being Priority No. 949 issued to the City by the District Court of Mesa County, Colorado, in Civil Action No. 8303. The City also warrants and agrees that it will not use or make any claim to any water rights owned or controlled by the Company and that all water diverted by it through the pumping station and pipeline to be constructed on the Property will be water separately claimed by the City under its Priority No. 949, and that it will not in any way interfere with or infringe upon water rights owned and controlled by the Company or interfere with the diversion facilities owned by the Company.
- 7. The Company agrees that at the end of the lease term the City shall have the right to remove all improvements con-

structed on the Property by the City, subject to the condition that after the removal of the improvements constructed on the Property, the City will restore the surface of the Property to approximately the same condition as the surface was at the commencment of the term. The City agrees to remove all of its improvements from the Property no later than six months after the expiration of the term of this Lease; provided, that the City shall not have the right to remove its improvements from the Property unless and until it has paid all rentals due under this Lease and has performed all of the other terms and conditions of this instrument. Any improvements not removed from the Property within six months after the expiration date of this Lease, will then become the property of the Company.

- 8. If the City defaults in the payment of rent or in the performance of any of the terms and conditions of this Lease, and fails to remedy any such default within ten (10) days after receipt of written notice of default from the Company, the Company may repossess the Property, together with any improvements or additions made by the City, and take immediate possession thereof. In case of default by the City, and repossession by the Company, the Company may lease the Property for the remainder of the term for the highest rent reasonably obtainable and recover from the City any deficiency between the amount so obtained and the rental payments due under this Lease, plus any expense incurred by the Company to restore, repair, or lease the Property. Nothing contained in this Section shall be construed to prevent the Company from initiating an action for specific performance of this Lease, if it elects to do so.
- 9. Any notice to be given under this Lease shall be given by United States Registered or Certified Mail, with Return Receipt Requested, and shall be conclusively presumed to have been received by the party to whom it is directed on the second day following the posting of any such notice properly addressed as specified herein, and with sufficient postage attached. Any notice directed to the Company shall be addressed as follows:

Redlands Water & Power Company c/o Rankin & Company 768 North Avenue Grand Junction, Colorado 81501

or to such other address as the Company specifies in writing.

Any notice directed to the City shall be addressed as follows:

City of Grand Junction, Colorado Attention: City Manager Grand Junction City Hall Grand Junction, Colorado 81501

- 10. The Company shall have no liability to the City for any damage to or loss of equipment, fixtures, or other improvements used or constructed upon the Property by the City.
- 11. The provisions of this instrument shall inure to the benefit of and be binding upon the successors in interest and assignees of the Company and the City.

THIS INSTRUMENT was executed and delivered by the parties as of the date shown on Page 1.

ATTEST:

Secretary

REDLANDS WATER & POWER CO.

President

THE CITY OF GRAND JUNCTION,

COLORADO

Manager and Authorized

Representative

STATE OF COLORADO )
COUNTY OF MESA )
The foregoing instrument was acknowledged before me this 14 day of October, 1982, by Louis R. Brack as President and as Secretary of REDLANDS WATER & POWER CO., a corporation.
Witness my hand and official seal.
My Commission expires: May 22, 1985  Richard A Cumult  Notary Public
Grand Junction, Cl 8/511 Address
[SEAL]
STATE OF COLORADO ) ) ss. COUNTY OF MESA )
The foregoing instrument was acknowledged before me this day of October, 1982, by American as Manager and Authorized Representative of THE CITY OF GRAND JUNCTION, COLORADO, a municipal corporation.
Witness my hand and official seal.
My Commission expires: (MM) 1986
Motary Public
250 forthe Fifth State

[SEAL]

