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TYPE OF RECORD: PERMANENT

CATEGORY OF RECORD: CONTRACT

NAME OF CONTRACTOR: REDLANDS MESA LLC.

SUBJECT/PROJECT: CONTRACT DATED OCTOBER 5, 1999 REGARDING RED

CANYON SEWER LINE AND LIFT STATION AT REDLANDS

MESA

CITY DEPARTMENT: UTILITIES AND STREETS

YEAR: 1999

EXPIRATION DATE: NONE

DESTRUCTION DATE: NONE

Redlands Mesa, LLC

David R. Slemon, Manager P.O. Box 1670 Basalt, Colorado 81621 Telephone: (970) 927-4000 Facsimlle: (970) 927-8015

Grand Junction Office
Not a Mailing Address
800 Belford Avenue
Grand Junction, Colorado 81501

Ronald D. Austin, Manager 600 E. Hopkins Avenue Suite 205 Aspen, Colorado 81611 Telephone: (970) 925-2600 Facsimile: (970) 925-4720

October 5, 1999

Via Facsimile 970/244-1456 And First Class Mail

Mark Achen, City Manager
Dan Wilson, Esq., City Attorney
Mark Relph, Utilities Director
Kathy Portner, Planning Manager
Gregory O. Trainor, Utilities Manager
Trent Prall, City Engineer
Community Development
250 N. 5th Street
Grand Junction, CO 81501

RE: Red Junction, LLC/City Agreement Regarding Red Canyon Sewer Line and Lift Station at Redlands Mesa

Dear Mark, Dan, Mark, Kathy, Greg, and Trent:

Red Junction, LLC is the entity which will own, construct and operate the Golf Course at Redlands Mesa. Amerigolf Holdings, LLC, is the Manager and its Members are Members of Red Junction, LLC. The Members of Redlands Mesa, LLC are also Members of Red Junction, LLC.

Dave Slemon and I, as representatives of Red Junction, LLC, met with you on August 31, 1999 to resolve issues related to the City's demands that we allow a sewer line through the Golf Course in Red Canyon and an upgrade and relocation of the lift station in Red Canyon that we had proposed for our own development. This upgraded lift station and sewer line is being demanded to provide future service in the upper Red Canyon, South Camp and Monument Road areas to the Southwest of the property owned by Redlands Mesa, LLC and Red Junction, LLC. At that meeting we reached agreement to the following terms which have been approved by Amerigolf Holdings, LLC as Manager of Red Junction, LLC:

1. Redlands Mesa, LLC has filed its Final Plat Application for Filing 1 which includes the lift station in Red Canyon to service the applicable areas of Filing 1. The Planning Commission hearing for Redlands Mesa, LLC's Final Platting is September 14, 1999. Assuming the Application

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is complete and the lift station as currently presented is adequate the City has no objection to Redlands Mesa. LLC proceeding to Final Platting subject to Planning Commission approval and conditions. The new revised lift station will be reviewed by the City in accordance with ordinary engineering standards applied by the City, and if in compliance will be be approved by the City staff;

- 2. The City will pay all of the relevant costs for the redesign of the lift station, the design of the sewer line, the difference in cost of the lift station between the Redlands Mesa, LLC's proposed lift station and the upgraded lift station, all costs of the sewer line through Red Canyon to the property boundary of Red Junction, LLC and Redlands Mesa, LLC, including all materials, excavation costs, equipment costs, contractors' expenses and fees. The cost and expenses to be paid by the city shall be the actual costs and expenses negotiated and actually incurred by Red Junction, LLC, solely for this project. It is anticipated that in certain locations, as approved by the golf course architect, the golf cart paths will be expanded wider than planned by the golf course architect, as a result of the need of the City to access its manholes with its jet truck, and the cart paths will need to be of more substantial strength to support the weight of the trucks as opposed to golf carts, and the expense of widening and supporting the cart paths will be paid by the City. For example, in some locations the golf cart paths would be seven (7) feet wide, and the City requires eight (8) feet for access for its truck. It is the intent of this Agreement that neither Redlands Mesa, LLC nor Red Junction, LLC shall bear any costs resulting from the installation of the sewer line and the upgrade of the lift station;
- Red Junction, LLC shall grant an easement, by separate easement instrument, to the City for the sewer line as constructed in place, and for access for maintenance and repair, and for access to the manholes along the sewer line and for the lift station. It is specifically agreed that no separate road will constructed for access to the sewer line and manholes, but there will be road access to the lift station. Any damage caused to any of the golf course property by the City, its agents and employees, accessing the sewer line and manholes shall be restored and repaired by the City, and if not done so promptly and properly then by Red Junction, LLC and paid for by the City, in either case;
- 4. The City Engineering staff will cooperate with Thompson Langford Corporation, the engineers for Red Junction, LLC, in the preparation and approval of the design of the upgraded lift station and the sewer line. The sewer line will be located, to the extent possible, in a manner to provide access to the manholes without crossing fairways and to locate the manholes outside of fairways, and to avoid the necessity of access to the manholes in areas that would likely cause damage. It is understood and agreed by the City that the location of the sewer line and manholes will

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not necessarily be in the straightest line possible but will be in a line to accommodate the least interference with the Golf Course and to accommodate the City's standards and provide reasonable flow and access:

The procedure for this project shall be that Red Junction, LLC shall contract with Thompson Langford Corporation, RBI companies, the engineers and contractor who are working on and constructing the Golf Course, and any other necessary parties, to perform the services necessary to complete this project. The City will pay either directly to the contractor or to Red Junction, LLC, at the City's option, the costs, incurred in this project. If the City pays Red Junction, LLC, then Red Junction, LLC shall then be responsible to pay the appropriate parties, Payments shall be made in accordance with the schedule negotiated by Red Junction, LLC;

Although Mark Achen was not part of the meeting, we believe it is appropriate for you to explain the terms and conditions of this Agreement and to have Mark approve them. While this is being accomplished we are all acting in reliance upon the terms and conditions set forth herein that were verbally agreed to at the meeting. In order to expedite the execution of this Agreement we are providing that facsimile transmitted signatures and copies thereof will create a binding agreement.

Sincerely,

REDLANDS MESA, LLC

Ronald D. Austin, Co-Manager

ACCEPTED AND AGREED TO.

CITY OF GRAND JUNCTION

COLORADO

Mark Achen, City Manager

RED JUNCTION, LLC

AMERICOLPHOLDINGS, LLC, ITS MANAGER

Manager of Americal Holdings, LLC

DATED:

RDA/slh

cc: Douglas A. Thies, P.E.

David R. Slemon, Co-Manager

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