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TYPE OF RECORD:	PERMANENT
CATEGORY OF RECORD:	CONTRACT
NAME OF CONTRACTOR:	JUST COMPANIES, INC., BY ED LENHART AND FOUNTAINHEAD DEVELOPMENT CORPORATION
SUBJECT/PROJECT:	POWELL ESTATES, FOUNTAINHEAD AGREED TO CONVEY AN EASEMENT TO THE CITY FOR A SEWER LINE WHICH HAD ALREADY BEEN INSTALLED TO ALLOW JUST COMPANIES TO CONVEY SEWAGE FROM CERTAIN SUBDIVISION LOTS TO THE PERSIGO WASTEWATER TREATMENT PLANT.
CITY DEPARTMENT:	UTILITIES AND STREETS
YEAR:	1995
EXPIRATION DATE:	NONE
DESTRUCTION DATE:	NONE

A G R E E M E N T

This Agreement entered into effective as of the last date of signature hereon, between, **Just Companies, Inc.** (herein "Just Companies") and the **City of Grand Junction, Colorado** (herein the "City").

Whereas, by contract dated December 8, 1994, between Fountainhead Development Corp. (herein "Fountainhead") and Just Companies, recorded in Book 2116 at Pages 455 through 458 of the Mesa County, Colorado, public real estate records, Fountainhead agreed to convey an easement to the City for a sewer line which had already been installed by Fountainhead across Lots 12 and 13, Block 1, The Cove at Fountainhead (herein "Cove Lots 12 and 13") in order to allow Just Companies to convey sewage from certain subdivision lots owned by Just Companies (herein "Powell Estates Lots") to the Persigo Wastewater Treatment Plant;

Whereas, Fountainhead may not have owned Cove Lots 12 and 13 at the time it agreed to convey the easement and may not therefore be able to convey good title to such easement;

Whereas, there is not, at present, a legally sufficient easement to convey sewage from Powell Estates through the sewer line which was built between Cove Lots 12 and 13, even though the line exists, and in order for the City to obtain good title to the easement, the owner of Cove Lots 12 and 13 (believed to be Denny Granum or Monument Homes Development) will need to convey or dedicate the easement to the City;

Whereas, the City has refused to issue building permits for the Powell Estates Lots without some resolution of the sewer line easement problem as above identified;

Whereas, the City and Just Companies wish to reach an interim solution to the sewer line easement problem so that Just Companies may proceed to obtain building permits to construct homes on Powell Estates Lots;

Now Therefore, the City and Just Companies agree as follows:

1. In accordance with, and upon compliance with the terms and conditions of this agreement, the City will allow Just Companies to obtain building permits for Powell Estates Lots, notwithstanding the sewer problem, when all other City prerequisites, if any, for issuance of such building permits have otherwise been met.
2. Just Companies agrees, when and if good title to the easement across Cove Lots 12 and 13 is conveyed to or obtained by the City, to take such steps as may be necessary to connect to and dispose of the

sewage from each of the Powell Estates Lots through the sewer line which traverses Cove Lots 12 and 13, or, in the alternative, Just Companies may construct an alternative sewer line from the Powell Estates Lots to the existing Persigo Wastewater Treatment Plant sewer line in G Road or in 25 Road. Prior to issuance of a certificate of occupancy by the City for any structure erected upon the Powell Estates Lots, Just Companies must have available adequate sewerage disposal facilities, either by a permanent connection to the Persigo Wastewater Treatment Plant by one of the means above provided, or by one of the following interim sewerage disposal methods:

a) Constructing an interim holding vault, in compliance with health regulations, for each residential unit (and disposing of the septic waste at Persigo Wastewater Treatment Plant), in which event, Just Companies or each owner of a residential unit must pump the vault, as required, until a permanent connection to the Persigo Wastewater Treatment Plant sewer system is made; or

b) Constructing an interim septic tank and leach field, in compliance with health regulations, for each residential unit.

3. If Just Companies undertakes one of the interim solutions specified at paragraphs 2.a) or 2.b), above, Just Companies agrees for itself, and its successors and/or subsequent purchasers of Powell Estates Lots, (herein collectively referred to as "Just Companies") to take such steps as may be required to permanently connect the sewer system of each Powell Estates Lot to the sewer line which traverses Cove Lots 12 and 13 upon receipt of written notice from the City that good title to the easement across said lots has been procured. If good title to an easement across Cove Lots 12 and 13 cannot be procured, after the City has exhausted all reasonable means to obtain such an easement and upon notice from the City, Just Companies will construct an alternative permanent sewer line from the Powell Estates Lots to the Persigo Wastewater Treatment Plant sewer line in G Road or 25 Road, and Just Companies will connect each of the Powell Estates Lots to such sewer line.

If Just Companies has installed any one of the interim sewage disposal solutions which have been identified at paragraphs 2.a) or 2.b), above, the City agrees that Just Companies will not be required to convert from such interim solution to a

permanent connection to the Persigo Wastewater Treatment Plant until the easement across Cove Lots 12 and 13 has been procured or all reasonable means of obtaining the easement across Cove Lots 12 and 13 have been exhausted. The City will allow Just Companies a reasonable amount of time to make an alternative permanent sewer line connection after notice is given, however, financial considerations will not be relevant to determine what constitutes a reasonable time.

4. Just Companies hereby waives and releases the City from all claims for damages arising from or related to the sewer disposal problem with respect to the Powell Estate Lots, except that Just Companies does not release or waive any claim for damages for any reasonable amounts paid or costs incurred by Just Companies in constructing or installing any interim sewer solution on Powell Estates Lots or in constructing or installing any permanent sewer connection as an alternative to the sewer line connection already installed across Cove Lots 12 and 13, if such alternative permanent connection becomes necessary. Amounts incurred or costs paid shall include all costs directly related to installing such interim or alternative permanent sewer solutions, including, but not limited to, engineering costs, contractors fees, surveys, permits, or the like.
5. Edison Lenhart, President of Just Companies, affirms that he is authorized to act as the owner of the property known as the Powell Estates Lots.
6. The parties agree that this agreement shall be recorded by Just Companies before Just Companies sells any Powell Estates Lots so that each subsequent owner will be informed hereof. This agreement shall be deemed a covenant running with each Powell Estates Lot and shall be binding upon successors and assigns of Just Companies.

IN WITNESS of their agreement the parties have signed this contract, effective as of the last date of signature hereto.

7/13/95
Date

Just Companies, Inc.

Edison S. Lenhart
Edison S. Lenhart, President

7/13/95
Date

The City of Grand Junction

James R. Hill
DIRECTOR OF PUBLIC WORKS AND UTILITIES