

RAI99SWR

TYPE OF RECORD: PERMANENT

CATEGORY OF RECORD: CONTRACT

NAME OF AGENCY OR CONTRACTOR: RAILHEAD WATER AND SANITATION DISTRICT, A  
COLORADO SPECIAL DISTRICT

STREET ADDRESS/PARCEL NAME/SUBDIVISION/PROJECT: AGREEMENT AND PLAN OF  
DISSOLUTION DATED AUGUST 31, 1999

CITY DEPARTMENT: PUBLIC WORKS

YEAR: 1999

EXPIRATION DATE: NONE

DESTRUCTION DATE: NONE

## AGREEMENT AND PLAN OF DISSOLUTION

THIS AGREEMENT AND PLAN OF DISSOLUTION is made and entered into this 31<sup>ST</sup> day of AUGUST, 1999, by and between Railhead Water & Sanitation District, a Colorado Special District, "District", and the City of Grand Junction, a municipal corporation of the County of Mesa, State of Colorado, "City".

IT IS AGREED:

1. A portion of the District lies within the incorporated boundaries of the City of Grand Junction. A map showing the boundaries of the District, ~~and the City limits,~~ is attached as **Exhibit "Railhead Boundary."** The City has jurisdiction over the issuance of sewer taps for all properties within the District. A map showing the sewer lines owned by the District is attached as **Exhibit "Railhead Lines."** The sewer lines and appurtenances are referred to as the "District System."

2. The District, through its Board, shall forthwith initiate the process to cause the District to be dissolved. The Board will adopt a resolution which finds that it is in the best interests of the District to dissolve. Such resolution shall set forth the specific current circumstances which justify such dissolution. The Board shall promptly and in good faith take all necessary steps to dissolve the District in accordance with the terms of this Agreement and applicable law.

3. The Board shall prepare a Petition for Dissolution which will satisfy the requirements of CRS 32-1-702.

4. The District has no outstanding bonded indebtedness or other financial obligations of any kind or other liabilities, except as described in paragraph 8, below. Effective with the entry of the Order of Dissolution, no additional service fees will be collected by the District. There is no District mill levy.

5. Since the inception of the District, the City has maintained and operated all sewer lines located within the District boundaries. Ownership, operation and maintenance of all water lines have previously been transferred to the Ute Water Conservancy District.

6. Upon entry of the Order of Dissolution, the District will convey, by quit claim deed all of its right, title and interest to all of the District's assets and property to the City of Grand Junction, except for the right to receive payment

for sewer taps as described in paragraph 8. Transfer of sewer lines, facilities and appurtenances shall be to "the City of Grand Junction for the benefit of the Persigo 201 sewer system."

7. Upon conveyance of the District System to the City, the City will own, maintain and operate the District System system for the properties within the District boundaries as required by the October 12, 1998 Persigo Intergovernmental Agreement.

8. (a) As of December 31, 1998, the District has outstanding long-term debt of \$247,360. Except for the hard assets to be conveyed to the City by quit claim deed, the only remaining assets of value owned by the District are unsold sewer taps. In exchange for such debt, Parish Corporation, attention Richard Norris, 1776 Lincoln Street, Denver, Colorado 80203, telephone number (303) 861-8140, has acquired the right to receive the sewer tap charges until May 31, 2014, to be paid at the rate of \$4,000.00 per EQU each time a new connection to the District System is made. Upon conveyance to the City of the District's assets, the City will not allow any person to connect to the District System without collecting from such person \$4,000.00 per EQU until May 31, 2014. Payments for taps to Parish Corporation do not include any payments due to the City such as Plant Investment Fees, and other charges, fees and costs lawfully imposed or applicable to the Persigo 201 sewer system. After June 1, 2014, a third party or person may connect to the District System without having to pay any such tap fee to Parish Corporation.

(b) The City promises to exercise good faith efforts to collect all such tap fees payable to Parish Corporation. The City agrees to mail such fees collected, less a ten percent (10%) administrative fee which shall be retained by the City, to the last known address of the Parish Corporation, within thirty days of receipt.

(c) Notwithstanding any provision to the contrary herein, if the City negligently or otherwise fails to collect the \$4,000.00 per EQU fee from any person, the Parish Corporation may seek recovery against such person to collect the \$4,000.00 fee and the City will cooperate in any such efforts, so long as the City is not required to pay any damages or incur any costs in such efforts.

(d) Parish Corporation and the District agree that the exclusive remedy to enforce the City's duty to collect the \$4,000.00 per EQU fee is that of specific performance. Parish Corporation and the District waive and release the City from any right to sue for damages, whether consequential or otherwise.

(e) To assist in collecting the EQU tap fee of \$4,000.00, the parties agree that the attached **Exhibit "Railhead District Properties"** indicates those parcels, lots and properties which have received taps and which are not subject to payment of the \$4,000.00 fee. Taps sold on properties other than those designated on the map shall be subject to the tap fee charge.

(f) Upon written request from the Parish Corporation, which shall not be made more than once in any twelve month period, the City agrees to provide an accounting of amounts received and amounts disbursed to show compliance with this agreement and to assist Parish Corporation in its efforts to collect its tap fee.

9. This Agreement and Plan of Dissolution is entered into not only for the benefit of the City and the District but also for the benefit of the property owners within the District. The City's duties and obligations under this Agreement and Plan of Dissolution may be enforced, as provided for herein, by any property owner of the District at the time such enforcement action may be required.

10. This Agreement shall be binding on the heirs, successors and assigns of the parties, and the benefitting property owners. This District shall cause this agreement to be recorded in office of the Mesa County Clerk and Recorder.

DATED the year and day first above written.

RAILHEAD WATER & SANITATION  
DISTRICT

CITY OF GRAND JUNCTION

By: Richard C. Norris  
~~John Congdon~~ Richard C. Norris  
Chairman

By: David VaCar  
~~Dan E. Wilson~~  
City Attorney ACTING CITY MANAGER



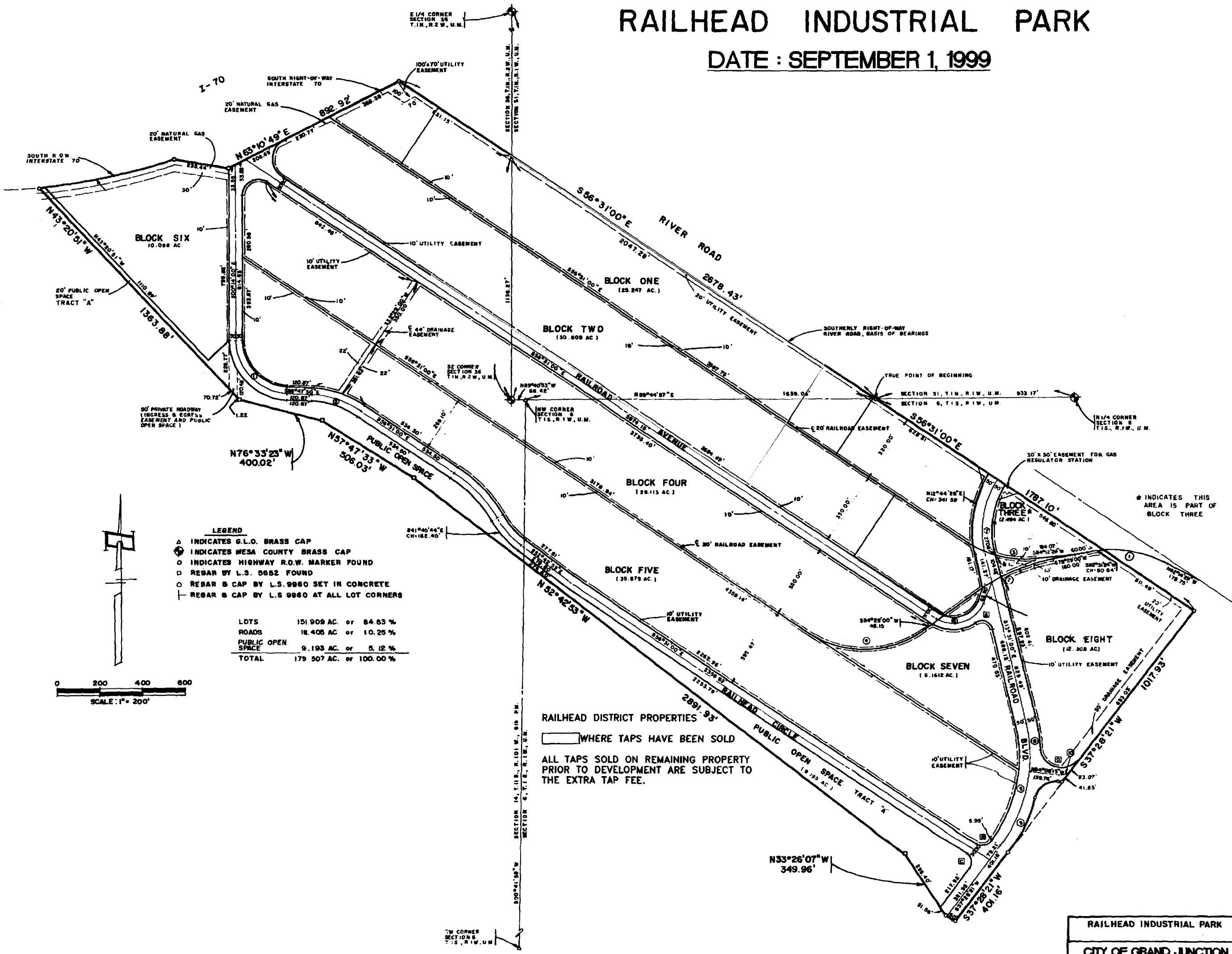
By: Stephanie Nye  
Stephanie Nye, City Clerk

**EXHIBIT "RAILHEAD BOUNDARY"**

To be prepared by the City of Grand Junction

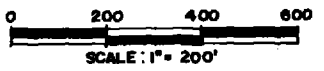
# RAILHEAD INDUSTRIAL PARK

DATE : SEPTEMBER 1, 1999



- LEGEND**
- △ INDICATES S.L.O. BRASS CAP
  - ⊙ INDICATES MESA COUNTY BRASS CAP
  - INDICATES HIGHWAY R.O.W. MARKER FOUND
  - REBAR BY L.S. 5652 FOUND
  - REBAR & CAP BY L.S. 9860 SET IN CONCRETE
  - └ REBAR & CAP BY L.S. 9860 AT ALL LOT CORNERS

LOTS	151.909 AC.	or	84.83 %
ROADS	18.406 AC.	or	10.25 %
PUBLIC OPEN SPACE	9.193 AC.	or	5.12 %
TOTAL	179.507 AC.	or	100.00 %



RAILHEAD DISTRICT PROPERTIES  
 [ ] WHERE TAPS HAVE BEEN SOLD  
 ALL TAPS SOLD ON REMAINING PROPERTY PRIOR TO DEVELOPMENT ARE SUBJECT TO THE EXTRA TAP FEE.

RAILHEAD INDUSTRIAL PARK  
 CITY OF GRAND JUNCTION  
 PUBLIC WORKS DEPT.