

GJT06SDH

TYPE OF RECORD: PERMANENT

CATEGORY OF RECORD: **DEVELOPMENT IMPROVEMENTS AGREEMENT**

NAME OF CONTRACTOR: GJ TECH CENTER LLC

PROJECT/SUBDIVISION: INNOVATIVE TEXTILES – WEST FIRE LANE

LOCATION: 559 SANDHILL LANE – LOT 2, BLUE HARON LAKE
INDUSTRIAL PARK

FILE #: SPR-2004-152

TAX PARCEL #: 2945-092-12-002

CITY DEPARTMENT: COMMUNITY DEVELOPMENT

YEAR: 2006

EXPIRATION DATE: NONE

DESTRUCTION DATE: NONE

copy

DEVELOPMENT IMPROVEMENTS AGREEMENT

1. **Parties:** The parties to this Development Improvements Agreement ("Agreement") are GJ Tech Center, LLC, ("Developer") and the **City of Grand Junction**, Colorado ("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 shall be the date that it is signed by the Community Development Director, which shall be no sooner than recordation of the final plat or final plan approval whichever first occurs.

RECITALS

The Developer seeks permission to develop property, described on Exhibit A attached and incorporated by this reference ("the Property" or "Property"). The Property, known as Lot 2 of Blue Heron Lake Industrial Park, Book 3805 Page 878 of the Mesa County Clerk & Recorder's records has been reviewed and approved under Community Development file #SPR-2004-152 (3) ("Development" or "the Development").

The City seeks to protect the health, safety and general welfare of the community by requiring the completion of various improvements to the Property and limiting the harmful effects of substandard development.

A further purpose of this Agreement is to protect the City from the cost of completing necessary improvements itself; this Agreement 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 owner(s), purchaser(s) or user(s) of the Property.

The mutual promises, covenants and obligations contained in this Agreement are authorized by state law, the Colorado Constitution and City's land development ordinances and regulations.

DEVELOPER'S OBLIGATION

3. **Improvements:** The Developer shall 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 ("Improvements" or "the Improvements").

3a. On and after the Effective Date of this Agreement the Developer agrees to pay the City for its Administration and Inspection of the Development. The hourly rate for those services is \$45.00/hour. Administration and Inspection includes but is not limited to the time expended by the City's planner, engineer, construction inspector and attorney in directing, advising, correcting and enforcing by means other than

litigation, this agreement and/or the approved development plan. Making disbursements and calling/collecting Guarantees are Administration and Inspection services and shall be charged at \$45.00/hour. See, paragraph 19 concerning attorneys'/ litigation fees.

3b. The scope of this project is such that the City may have to engage independent consultants(s) to adequately provide inspection services; Developer agrees to pay such costs, in addition to all others for which Developer is responsible hereunder.

3c. The Developer's obligation to complete the Improvements is and shall be independent of any obligations of the City contained herein.

4. **Security:** To secure the performance of its obligations under this Agreement the Developer shall supply a guarantee. The Developer is required to post security in an amount of \$30,656.90 (120% of the amount for the Improvements) in a form and with terms acceptable to the City ("Guarantee"). The Guarantee shall be in the form of a cash deposit made to the City, a letter of credit or a disbursement agreement in a form and with content approved by the City Attorney. The Guarantee specific to this Agreement is attached as Exhibit C and is incorporated by this reference as if fully set forth.

Select one: Cash Letter of Credit (LOC) Disbursement Agreement

5. **Standards:** The Developer shall construct the Improvements according to the City's standards and specifications.

6. **Warranty:** The Developer shall warrant the Improvements for one year following Acceptance by the City. "Warrant" or "Warranty" as used herein means the Developer shall take such steps and incur such costs as may be needed so that the Improvements or any portion or phase thereof as repaired and/or replaced, shall comply with the Development's construction plans and/or site plan, City standards and specifications at the end of the warranty period. The Developer shall warrant each repaired and/or replaced Improvement or any portion or phase thereof for one year following Acceptance of such repair and/or replacement.

6a. Upon Acceptance the Developer shall provide a Maintenance Guarantee in an amount of \$5109.48 (Line G2, Exhibit B, City Security).

6b. The Maintenance Guarantee shall be secured by a letter of credit, cash escrow or other form acceptable to the City.

7. **Commencement, Completion and Abandonment Periods:** The Developer shall commence work on the Improvements no later than 4 months prior to the "Completion Date".

7a. The Developer shall complete the Improvements by the end of the eighteenth month from the Effective Date of this Agreement; that date is known as the "Completion Date."

7b. The Developer shall not cease construction for any period of more than 60 consecutive days. If construction is ceased for 60 or more consecutive days the Director may deem the Development abandoned ("the Abandonment Period").

7c. The Commencement date and the Completion Date are as follows:

Commencement Date: June 1, 2006

Completion Date: November 30, 2007

8. Compliance with Law: The Developer shall comply with all applicable federal, state and local laws, ordinances and regulations when fulfilling its obligations under their 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 the Effective Date.

9. Notice of Defect: The Developer by and through his/her/its engineer shall provide timely written notice to the issuer of the Guarantee and the Director when the Developer and/or his/her/its engineer has knowledge, that an Improvement or any part or portion of any Improvement either does not conform to City standards or is otherwise defective.

9a. The Developer shall correct all non-conforming construction and/or defects within thirty (30) days from the issuance of the notice by his/her/its engineer of a/the defect.

10. Acceptance of Improvements: The City shall not accept and/or approve any or all of the Improvements until the Developer presents a document or documents for the benefit of the City showing that the Developer owns the Improvements in fee simple, or as accepted by the City Attorney, and that there are no liens, encumbrances or other restrictions on the Improvements other than those that have been accepted by the City Attorney.

10a. Approval and/or acceptance of any Improvement(s) does not constitute a waiver by the City of any right(s) that 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.

10b. Acceptance by the City shall only occur when the City Engineer, sends a writing to such effect ("Acceptance").

11. Reduction of Security: Upon Acceptance of any Improvement(s) the amount which the City is entitled to draw on the Guarantee shall be reduced by an amount of \$25,547.42 (Line G1, Exhibit B, Total Improvement Costs).

11a. At the written request of the Developer, the City shall execute a certificate verifying Acceptance of the Improvement and thereafter waiving its right to draw on the Guarantee to the extent of such amount. A Developer in default under this Agreement has no right to such certification.

12. **Use of Proceeds:** The City shall use funds deposited with it, drawn or guaranteed pursuant to this Agreement only for the purpose of completing the Improvements or correcting defects in or failure of the Improvements or paying Administration and Inspection fees.

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

13a. Developer's failure to complete each portion of the Improvements on or before the Completion Date;

13b. Developer's failure to demonstrate reasonable intent to correct defective construction of any Improvements within the applicable warranty period;

13c. 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;

13d. Notification to the City, by any lender with a lien on the Property, of a default by Developer on any obligation to such lender. In such event, the City may immediately declare a default without prior notification to the Developer.

13e. With regard to the Property or any portion thereof: initiation of any foreclosure action regarding any lien or encumbrance; or initiation of mechanics lien(s) procedure(s); or assignment or conveyance of the Property in lieu of foreclosure. In such event the City may immediately declare a default without prior notification to the Developer.

13f. Notification to the City from the bank issuing the Guarantee that it will not renew the Guarantee at a time when security is still required hereunder and no substitute collateral acceptable to the City has been provided by the Developer.

13g. Except as provided, the City may not declare a default until written notice has been sent to the Developer at the address shown in the development file. 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 shall be the reasonable cost of satisfactorily completing the Improvements, plus reasonable expenses. 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 shall be prima facie evidence of the minimum cost of completion; however, the maximum amount of the Developer's liability shall not be established by that amount or the amount of the Guarantee.

15. City's Rights Upon Default: When any event of default occurs, the City may draw on the Guarantee or proceed to collect any other security to the extent of the face amount of the Guarantee less eighty percent (80%) of the estimated cost (as shown on Exhibit B) of all Improvements for which the City has given its Acceptance and no warranty work is reasonably required. The City may also exercise its rights to disbursement of loan proceeds or other funds under the City improvements disbursement agreement.

15a. The City shall have the right to complete Improvements itself or it may contract with a third party for completion.

15b. 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, inspecting and repairing the Improvements.

15c. The City may assign the proceeds of the Guarantee or other funds or assets that it may receive in accordance with this Agreement to a subsequent developer or lender that has acquired the Property by purchase, foreclosure or otherwise.

15d. That developer or lender shall then have the same rights of completion as the City if and only if the subsequent developer or lender agrees in writing to complete or correct the Improvements and provides to the City reasonable security for that obligation.

15e. 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 ("City") 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 and/or the Improvements and/or the Development that is being done pursuant to this Agreement.

16a. The Developer further agrees to aid and defend the City in the event that the City and/or the Improvements is named as a defendant in an action concerning the performance of work pursuant to this Agreement except for a suit wherein the Developer states claims) against the City.

16b. The Developer is not an agent, partner, joint venturer or employee of the City.

17. **No Waiver:** No waiver of any provision of this Agreement by the City shall be deemed or constitute a waiver of any other provision nor shall 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 shall 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 shall not constitute the approval of any wrongful or other act by the Developer or the acceptance of any Improvement.

18. **Amendment or Modification:** The parties to this Agreement may amend or modify this Agreement only by written instrument executed on behalf of the City by the City Manager or his designee and by the Developer or his/her/its 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, shall be entitled to costs, including reasonable attorney's fees and expert witness fees, from the opposing party. The City shall be entitled to claim the value of its in-house attorneys at the rate of \$125.00 per hour. 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:** This Agreement does not guarantee, represent or certify that the Developer is entitled to any other approval(s) required by the City, before the Developer is entitled to commence development beyond the scope of this Agreement 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. No statement(s), promise(s) or inducements(s) that is/are not contained in this Agreement shall be binding on the parties.

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

23. **Time:** For the purpose of computing the Abandonment Period and Commencement and Dates, such times in which war, civil disasters or acts of God occurs or exist shall not be included if such prevents the Developer or City from performing its obligations under the Agreement. The Developer must notify the City in writing if/when it asserts impossibility of performance under this paragraph. The City may reject the Developer's assertion, if it finds, in writing that the conditions) that the Developer asserts do not exist.

24. **Severability:** If any part, term or provision of this Agreement is held by a court of competent jurisdiction to be illegal or otherwise unenforceable, such illegality or

unenforceability shall not affect the validity of any other part, term or provision. The rights of the parties shall 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.

25a. Notwithstanding the foregoing, the burdens of this Agreement are personal obligations of the Developer and also shall be binding on the heirs, successors and assigns of the Developer and shall be a covenant(s) running with the Property.

25b. There is no prohibition on the right of the City to assign its rights under this Agreement.

25c. Upon written request from the Developer the City shall expressly release the original Developer's Guarantee and/or contract obligations if it accepts new security from any developer or lender who obtains the Property, however, no other act of the City shall constitute a release of the original Developer from his liability under this Agreement.

25d. When the City has issued its Acceptance regarding the Improvements, the City agrees to state the same in writing, with appropriate acknowledgments.

25e. The City shall 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 shall 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: GJ Tech Centeer, LLC, Konrad Krauland
558 Sandhill Lane, Unit 100
Address (Street and Mailing)
Grand Juncrtion, CO 81505
Tel: 970-683-6700
Fax:970-242-3030
E-mail: Konrad@innotex.com

If to City: Office of the City Attorney
250 North 5th Street
Grand Junction, CO 81501

Cc: Community Development Department
250 North 5th Street
Grand Junction, CO 81501

27. **Recordation:** Developer shall pay the costs to record a memorandum of this Agreement (Exhibit D) in the records of the Mesa County Clerk and Recorder's Office. The Developer may, at his/her/its option record the entire agreement.

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, the Guarantee, the Maintenance Guarantee or any action based arising out of or under this Agreement shall be deemed to be proper only if such action is commenced in Mesa County, Colorado.

29a. The Developer expressly waives his/her/its right to bring such action in or to remove such action to any other court whether state or federal.

30. **Liability before 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 Improvement shall have received Acceptance by the City.

30a. 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 the side of the street nearest the property to enable an initial two-way traffic operation without on-street parking.

30b. Developer shall also construct and pay for end-transitions, intersection paving, drainage facilities and adjustments to existing utilities necessary to open the street to traffic.

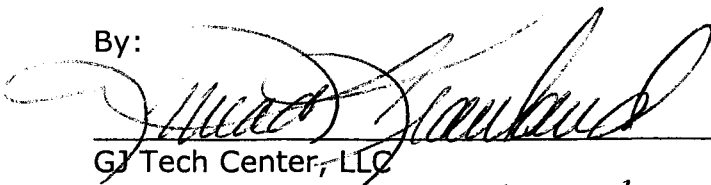
30c. The City shall not issue its written Acceptance with regard to any Improvement(s) including any street, storm drainage facility, sewer, water facility or other required Improvement(s), until the Developer:

- (i) furnishes 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) provides 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 Improvement(s) have been constructed or which are necessary for the Improvements are free from toxic, hazardous and other regulated substances or materials;

(iii) provides 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; and (iv) provides written evidence, certified by the Developer's engineer, that the work was systematically inspected and tested and that the materials and the compaction of the materials that are required to be compacted, were in conformance with City-approved plans and specifications.

By:

 5/26/06
GJ Tech Center, LLC Date

Konrad Krauland.
Name (printed)

Corporate Attest:

Name Date

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

 6-21-06
Community Development Dept. Date

6/13/2003

Exhibit A

Description of Property

The Property located at 559 Sandhill Lane, Grand Junction, CO 81505 is known as Lot 2 of Blue Heron Lake Industrial Park is recorded at Book 3805 Page 878 of the Mesa County Clerk & Recorder's records

EXHIBIT B

IMPROVEMENTS COST ESTIMATE

DATE: 11/21/05

DEVELOPMENT NAME: INNOVATIVE TEXTILES - WEST FIRE LANE

LOCATION: N 1/2 S 1/2 NE 1/4, SW 1/4, SECTION 4, T 1 S, R 1 W, UTE MERIDIAN

PRINTED NAME OF PERSON PREPARING: JIM LANGFORD, CHARLES KNIPPEL

| Item # | Item Description | Unit | Quantity | Unit Price | Extended Price |
|---|--------------------------------|----------|----------|------------|----------------|
| A. SANITARY SEWER | | | | | |
| 1 | 8" PVC Sanitary Sewer Main | LF | | \$ - | \$ - |
| 2 | 6" PVC Sanitary Sewer Main | LF | | \$ - | \$ - |
| 3 | Sewer services | EA or LF | | \$ - | \$ - |
| 4 | Sanitary Sewer Manhole | EA | | \$ - | \$ - |
| 5 | Sanitary Sewer Drop Manhole | EA | | \$ - | \$ - |
| 6 | Connection to Existing Manhole | EA | | \$ - | \$ - |
| 7 | Concrete Encasement | LF | | \$ - | \$ - |
| Subtotal Part A Sanitary Sewer | | | | | \$ - |
| B. DOMESTIC WATER | | | | | |
| 1 | 8" PVC Water Main | LF | | \$ - | \$ - |
| 2 | 6" PVC Water Main | LF | | \$ - | \$ - |
| 3 | 4" PVC Water Main | LF | | \$ - | \$ - |
| 4 | 8" Gatevalve | EA | | \$ - | \$ - |
| 5 | 6" Gatevalve | EA | | \$ - | \$ - |
| 6 | 4" Gatevalve | EA | | \$ - | \$ - |
| 7 | 8" Fittings w/ Thrustblocks | EA | | \$ - | \$ - |
| 8 | Water Services Taps | EA | | \$ - | \$ - |
| 9 | Connect to Existing Water Line | EA | | \$ - | \$ - |
| 10 | Fire Hydrant with Valve | EA | | \$ - | \$ - |
| 11 | Utility Adjustments | EA | | \$ - | \$ - |
| 12 | Blowoff | EA | | \$ - | \$ - |
| Subtotal Part B - Domestic Water | | | | | \$ - |

| Item # | Item Description | Unit | Quantity | Unit Price | Extended Price |
|-----------|---|------|----------|------------|----------------|
| C1 | STREETS | | | | |
| | West Fire Lane | | | | |
| 1 | " PVC Utility/Irrigation sleeves | LF | | \$ - | \$ - |
| 2 | " PVC Utility/Irrigation sleeves | LF | | \$ - | \$ - |
| 3 | Reconditioning | SY | | \$ - | \$ - |
| 4 | Aggregate Base Course (Class 6) (12" Compacted Thickness) Streets | SY | 1442 | \$ 14.00 | \$ 20,188.00 |
| 5 | Aggregate Base Course (Class 6) (9" Compacted Thickness) Streets | SY | | \$ - | \$ - |
| 6 | Aggregate Base Course (Class 6) (6" Compacted Thickness) | SY | | \$ - | \$ - |
| 7 | Aggregate Base Course (Class 3) (16" Compacted Thickness) | SY | | \$ - | \$ - |
| 8 | Hot Bituminous Paving, Grading__ (4" thick) F 3/8 Rpad | SY | | \$ - | \$ - |
| 9 | Hot Bituminous Paving, Grading__ (3" thick) Streets, Drives & Parking | SY | | \$ - | \$ - |
| 10 | Hot Bituminous Paving, Patching (___" Thick) | SY | | \$ - | \$ - |
| 11 | Geotextile | SY | | \$ - | \$ - |
| 12 | Concrete Curb (___" Wide by ___" High) | LF | | \$ - | \$ - |
| 13 | Concrete Curb and Gutter (2' wide) | LF | | \$ - | \$ - |
| 14 | Concrete Curb and Gutter Handpour | SY | | \$ - | \$ - |
| 15 | Monolithic, Vertical Curb, Gutter and Sidewalk (7' Wide) | LF | | \$ - | \$ - |
| 16 | 10' Gravel Path with 2' Shoulders (Class 6) | SY | | \$ - | \$ - |
| 17 | Concrete Sidewalk (___' Wide) | LF | | \$ - | \$ - |
| 18 | Concrete Gutter | SY | | \$ - | \$ - |
| 19 | Concrete Drainage Pan (6' Wide, 8" Thick) | LF | | \$ - | \$ - |
| 20 | Concrete Drainage Pan (3' Wide, 8" Thick) | LF | | \$ - | \$ - |
| 21 | Concrete Corner Fillet | SY | | \$ - | \$ - |
| 22 | Concrete Curb Ramp | SY | | \$ - | \$ - |
| 23 | Complete Concrete Corner | SY | | \$ - | \$ - |
| 24 | Concrete Driveway (___" Thick) | SY | | \$ - | \$ - |
| 25 | Driveway/Concrete Repair | SY | | \$ - | \$ - |
| 26 | Concrete Mail Box Pads | SY | | \$ - | \$ - |
| 27 | Retaining Walls | LF | | \$ - | \$ - |
| 28 | Street Signs | EA | | \$ - | \$ - |
| 29 | Striping (New) | LF | | \$ - | \$ - |
| 30 | Street Lights | EA | | \$ - | \$ - |
| 31 | Signal Construction or Reconstruction | LS | | \$ - | \$ - |
| 32 | Flowable Fill | CY | | \$ - | \$ - |
| 33 | Sleeves, ___", ___" PVC | LF | | \$ - | \$ - |
| | | | | | \$ - |

| Item # | Item Description | Unit | Quantity | Unit Price | Extended Price |
|-----------|--|----------|----------|-------------|---------------------|
| C2 | BRIDGES | | | | |
| | | | | | \$ - |
| 1 | Box Culvert Pre-Cast | CY | | \$ - | \$ - |
| 2 | Box Culvert Cast-in-Place | LS | | \$ - | \$ - |
| 3 | Wingwalls | CY | | \$ - | \$ - |
| 4 | Parapet Wall | LS | | \$ - | \$ - |
| 5 | Railing (handrail, guardrail) | LF | | \$ - | \$ - |
| | | | | | \$ - |
| | | | | | \$ - |
| | | | | | \$ - |
| | Subtotal Part C - Streets and Bridges | | | | \$ 20,188.00 |
| D1 | EARTHWORK | | | | |
| 1 | Mobilization | LS | 1 | \$ 1,000.00 | \$ 1,000.00 |
| 2 | Clearing and Grubbing | AC or LS | 1 | \$ 500.00 | \$ 500.00 |
| 3 | Unclassified Excavation | CY | 500 | \$ 3.50 | \$ 1,750.00 |
| 4 | Unclassified Embankment | CY | | \$ - | \$ - |
| 5 | Silt Fence | LF | | \$ - | \$ - |
| 6 | Watering (Dust Control) | AC or LS | | \$ - | \$ - |
| D2 | REMOVALS AND RESETTING | | | | |
| 1 | Removal of Asphalt | SY | | \$ - | \$ - |
| 2 | Removal of Miscellaneous Concrete | SY | | \$ - | \$ - |
| 3 | Remove Curb and Gutter (Vpan) | LF | | \$ - | \$ - |
| 4 | Removal of Culverts | LF | | \$ - | \$ - |
| 5 | Remove Structures | EA | | \$ - | \$ - |
| 6 | Remove Signs | EA | | \$ - | \$ - |
| 7 | Remove Fence | LF | | \$ - | \$ - |
| 8 | Adjust Manhole | EA | | \$ - | \$ - |
| 9 | Adjust Valvebox | EA | | \$ - | \$ - |
| 10 | Relocate or Adjust Utilities | LS | 1 | \$ - | \$ - |
| D3 | SEEDING AND SOIL RETENTION | | | | |
| 1 | Sod | SY | | \$ - | \$ - |
| 2 | Seeding (Native) | SY or AC | | \$ - | \$ - |
| 3 | Seeding (Bluegrass/Lawn) | SY or AC | | \$ - | \$ - |
| 4 | Hydraulic Seed and Mulching | SY or AC | | \$ - | \$ - |
| 5 | Soil Retention Blanket | SY | | \$ - | \$ - |

| Item # | Item Description | Unit | Quantity | Unit Price | Extended Price |
|-----------|--|------|----------|------------|--------------------|
| D4 | STORM DRAINAGE FACILITIES | | | | |
| 1 | Finish Grading (incl. Channels, Swales, and Ponds) | CY | | | \$ - |
| 2 | 24" HDPE Storm Drain Pipe | LF | | \$ - | \$ - |
| 3 | 18" HDPE Storm Drain Pipe | LF | | \$ - | \$ - |
| 4 | " Storm Drain Pipe | LF | | \$ - | \$ - |
| 5 | " Storm Drain Pipe | LF | | \$ - | \$ - |
| 6 | " Storm Drain Pipe | LF | | \$ - | \$ - |
| 7 | " Flared End Section | EA | | \$ - | \$ - |
| 8 | " Flared End Section | EA | | \$ - | \$ - |
| 9 | 48" Storm Drain Manhole | EA | | \$ - | \$ - |
| 10 | 60" Storm Drain Manhole | EA | | \$ - | \$ - |
| 11 | 72" Storm Drain Manhole | EA | | \$ - | \$ - |
| 12 | Manhole with Box Base | EA | | \$ - | \$ - |
| 13 | Connection to Existing MH | EA | | \$ - | \$ - |
| 14 | Single Curb Opening Storm Drain Inlet | EA | | \$ - | \$ - |
| 15 | Double Curb Opening Storm Drain Inlet | EA | | \$ - | \$ - |
| 16 | Area Storm Drain Inlet (Type 13) | EA | | \$ - | \$ - |
| 17 | Detention Area Outlet structure | EA | | \$ - | \$ - |
| 18 | Gabion Reno Mattresses 6'x12'x6" | CY | | \$ - | \$ - |
| 19 | Rip-Rap D ₅₀ = ___" | CY | | \$ - | \$ - |
| 20 | Sidewalk Trough Drain | EA | | \$ - | \$ - |
| 21 | Pump Systems including Electrical | LS | | \$ - | \$ - |
| | Subtotal Part D - Grading and Drainage | | | | \$ 3,250.00 |

| Item # | Item Description | Unit | Quantity | Unit Price | Extended Price |
|-----------|---|------|----------|------------|---------------------|
| E1 | IRRIGATION | | | | |
| 1 | Connect to Existing Pipe | LS | | \$ - | \$ - |
| 2 | " Irrigation Pipe | LF | | \$ - | \$ - |
| 3 | " Irrigation Pipe | LF | | \$ - | \$ - |
| 4 | Fittings and Valves | LS | | \$ - | \$ - |
| 5 | Services | EA | | \$ - | \$ - |
| 6 | Pump System and Concrete Vault | LS | | \$ - | \$ - |
| 7 | Irrigation Structure | EA | | \$ - | \$ - |
| 8 | Vacuum Relief and/or Air Release Valve | EA | | \$ - | \$ - |
| | | | | | |
| | | | | | |
| E2 | LANDSCAPING | | | | |
| 1 | Design/Architecture | LS | | \$ - | \$ - |
| 2 | Earthwork | CY | | \$ - | \$ - |
| 3 | Hardscape Features | LS | | \$ - | \$ - |
| 4 | Plant Material & Planting | LS | | \$ - | \$ - |
| 5 | Irrigation System | LS | | \$ - | \$ - |
| 6 | Curbing/Edging | LS | | \$ - | \$ - |
| 7 | Retaining Walls & Structures | LS | | \$ - | \$ - |
| 8 | 1 Year Maintenance Agrmnt. | LS | | \$ - | \$ - |
| 9 | Topsoil (amendments) | LS | | \$ - | \$ - |
| | | | | | \$ - |
| | | | | | \$ - |
| E | Subtotal Part E - Landscaping and Irrigation | | | | \$ - |
| | Subtotal Construction Costs | | | | \$ 23,438.00 |

RECEIVED

MAY 18 2006

**COMMUNITY DEVELOPMENT
DEPT.**

COPY

TRADE SERVICES DIVISION, NORTHERN CALIFORNIA
ONE FRONT STREET, 21ST FLOOR
SAN FRANCISCO, CALIFORNIA 94111
Contact Phone: 1(800) 798-2815 (Option 1)
Email: sftrade@wellsfargo.com

IRREVOCABLE LETTER OF CREDIT

City of Grand Junction
c/o Director of Community Development
250 N. 5th Street
Grand Junction, CO 81501

Irrevocable Letter of Credit No.: NZS571712

Dated: May 17, 2006

Expiration: May 31, 2008

Dear Sirs:

We hereby establish our Irrevocable Letter of Credit No.: NZS571712 in favor of the City of Grand Junction at the request and for the account of Innovative Textiles, Inc. ("Applicant"), 559 Sandhill Lane, Grand Junction, Colorado 81505, in the amount of Thirty Two Thousand and 00/100 United States Dollars (US\$32,000.00).

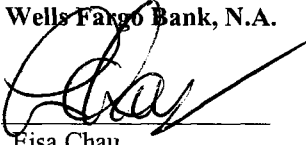
This Letter of Credit is subject the following terms and conditions:

- 1) it is effective upon signature;
- 2) it expires on May 31, 2008;
- 3) this Letter of Credit is available with us at our above office by payment of your sight draft(s) drawn on us and marked "Drawn under Wells Fargo Bank, N.A. Letter of Credit No.: NZS571712 dated May 17, 2006";
- 4) we have been informed but will not independently verify that this Letter of Credit is established for the use and benefit of the City of Grand Junction by reason of Innovative Textiles, Inc. (Developer) being obligated to pay or perform in accordance with the provisions of the Grand Junction Zoning and Development Code (this item is inserted in this Letter of Credit for informational purposes only and will not affect, or become a part of, the terms and conditions of this Letter of Credit);
- 5) the following statement signed by a person identifying himself or herself as an authorized designee of the City of Grand Junction must accompany the sight draft;
- 6) **"The undersigned, an authorized designee of the City of Grand Junction hereby certifies that Innovative Textiles, Inc. (Developer) has failed to comply with the terms, conditions, provisions and requirements of the Grand Junction Zoning and Development Code and/or plans, specifications or agreements related to the construction of improvements required by the City of Grand Junction. The monies received from this drawing are required to construct those improvements. The City of Grand Junction therefore requests the payment of \$_____."**
- 7) This Letter of Credit expires at our above office on May 31, 2008, but shall be automatically extended, without written amendment, to May 31 in each succeeding calendar year unless we have sent written notice to you at your address above by registered mail or express courier that we elect not to renew this Letter of Credit beyond the date specified in such notice (the "Expiration Date"), which Expiration Date will be May 31, 2008 or any subsequent May 31 and be at least ninety (90) calendar days after the date we send you such notice.

- 8) you may release us from our obligations under this Letter of Credit prior to any expiration date by returning the original Letter of Credit to us together with your written agreement to its cancellation;
- 9) except as stated above no modifications or revocations may be made by the undersigned to this Letter of Credit without the express written approval of the City's Director of Community Development or his designee;
- 10) this Letter of Credit is neither negotiable or assignable;
- 11) partial and multiple drawings are permitted under this Letter of Credit;
- 12) this Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce Publication No. 500 (the "UCP") and the laws of the State of Colorado, and, in the case of any conflict between such laws and the UCP, the laws of the State of Colorado; and
- 13) if any instructions accompanying a drawing under this Letter of Credit request that payment is to be made by transfer to an account with us or at another bank, we and/or such other bank may rely on an account number specified in such instructions even if the number identifies a person or entity different from the intended payee.

Very truly yours

Wells Fargo Bank, N.A.

By: 
Name: Eisa Chau
Title: Assistant Vice President

**RECORDING MEMORANDUM
Exhibit D**

City of Grand Junction
Community Development Department Community Development
File: #SPR – 2004 – 152 (3)

This memorandum relates to and confirms that certain Development Improvements Agreement and/or Maintenance Guarantee concerning land in Mesa County, Colorado. The Agreement is by and between GJ Tech Center, LLC (Developer) and the City of Grand Junction (City) pertaining to Lot 2 of Blue Heron Industrial Park (Project), located at 559 Sandhill Lane, Grand Junction, CO 81505. (Subject subdivision is more particularly depicted and described in the recording found at Plat Book 3805, Page 878.)

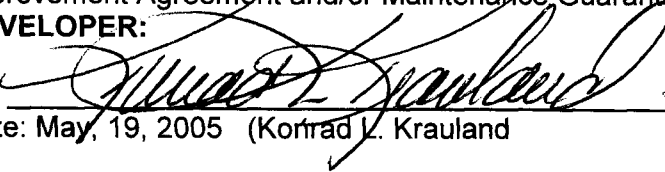
The Developer of the Project was required by law to install and construct certain public and private improvements, the completion of which was guaranteed by a Development Improvements Agreement and/or Maintenance Guarantee. The Project is required to be constructed in accordance with the approval by the City pursuant to and in accordance with the Zoning and Development Code all as more fully detailed and described in City of Grand Junction development file # SPR – 2004 – 152 (3)

The Developer and the City of Grand Junction by and through the signatures of the undersigned have determined and agreed to the type, quality and amount of improvements required and/or necessitated by the approval of the Project and that the improvements are guaranteed by and through the Development Improvements Agreement and /or Maintenance Guarantee. Furthermore, the Developer and the City agree that the Development Improvements Agreement and/or Maintenance Guarantee are contractual in nature and that the obligations under the Development Improvements Agreement and/or Maintenance Guarantee shall not be assigned except as provided in the agreement(s).

By virtue of this notice being recorded in the land records of the Mesa County Clerk and Recorder, subsequent owners and/or those that claim by, through or under the Developer are on notice of the Developer's obligations under the agreement(s).

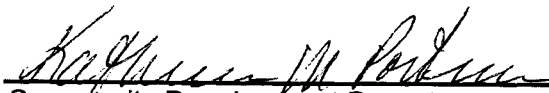
NOW THEREFORE, the Developer and an official of the City of Grand Junction, both possessing and representing by their signatures that they possess sufficient authority, do hereby memorialize the relative, rights and obligations contained in the Development Improvement Agreement and/or Maintenance Guarantee herein characterized.

DEVELOPER:

By: 
Date: May, 19, 2005 (Konrad L. Krauland)

CITY OF GRAND JUNCTION:

In accordance with the above, I hereby certify that the Development Improvement Agreement and/or Maintenance Guarantee are made of record by this memorandum and that the same may be inspected and/or copied at the City of Grand Junction, Community Development Department, 250 N. 5th Street, Grand Junction Colorado.


Community Development Department 6-21-06
Date



City Attorney

May 27, 2009

Wells Fargo Bank, N.A.
Trade Services Div Northern California
One Front Street, 21st Floor
San Francisco, CA 94111

Re: Cancellation of Letter of Credit Number **NZS571712, Innovative Textiles, Inc.** and
Amendment to Credit Number **NZS571712**
Internal Reference: **Innovative Textiles Phase 2: SPR-2004-152(3)**

To Whom It May Concern:

Enclosed please find the original Letter of Credit Number **NZS571712** for **Innovative Textiles, Inc.** and the Amendment to Credit Number **NZS571712** for **GJ Tech Center, LLC**. As beneficiary, the City of Grand Junction informs you that the Letters of Credit are being returned to you for cancellation. This letter is being provided at the direction of the Director of Public Works and Planning Department for the City. Also enclosed is a copy of the Release of Recording Memorandum.

If you have any questions, or need additional information, please inform me.

Sincerely,

OFFICE OF THE CITY ATTORNEY

A handwritten signature in black ink, appearing to read "Shelly Dackonish", written over a horizontal line.

Shelly Dackonish, Senior Staff Attorney

Encl: Letter of Credit Number **NZS571712**
Amendment to Credit Number **NZS571712**
Release of Recording Memorandum

Pc: Ronnie Edwards, Planner
Peggy Sharpe, Planning

GJ Tech Center, LLC
Attn: Konrad Krauland
558 Sandhill Lane, Unit 100
Grand Junction, CO 81505

RECEIVED

MAY 18 2006



**COMMUNITY DEVELOPMENT
DEPT.**

TRADE SERVICES DIVISION, NORTHERN CALIFORNIA
ONE FRONT STREET, 21ST FLOOR
SAN FRANCISCO, CALIFORNIA 94111
Contact Phone: 1(800) 798-2815 (Option 1)
Email: sftrade@wellsfargo.com

IRREVOCABLE LETTER OF CREDIT

City of Grand Junction

c/o Director of Community Development
250 N. 5th Street
Grand Junction, CO 81501

Irrevocable Letter of Credit No.: NZS571712

Dated: May 17, 2006

Expiration: May 31, 2008

Dear Sirs:

We hereby establish our Irrevocable Letter of Credit No.: NZS571712 in favor of the City of Grand Junction at the request and for the account of Innovative Textiles, Inc. ("Applicant"), 559 Sandhill Lane, Grand Junction, Colorado 81505, in the amount of Thirty Two Thousand and 00/100 United States Dollars (US\$32,000.00).

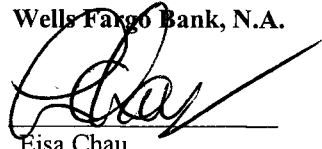
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- 3) this Letter of Credit is available with us at our above office by payment of your sight draft(s) drawn on us and marked "Drawn under Wells Fargo Bank, N.A. Letter of Credit No.: NZS571712 dated May 17, 2006";
- 4) we have been informed but will not independently verify that this Letter of Credit is established for the use and benefit of the City of Grand Junction by reason of Innovative Textiles, Inc. (Developer) being obligated to pay or perform in accordance with the provisions of the Grand Junction Zoning and Development Code (this item is inserted in this Letter of Credit for informational purposes only and will not affect, or become a part of, the terms and conditions of this Letter of Credit);
- 5) the following statement signed by a person identifying himself or herself as an authorized designee of the City of Grand Junction must accompany the sight draft;
- 6) **"The undersigned, an authorized designee of the City of Grand Junction hereby certifies that Innovative Textiles, Inc. (Developer) has failed to comply with the terms, conditions, provisions and requirements of the Grand Junction Zoning and Development Code and/or plans, specifications or agreements related to the construction of improvements required by the City of Grand Junction. The monies received from this drawing are required to construct those improvements. The City of Grand Junction therefore requests the payment of \$_____."**
- 7) This Letter of Credit expires at our above office on May 31, 2008, but shall be automatically extended, without written amendment, to May 31 in each succeeding calendar year unless we have sent written notice to you at your address above by registered mail or express courier that we elect not to renew this Letter of Credit beyond the date specified in such notice (the "Expiration Date"), which Expiration Date will be May 31, 2008 or any subsequent May 31 and be at least ninety (90) calendar days after the date we send you such notice.

- 8) you may release us from our obligations under this Letter of Credit prior to any expiration date by returning the original Letter of Credit to us together with your written agreement to its cancellation;
- 9) except as stated above no modifications or revocations may be made by the undersigned to this Letter of Credit without the express written approval of the City's Director of Community Development or his designee;
- 10) this Letter of Credit is neither negotiable or assignable;
- 11) partial and multiple drawings are permitted under this Letter of Credit;
- 12) this Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce Publication No. 500 (the "UCP") and the laws of the State of Colorado, and, in the case of any conflict between such laws and the UCP, the laws of the State of Colorado; and
- 13) if any instructions accompanying a drawing under this Letter of Credit request that payment is to be made by transfer to an account with us or at another bank, we and/or such other bank may rely on an account number specified in such instructions even if the number identifies a person or entity different from the intended payee.

Very truly yours

Wells Fargo Bank, N.A.

By: 
Name: Eisa Chau
Title: Assistant Vice President

Operations Group
Northern California
One Front Street, 21st Floor
San Francisco, CA 94111



PAGE: 1

DATE: MAY 25, 2006

AMENDMENT TO CREDIT NO.
NZS571712
AMENDMENT NUMBER: 1

APPLICANT:
G J TECH CENTER, LLC
2105 1-70 BUSINESS LOOP
GRAND JUNCTION, CO 81501

BENEFICIARY:
CITY OF GRAND JUNCTION
C/O DIR. OF COMMUNITY DEVELOPMENT
250 N 5TH STREET
GRAND JUNCTION, CO 81501

THIS AMENDMENT IS TO BE CONSIDERED AS PART OF THE ABOVE CREDIT AND MUST BE ATTACHED THERETO.

THE ABOVE MENTIONED CREDIT IS AMENDED AS FOLLOWS:

THE FOLLOWING ADDITIONAL CONDITION HAS BEEN ADDED:
WHEREVER THE MAME 'INNOVATIVE TEXTILES, INC' APPEARS IN THE LETTER OF CREDIT IS NOW TO READ 'GJ TECH CENTER, LLC'.

THE APPLICANT PARTY HAS BEEN AMENDED:
GJ TECH CENTER, LLC
2105 1-70 BUSINESS LOOP
GRAND JUNCTION, CO 81501

ALL OTHER TERMS UNCHANGED.

JAI R. CHAUDHARY
VICE PRESIDENT

AUTHORIZED SIGNATURE

PLEASE CONTACT BILL M. CHIESA BY TELEPHONE AT 415-396-8363 OR BY FAX AT (415)296-8905 OR OUR HELPLINE AT 1-800-798-2815 OPTION 1 REGARDING ANY INQUIRIES.

RELEASE OF RECORDING MEMORANDUM
City of Grand Junction
Public Works & Planning Department
FILE: SPR-2004-152(3)

This Release relates to a Recording Memorandum dated June 21, 2006, by and between GJ Tech Center, LLC (Developer) and the City of Grand Junction, pertaining to Lot 2 of Blue Heron Industrial Park (Project), located at 559 Sandhill Lane, Grand Junction, CO 81505, recorded at Book 4187, Page 281, Mesa County Clerk and Recorders Office. (Subject subdivision is more particularly depicted and described in the recording found at Plat Book 3805, Page 878.)

WHEREAS, the Developer has installed and constructed certain public and private improvements at and for the Project, which completion was guaranteed by the execution of a Development Improvements Agreement and/or Maintenance Guarantee and provision of a Guarantee, and;

WHEREAS, the City of Grand Junction and other agencies possessing authority over the Project, and/or the improvements, have inspected the improvements and have accepted the same.

NOW THEREFORE, officials of the City of Grand Junction, duly representing their agencies, possessing and representing by their signatures affixed hereto, that they possess sufficient authority to accept improvements and may release the Development Improvements Agreement and/or Maintenance Guarantee, pertaining to the improvements under their jurisdiction, do accept, sign and release said Development Improvements Agreement and/or Maintenance Guarantee.

CITY OF GRAND JUNCTION:

City Engineer: [Signature] Date: 5-27-09
Planner: Ronnie Edwards Date: 5-27-09

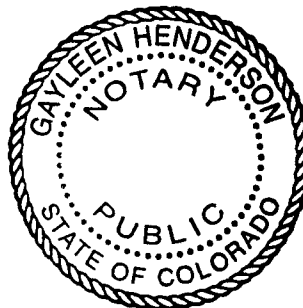
In acknowledgement with the above signatures, I hereby certify that the improvements as specified in the Development Improvements Agreement and/or Maintenance Guarantee have been completed and accepted in accordance with the provisions of the Grand Junction Zoning and Development Code, and are hereby released, subject to the required warranty period.

[Signature] Public Works & Planning Department Date: 5.27.09

The foregoing instrument was executed before me this 27th day of May, 2009, by Greg Moberg, of the Public Works & Planning Department for the City of Grand Junction, Colorado.

Witness my hand and official seal:

Gayleen Henderson
Notary Public




My commission expires on 10/29/2009

559 Sand hill Lane -



Janice Rich
Clerk and Recorder
544 Rood Ave
Grand Junction, CO 81501
(970)-244-1679



Print Date:
06/01/2009 10:54:09
AM


Transaction #: 67308
Receipt #: 2009010412
Cashier Date: 06/01/2009 10:54:10 AM

Mailing Address:
P.O.BOX 20,000-5007
Grand Junction, CO 81502
(970)-244-1679

www.mesacounty.us

| Customer Information | Transaction Information | Payment Summary |
|--|--|--|
| (CITYOFGJ) CITY OF GRAND JCT-COM DEVEL 250 NORTH 5TH STREET GRAND JUNCTION, CO 81501 Escrow Balance: \$145.25 | Date Received: 06/01/2009 Source Code: Over The Counter Return Code: Over The Counter Trans Type: Recording | Total Fees \$6.00 Total Payments \$6.00 |

| 1 Payments | |
|---|--------|
|  ESCROW | \$6.00 |

| 1 Recorded Items | |
|---|--|
|  (REL) REL | BK/PG: 4862/686 Reception Number: 2491237 Date: 06/01/2009 10:54:09 AM From: To: |
| Recording @ \$5 per page \$1 Surcharge | 1 \$6.00 |

| 0 Search Items |
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|----------------|

| 0 Miscellaneous Items |
|-----------------------|
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