FCH97I70

TYPE OF RECORD: PERMANENT

CATEGORY OF RECORD: CONTRACT

NAME OF CONTRACTOR: FELLOWSHIP CHURCH

SUBJECT/PROJECT: NORTHWEST INTERSECTION OF I-70 AND 24 ROAD.

APPROXIMATELY 26 ACRES

CITY DEPARTMENT: UTILITIES AND STREETS

YEAR: 1997

EXPIRATION DATE: NONE

DESTRUCTION DATE: NONE

AGREEMENT BETWEEN THE CHURCH OF FELLOWSHIP AND THE CITY OF GRAND JUNCTION

Agreement between Church of Fellowship, a Colorado not for profit corporation ("Fellowship" or "Church") and the City of Grand Junction, a Colorado home rule City ("City") this 10 day of 1997.

Recitals

Fellowship purchased approximately 26 acres northwest of the intersection of Interstate 70 and 24 Road as a site for a future church and related facilities. The Church has for several years been studying the feasibility of developing that property into its location of a permanent church and ancillary facilities. At the present time the Church has grown so rapidly it has outgrown its existing location within the City of Grand Junction. It's leases for temporary quarters are due to expire the end of December, 1998.

In order that the Church may have new facilities constructed by the time it's leaseholds end, it desires to begin construction of its new facilities as soon as possible. The Church's engineer represents that it is not at present able to determine whether or not the State of Colorado will approve an on-site septic system for sewage disposal. The parties agree that, in the absence of other factors, connection to the City's sewer system would be best. In addition, before a building permit would ordinarily be issued, the Church must acquire right-of-way along 24 Road to satisfy a condition of Church's site plan approval.

Mesa County and the City of Grand Junction have agreed to discuss, during the summer and fall of 1997, whether or not to extend sewer service north of I-70 in the area of 23 and 24 Roads. The parties hereto agree that the outcome of such a decision-making process is unpredictable.

The City's normal building permit review process first requires a planning clearance by the City's Community Development department. Ordinarily, however, a planning clearance, under the City's rules, cannot be issued until sanitary sewer issues are resolved. In order to resolve the sanitary sewer issues the Fellowship has engaged Land Design, a Colorado engineering and

planning firm. Land Design's President, Phillip Hart, has represented that there are four options to address sanitary sewer:

- 1. Connect the Church's new facilities to the Persigo Sewer System;
- 2. A variant of 1, construct a forced main "private" service line;
- 3. Build an on-site septic system; or
- 4. Construct a holding tank and pump as necessary the sewage collected on-site for final disposal at the City's Persigo Sewer plant.

In order to obtain the planning clearance which is a predicate to obtaining the building permit, the sewage system issues need to be resolved; however, the state health and the local health departments require the generation of substantial new information resulting in additional expenses to the Church. The County Commissioners and the City Council are in the process of discussing which option to pursue for sewer service to the area. To avoid spending time and money on options 2 - 4, the Church desires to delay as late as possible in the hope that option 1 is approved. However, if the Church delays its final technical plans (needed to obtain a planning clearance in order to obtain a building permit) in the preparation for construction, there will not be enough time before December of 1998 to complete the construction.

The church has therefore requested of the City that the City modify its normal rules and requirements to accommodate the Church's unique circumstances. The City has indicated a conceptual willingness to accommodate the Church so long as all risks in the endeavor are assumed by the Church and so long as the City is, as best as can be done at this time, reasonably confident that some form of lawful sewage treatment facility can be constructed on site if connection to the City's sewer system is not allowed. The Church agrees to assume all such risks.

IN CONSIDERATION OF the mutual statements, positions and conditions set forth above, the parties agrees as follows:

- 1. The City agrees to allow the Church to obtain a planning clearance in order that a building permit may be issued so that the Church may begin construction beginning in the summer of 1997. The Church agrees to fully and timely comply with the City's normal requirements concerning on- and off-site infrastructure necessary to serve the facilities and security to guarantee such performance.
- 2. On or before January 1, 1998, the Church will decide, based on then available information, whether it will proceed to connect to the sewer system or begin construction of a septic or other state and county-approved on-site septic system. The Church shall not begin construction of any sewage treatment facilities until it obtains the City's approval, giving due regard to such construction work and to the City's normal review processes which includes the posting of adequate security as determined reasonable by the City.
- 3. The Church agrees that it shall not occupy, use or maintain any portion of any improvements on the site until a certificate of occupancy has been issued as to each structure which is proposed to be used, maintained or occupied.
- 4. The Church agrees that it assumes all the risks attendant to proceeding to construct a main church structure, which it estimates to cost \$3.2 Million (Phase I), in the absence of a preapproved sewage treatment/disposal facility. The Church understands that no structure may be occupied without all necessary permits, including sewage permits.
- 5. The Church agrees to hold harmless and indemnify the City, its officers, agents and employees from injury or damage resulting from or related to: this agreement, the City's approvals provided for herein; and/or with regard to any claims of any third party concerning the City's approval of an arrangement such as is provided herein.
- 6. The term "third party" includes parishioners and other members of the Church.

Dan Proper

Daniel Hooper, Pastor

Church of Excitement FEllow strip CHURCH

08/27/97 11:08 AM Agreement:church.doc Mark Achen

City Manager