

DET98245

TYPE OF RECORD: PERMANENT

CATEGORY OF RECORD: DEVELOPMENT IMPROVEMENTS AGREEMENT

NAME OF AGENCY OR CONTRACTOR: WARREN B. DETTMER, PRESIDENT, STICKS AND STONES

STREET ADDRESS/PARCEL NAME/SUBDIVISION/PROJECT: 631 AND 633 24 1/2 ROAD  
FILE NO. RZ-1998-031

CITY DEPARTMENT: COMMUNITY DEVELOPMENT

YEAR: 1998

EXPIRATION DATE: NONE

DESTRUCTION DATE: NONE

**DEVELOPMENT IMPROVEMENTS AGREEMENT**

BOOK 2536 PAGE 690

1. **Parties:** The parties to this Development Improvements Agreement ("the Agreement" or "Agreement") are Warren B. Dettmer, President, Sticks & Stones ("the Developer") and **THE CITY OF GRAND JUNCTION, Colorado** ("the City" or "City").

FOR valuable consideration, the receipt and adequacy of which is acknowledged, the Parties agree as follows:

2. **Effective Date:** The Effective Date of the Agreement is { 11/20/98 (mm/dd/yy)}.

**RECITALS**

The Developer seeks permission to develop property within the City to be known as 631 & 633 24 $\frac{1}{2}$  Road Grand Junction 81505 (22-1998-031), which property is more particularly described on Exhibit A attached and incorporated by this reference ("the Property" or "Property"). The City seeks to protect the health, safety and general welfare of the community by requiring the completion of various improvements in the Property and limiting the harmful effects of substandard developments. The purpose of this Agreement is to protect the City from the cost of completing necessary improvements itself and is not executed for the benefit of materialmen, laborers, or others providing work, services or material to the Developer and/or the Property or for the benefit of the owners, purchasers or users of the Property. The mutual promises, covenants, and obligations contained in this Agreement are authorized by state law, the Colorado Constitution and the City's land development ordinances.

**DEVELOPER'S OBLIGATION**

3. **Improvements:** The Developer will design, construct and install, at its own expense, those on-site and off-site improvements listed on Exhibit B attached and incorporated by this reference ("the Improvements" or "Improvements"). The Developer agrees to pay the City for inspection services performed by the City, in addition to amounts shown on Exhibit B. The hourly rate of "in-house" inspection services is \$45.00 per hour. The scope of this project is such that the City may have to engage independent consultant(s) to adequately provide inspection services; Developer agrees to pay such costs, in addition to all others. The Developer's obligation to complete the improvements is and will be independent of any obligations of the City contained herein.

4. **Security:** To secure the performance of its obligations under this Agreement (except its obligations for warranty under paragraph 6), the Developer shall supply a financial guarantee, in a form and with terms acceptable to the City as indicated below:

- (I) disbursement agreement between a bank doing business in Mesa County and the City,  
or
- (II) a good and sufficient letter of credit acceptable to the City, or
- (III) depositing with the City cash equivalent to the estimated cost of construction of the  
improvements, or
- (IV) other: \_\_\_\_\_

5. **Standards:** The Developer shall construct the Improvements according to the standards and specifications required by the City Engineer or as adopted by the City.

6. **Warranty:** The Developer warrants that the Improvements, each and every one of them, will be free from defects for a period of twelve (12) months from the date that the City Engineer accepts or approves the last improvement completed by the Developer.

7. **Commencement, Completion and Abandonment Periods:** The Developer will commence work on the Improvements within 45 days from the Effective Date of this Agreement ("the Commencement Period") and the Improvements, each and every one of them, shall be completed by the end of the 6th month from the Effective Date of this Agreement { 05/19/99 (mm/dd/yy)} (the "Completion Period"). The Developer shall not cease construction activities for any period of more than 60 consecutive days ("the Abandonment Period").

8. **Compliance with Law:** The Developer shall comply with all applicable federal, state and local laws, ordinances and regulations in effect at the time of final approval when fulfilling its obligations under this Agreement. When necessary to protect the public health, safety or welfare, the Developer shall be subject to laws, ordinances and regulations that become effective after final development approval.

9. **Notice of Defect:** The Developer's Engineer shall provide timely notice to the Developer, contractor, issuer of security and the City Engineer whenever inspection reveals, or the Developer's Engineer otherwise has knowledge, that an improvement does not conform to City standards and any specifications approved in the development application or is otherwise defective. The Developer will have thirty (30) days from the issuance of such notice to correct the defect. The City may grant reasonable extensions.

10. **Acceptance of Improvements:** The City's final acceptance and/or approval of Improvements will not be given or obtained until the Developer presents a document or documents, for the benefit of the City, showing that the Developer owns the Improvements in fee simple and that there are no liens, encumbrances or other restrictions on the Improvements. Approval and/or acceptance of any Improvements does not constitute a waiver by the City of any rights it may have

on account of any defect in or failure of the Improvement that is detected or which occurs after approval and/or acceptance.

11. **Reduction of Security:** After the acceptance of any Improvement, the amount which the City is entitled to draw on the guarantee will be reduced by an amount equal to 90 percent of the estimated cost of the Improvement as shown in Exhibit B. At the written request of the Developer, the City will execute a certificate verifying the acceptance of the Improvement and waiving its right to draw on the guarantee to the extent of such amount. A Developer in default under this Agreement will have no right to such certification. Upon the acceptance of all of the Improvements the remaining balance that may be drawn under the guarantee shall be available to the City for 90 days after the expiration of the warranty period.

12. **Use of Proceeds:** The City will use funds deposited with it, drawn or guaranteed pursuant to any written agreement entered into between the parties only for the purpose of completing the Improvements or correcting defects in or failure of the Improvements.

13. **Events of Default:** The following conditions, occurrences or actions will constitute a default by the Developer during the Completion Period:

- a. Developer's failure to complete each portion of the Improvements in conformance with the time schedule provided in paragraph number seven (7.), above;
- b. Developer's failure to demonstrate reasonable intent to correct defective construction of any Improvement within the applicable correction period;
- c. Developer's insolvency, the appointment of a receiver for the Developer or the filing of a voluntary or involuntary petition in bankruptcy respecting the Developer; in such event the City may immediately declare a default without prior notification to the Developer;
- d. Notification to the City, by any lender with a lien on the property, of a default on an obligation; the City may immediately declare a default without prior notification to the Developer;
- e. Initiation of any foreclosure action of any lien or initiation of mechanics lien(s) procedure(s) against the Property or a portion of the Property or assignment or conveyance of the Property in lieu of foreclosure; the City may immediately declare a default without prior notification to the Developer.

Unless specifically provided herein the City may not declare a default until written notice has been sent to the Developer at the address on file with the development application. Notice is and shall be deemed effective two calendar days after mailing thereof by first class United States mail, postage prepaid.

14. **Measure of Damages:** The measure of damages for breach of this Agreement by the Developer will be the reasonable cost of satisfactorily completing the Improvements plus reasonable City administrative expenses. Administrative expenses may include but are not limited to contracting costs, collection costs and the value of planning, engineering, legal and administrative staff time devoted to the collection/completion of the Improvements. For improvements upon which construction has not begun, the estimated costs of the Improvements as shown on Exhibit B will be prima facie evidence of the minimum cost of completion, however, neither that amount or the amount of a letter of credit, the subdivision improvements disbursement agreement or cash escrow establish the maximum amount of the Developer's liability.

15. **City's Rights Upon Default:** When any event of default occurs, the City may draw on the letter of credit, escrowed collateral, or collect any other security to the extent of the face amount of the credit or full amount of escrowed collateral, cash, or security less ninety percent (90%) of the estimated cost (as shown on Exhibit B) of all improvements previously accepted by the City or may exercise its rights to disbursement of loan proceeds or other funds under the improvements disbursement agreement. The City will have the right to complete improvements itself or it may contract with a third party for completion, and the Developer grants to the City, its successors, assigns, agents, contractors, and employees, a nonexclusive right and easement to enter the Property for the purposes of constructing, reconstructing, maintaining and repairing such Improvements. Alternatively, the City may assign the proceeds of the letter of credit, the improvements disbursement agreement, the escrowed collateral, cash, or other funds or assets to a subsequent developer (or lender) who has acquired the Property by purchase, foreclosure or otherwise who will then have the same rights of completion as the City if and only if the subsequent developer (or lender) agrees in writing to complete the unfinished improvements and provides to the City reasonable security for the obligation. In addition, the City may also enjoin the sale, transfer, or conveyance of lots within the development, until the improvements are completed or accepted. These remedies are cumulative in nature and are in addition to any other remedies the City has at law or in equity.

16. **Indemnification:** The Developer expressly agrees to indemnify and hold the City, its officers, employees, agents and assigns harmless from and against all claims, costs and liabilities of every kind and nature, for injury or damage received or sustained by any person or entity in connection with, or on account of the performance or non-performance of work at the Property or the Property being developed pursuant to this Agreement. The Developer further agrees to aid and defend the City in the event that the City is named as a defendant in an action concerning the performance or non-performance of work pursuant to this Agreement. The Developer further agrees to aid and defend the City in the event that the City is named as a defendant in an action concerning the performance of work pursuant to this Agreement except where such suit is brought by the Developer against the City. The Developer is not an agent or employee of the City.

17. **No Waiver:** No waiver of any provision of this Agreement by the City will be deemed or constitute a waiver of any other provision, nor will it be deemed or constitute a continuing

waiver unless expressly provided for by a written amendment to this Agreement signed by both the City and the Developer; nor will the waiver of any default under this Agreement be deemed a waiver of any subsequent default or defaults of the same type. The City's failure to exercise any right under this Agreement will not constitute the approval of any wrongful act by the Developer or the acceptance of any Improvement.

18. **Amendment or Modification:** The parties to this Agreement may amend or modify the Agreement only by written instrument executed on behalf of the City by the City Manager or his designee and by the Developer or his authorized officer. Such amendment or modification shall be properly notarized before it may be deemed effective.

19. **Attorney's Fees:** Should either party be required to resort to litigation to enforce the terms of this Agreement, the prevailing party, plaintiff or defendant, will be entitled to costs, including reasonable attorney's fees and expert witness fees, from the opposing party. If relief is awarded to both parties, the attorney's fees may be equitably divided between the parties by the decision maker.

20. **Vested Rights:** The City does not warrant by this Agreement that the Developer is entitled to any other approval(s) required by the City, if any, before the Developer is entitled to commence development or to transfer ownership of the Property being developed.

21. **Integration:** This Agreement, together with the exhibits and attachments thereto constitutes the entire agreement between the parties and no statement(s), promise(s) or inducement(s) that is/are not contained in this Agreement will be binding on the parties.

22. **Third Party Rights:** No person or entity who or which is not a party to this Agreement will have any right of action under this Agreement.

23. **Time:** For the purpose of computing the Abandonment and Completion Periods, and time periods for City action, such times in which war, civil disasters, or acts of God occur or exist will not be included if such times prevent the Developer or City from performing its obligations under the Agreement.

24. **Severability:** If any part, term, or provision of this Agreement is held by a court or courts of competent jurisdiction to be illegal or otherwise unenforceable, such illegality or unenforceability will not affect the validity of any other part, term, or provision and the rights of the parties will be construed as if the part, term, or provision was never part of the Agreement.

25. **Benefits:** The benefits of this Agreement to the Developer are personal and may not be assigned without the express written approval of the City. Such approval may not be unreasonably withheld, but any unapproved assignment is void. Notwithstanding the foregoing, the burdens of this Agreement are personal obligations of the Developer and also will be binding on the heirs, successors and assigns of the Developer and shall be a covenant(s) running with the Property.

There is no prohibition on the right of the City to assign its rights under this Agreement. The City will expressly release the original Developer's guarantee or obligations if it accepts new security from any developer or lender who obtains the Property, however, no other act of the City will constitute a release of the original Developer from his liability under this Agreement. When the Improvements are completed and approved by the City, the City agrees to state same in writing, with appropriate acknowledgments. The City will sign a release only after all warranty periods, as extended by litigation, repair or alteration work, have expired.

26. **Notice:** Any notice required or permitted by this Agreement will be deemed effective two calendar days after deposit with the United States Postal Service, first class, postage prepaid and addressed as follows:

If to Developer: Warren B. Dettmer  
Sticks & Stones  
P. O. Box 55176  
Grand Junction, CO 81505

If to City: City of Grand Junction  
 Community Development Director  
 250 N. 5th Street  
 Grand Junction, Colorado 81501

27. **Recordation:** Developer will pay for all costs to record this Agreement or a Memorandum thereof in the Clerk and Recorder's Office of Mesa County, Colorado.

28. **Immunity:** Nothing contained in this Agreement constitutes a waiver of the City's sovereign or other immunity under any applicable law.

29. **Personal Jurisdiction and Venue:** Personal jurisdiction and venue for any action commenced by either party to this Agreement whether arising out of or relating to the Agreement, letter of credit, improvements disbursements agreement, or cash escrow agreement or any action to collect security will be deemed to be proper only if such action is commenced in Mesa County, Colorado. The Developer expressly waives his right to bring such action in or to remove such action to any other court whether state or federal.

30. a. **Conditions of Acceptance:** The City shall have no responsibility or liability with respect to any street, or other improvement(s), notwithstanding the use of the same by the public, unless the street or other improvements shall have been finally accepted by the City.

b. **Phased Development:** If the City allows a street to be constructed in stages, the Developer of the first one-half street opened for traffic shall construct the adjacent

curb, gutter and sidewalk in the standard location and shall construct the required width of pavement from the edge of gutter on his side of the street to enable an initial two-way traffic operation without on-street parking. That Developer is also responsible for end-transitions, intersection paving, drainage facilities, and adjustments to existing utilities necessary to open the street to traffic.

- c. Prior to requesting final acceptance of any street, storm drainage facility, or other required improvement(s), the Developer shall: (i) furnish to the City engineer as-built drawings in reproducible form, blue-line stamped and sealed by a professional engineer and in computer disk form and copies of results of all construction control tests required by City specification; (ii) provide written evidence to the City Engineer under signature of a qualified expert that the earth, soils, lands and surfaces upon, in and under which the improvements have been constructed, or which are necessary for the improvements, are free from toxic, hazardous or other regulated substances or materials; (iii) provide written evidence to the City Attorney that the title to lands underlying the improvements are free and clear from all liens and encumbrances, except those items and encumbrances which may be approved in writing by the City Attorney.

City of Grand Junction  
250 North Fifth Street  
Grand Junction CO 81501

BN Kathleen M. Perkin 11/24/98  
Community Development date

Attest:

*Acting*

Christine English 12/31/98  
City Clerk date

Developer:

By: Warren B. Dettmer 11/20/98  
date

Print name: Warren B. Dettmer

Attest: Jesse Noel 11-20-98  
Secretary date



TYPE LEGAL DESCRIPTION BELOW, USING ADDITIONAL SHEETS AS NECESSARY.  
USE SINGLE SPACING WITH A ONE INCH MARGIN ON EACH SIDE.

EXHIBIT A

LEGAL DESCRIPTIONS

631 24 1/2 Road

PARCEL 1: COMMENCING AT THE SE COR. OF THE NE 1/4 SW 1/4 OF SECTION 4, TOWNSHIP 1 SOUTH, RANGE 1 WEST OF THE UTE MERIDIAN FROM WHENCE THE CENTER 1/4 CORNER OF SAID SECTION 4 BEARS N00°00'20"E 1317.34 FEET AND ALL BEARINGS CONTAINED HEREIN TO BE RELATIVE THERETO;  
THENCE N00°00'20"E 329.33 FEET; THENCE S89°30'59"W 30.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE S89°50'59"W 354.00 FEET;  
THENCE N00°00'20"E 141.04 FEET; THENCE S89°59'40"E 354.00 FEET;  
THENCE S00°00'20"W 140.08 FEET TO THE TRUE POINT OF BEGINNING.  
SAID PARCEL CONTAINS 49,759.1 SQUARE FEET OR 1.14 ACRES MORE OR LESS.

633 24 1/2 Road

A parcel of land situated in the N 1/2 S 1/2 NE 1/4 SW 1/4 of Section 4, Township 1 South, Range 1 West of the Ute Meridian, Mesa County, Colorado, being more particularly described as follows:

Commencing at the found Mesa County survey marker for the C-S 1/16 corner of said Section 4, the basis of bearing being N00°00'20"E to the C 1/4 corner of said Section 4, also being a found Mesa County survey marker; thence N00°00'20"E a distance of 329.33 feet to the southeast corner of said N 1/2 S 1/2 NE 1/4 SW 1/4 and the point of beginning; thence S89°51'08"W a distance of 806.83 feet along the south line of said N 1/2 S 1/2 NE 1/4 SW 1/4; thence N00°00'20"E a distance of 232.17 feet; thence S89°59'40"E a distance of 806.83 feet to a point on the east line of said N 1/2 S 1/2 NE 1/4 SW 1/4; thence S00°00'20"W a distance of 230.00 feet to the point of beginning;  
EXCEPT the east 30.00 feet thereof for road as conveyed to Mesa County in Book 849 at Page 494.

RECORDING NOTE: POOR QUALITY DOCUMENT  
PROVIDED FOR REPRODUCTION

EXHIBIT "B"

IMPROVEMENTS LIST/DETAIL

(Page 1 of 3)

DATE: 11/13/98  
 NAME OF DEVELOPMENT: Sticks & Stones  
 LOCATION: 631/633 24 1/2 Road  
 PRINTED NAME OF PERSON PREPARING: Warren B. Dettmer

	TOTAL UNITS	UNIT QTY.	PRICE	TOTAL AMOUNT
<b>I. SANITARY SEWER--&gt; 1 manhole, 2 taps</b>				
1. Clearing and grubbing and 239' of pipe installed.	Complete			0.00
2. Cut and remove asphalt	Complete			0.00
3. PVC sanitary sewer main (incl. trenching, bedding & backfill)	L.FT.	80	24.00	1,920.00
4. Sewer Services (incl. trenching, bedding, & backfill)	Complete			0.00
5. Sanitary sewer manhole(s)	EA.	1	2,525.00	2,525.00
6. Connection to existing manhole(s)	Complete			0.00
7. Aggregate Base Course	Under Street Improvements			
8. Pavement replacement	Under Street Improvements			
9. Driveway restoration	Complete			0.00
10. Utility adjustments	None			0.00
<b>II. DOMESTIC WATER</b>				
1. Clearing and grubbing	Complete			0.00
2. Cut and remove asphalt	Complete			0.00
3. Water Main (incl. excavation, bedding, backfill, valves and appurtenances)	Complete			0.00
4. Water services (incl. excavation, bedding, backfill, valves, and appurtenances)	Complete			0.00
5. Connect to existing water line	Complete			0.00
6. Aggregate Base Course	Complete			0.00
7. Pavement Replacement	Complete			0.00
8. Utility adjustments	Complete			0.00
<b>III. STREETS</b>				
1. Clearing and grubbing	Complete			0.00
2. Earthwork, including excavation and embankment construction	Complete			0.00
3. Utility relocations	Complete			0.00
4. Aggregate sub-base course (square yard)	Included Below			0.00

5. Aggregate base course (square yard)	Sq Yd	306	0.00
6. Sub-grade stabilization	None		22,400.00
7. Asphalt or concrete pavement (square yard)	Sq Yd	306	(See Bid)
8. Curb, gutter & sidewalk (linear feet)	L. Ft.	124	5,911.00
9. Driveway sections (square yard)	Sq Yd	735	(See Bid)
10. Crosspans & fillets	None		0.00
11. Retaining walls/structures	None		0.00
12. Storm drainage system	None		0.00
13. Signs and other traffic control devices	Included Above		0.00
14. Construction staking	Included Above		0.00
15. Dust control	None		0.00
16. Street lights (each)	None		0.00
IV. LANDSCAPING			
1. Design/Architecture	Complete		0.00
2. Earthwork (includes top soil, fine grading, & berming)	None		0.00
3. Hardscape features (includes walls, fencing, and paving)	Lump Sum		500.00
4. Plant material and planting	Lump Sum		500.00
5. Irrigation system	Lump Sum		500.00
6. Other features (incl. statues, water displays, park equipment, and outdoor furniture)	None		0.00
7. Curbing	None		0.00
8. Retaining walls and structures	None		0.00
9. One year maintenance agreement	None		0.00
V. MISCELLANEOUS			
1. Design/Engineering	Complete		0.00
2. Surveying (As Built Drawing)	Lump Sum		1,000.00
3. Developer's inspection costs	None		0.00
4. Quality control testing	Included Above		0.00
5. Construction traffic control	Included Above		0.00
6. Rights-of-way/Easements	None		0.00
7. City inspection fees	Lump Sum		500.00
8. Permit fees	None		0.00
9. Recording costs	None		0.00
10. Bonds	None		0.00
11. <del>Newsletters</del> Miscellaneous Costs			1,244.00

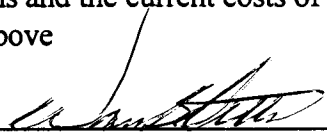
12. General Construction Supervision	None	0.00
13. Other	None	0.00
14. Other	None	0.00

TOTAL ESTIMATED COST OF IMPROVEMENTS: \$ 37,000.00


SCHEDULE OF IMPROVEMENTS:

- I. SANITARY SEWER December, 1998
- II. DOMESTIC WATER Complete
- III. STREETS Concrete-February, 1999/Asphalt-March, 1999
- IV. LANDSCAPING April, 1999
- V. MISCELLANEOUS April, 1999

I have reviewed the estimated costs and time schedule shown above and based on the plans and the current costs of construction agree to construct and install the Improvements as required above

 11/20/98  
SIGNATURE OF DEVELOPER date  
(If corporation, to be signed by president and attested to by secretary together with the corporate seals.)

Reviewed and approved.

 11/24/98  
CITY ENGINEER date

 11/24/98  
COMMUNITY DEVELOPMENT date



**THE BANK  
OF GRAND JUNCTION**

BOOK 2536 PAGE 701

P.O. Box 55365  
Grand Junction, Colorado 81505  
(303) 241-9000

**IRREVOCABLE LETTER OF CREDIT NO. 116**

The City of Grand Junction Colorado  
250 North 5th Street  
Grand Junction, Colorado 81501-2668

Irrevocable Letter of Credit No. 116

Amount: \$37,000.00

Dated: November 20, 1998

Expiration date: May 19, 1999

at the counters of the Bank of Grand Junction,  
Grand Junction, Colorado

Dear Sirs:

We hereby issue our Irrevocable Letter of Credit No. 116 in your favor issued for the account of S & S Landscape Supply, Inc. dba Sticks & Stones in the amount of \$37,000.00 (thirty-seven thousand). This letter is available by your draft drawn at sight on the Bank of Grand Junction, Colorado when accompanied by the following:

Your statement signed by an authorized official of the City of Grand Junction as follows: "S & S Landscape Supply, Inc. dba Sticks & Stones has failed to construct improvements to the sight plan as required by The City of Grand and as per the City's Zoning and Development Code and/or plans, specifications or agreements. The monies received from this drawing are required to complete such improvement."

Partial and multiple drawing permitted.

All drafts must be marked: "DRAWN UNDER BANK LETTER OF CREDIT NO. 116"

We hereby agree with the drawer of the draft(s) drawn under and in compliance with the terms of this letter of credit that the same shall be duly honored on due presentation to the drawee.

This letter of credit is to be confired by the Bank of Grand Junction with their charges for the account of the applicant.

Except as otherwise expressly stated herein, this credit is subject to the Uniform customs and practices for Documentary Credits (1983 revision) and to the extent it does not conflict with Article 5 of the uniform commercial code of the State of Colorado.

  
\_\_\_\_\_  
Roger L. Martin, Senior Vice President

Mesa Mall • 2415 F Road / Downtown • 326 Main St.

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



# THE BANK OF GRAND JUNCTION

**Mesa Mall  
2415 F Road  
Grand Junction, Colorado 81505  
(303) 241-9000**

## IRREVOCABLE LETTER OF CREDIT NO. 116

The City of Grand Junction Colorado  
250 North 5<sup>th</sup> Street  
Grand Junction, Colorado 81501-2668

Irrevocable Letter of Credit No. 116

Amount: \$37,000.00

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Expiration Date: November 15, 1999

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Grand Junction, Colorado

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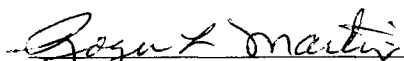
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This letter of credit is to be confirmed by the Bank of Grand Junction with their charges for the account of the applicant.

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Roger L. Martin, Senior Vice President