

RML97CWR

TYPE OF RECORD: ~~ACTIVE NON~~ PERMANENT

CATEGORY OF RECORD: CONTRACT (WATER)

NAME OF AGENCY OR CONTRACTOR: REDLANDS MESA, LLC

STREET ADDRESS/PARCEL NAME/SUBDIVISION: RIDGES METRO
DISTRICT WATER RIGHT 3 C.F.S., PARCEL NO. 2945-191-00-084

CITY DEPARTMENT: PUBLIC WORKS

YEAR: 1997

EXPIRATION DATE: ~~11/01/02 DATE FOR REVERTER IS NOT
DEVELOPED~~

changed to permanent

DESTRUCTION DATE: ~~1/09 IF NOT DEVELOPED~~

developed so no destruction
date

WATER AGREEMENT

This Agreement is made and entered into this 23 day of December, 1997, by and between the City of Grand Junction, a municipal corporation, State of Colorado (hereafter "City") and Redlands Mesa, LLC., a Colorado limited liability company ("Redlands").

RECITALS

A. The City has heretofore entered into an agreement dated December 5, 1992 with Dynamic Investments, Inc., ("Dynamic Agreement") for the conveyance of 5 c.f.s. of conditional water rights out of the City's Gunnison River, Case No. 8303 (appropriation date of July 21, 1959; of the originally decreed 120 c.f.s, 18.6 have been decreed absolute, leaving 101.4 as conditional rights), 101.40 c.f.s. conditional water right (the "Water Right").

B. Dynamic has attempted to assign the rights set forth in the agreement for 3 c.f.s. of the 5 c.f.s. of water to V & L Properties, Inc., a Colorado corporation, Lew E. Wunderwald and Ed Cluff, by General Assignment dated December 20, 1993, and those parties attempted to assign those rights provided in the Agreement to 3 c.f.s. of the 5 c.f.s to Temple Rock Capital, LLC., by General Assignment dated in 1994.

C. Redlands has a contract to purchase all of the rights of Temple Rock Capital, LLC., in and to its property described on Exhibit A hereto, which is the property which was part of the Ridges P.U.D. and contains approximately 500 acres, and Temple Rock Capital, LLC. has agreed to assign its rights to 3 c.f.s. to Redlands.

D. Redlands and the City are interested in entering into an agreement whereby Redlands, as assignee of Temple Rock, can obtain the rights to 3 c.f.s. of the Water Right from the City, conditioned upon the terms set forth hereinafter and so long as the City's purposes of limiting the use of the water to a golf course within the Ridges P.U.D. are satisfied.

NOW, THEREFORE, the parties for and in the consideration of the mutual obligations, benefits, duties and promises contained herein and the performance thereof being deemed to be a benefit to the City and to Redlands, the parties agree as follows:

1. City agrees to convey to Redlands by quitclaim deed, for \$100.00, the City's rights to 3 c.f.s. of that part of the Water Right which is conditional. This contract, and agreement to convey, deals only with that portion of the balance of the Water Right which is still conditional. The Water Right was appropriated in order to provide additional water to the City's water treatment facilities. The pump site and other appurtenant facilities are located on lands owned by the Redlands Water and Power Company and the point of diversion is the existing intake to the City pumps located on the Gunnison River below the City water treatment plant. Such quit claim conveyance shall be conditioned on the beneficial use of such water only on the lands identified on Exhibit A for public golf course irrigation within the Ridges Metropolitan District as it presently exists.

2. The parties acknowledge that it may be most economical, for the purposes of Redlands, to transport the subject water in the existing conveyance system owned by the Ridges Metropolitan

District. The City owns or controls the conveyance system, and the City agrees to, in good faith, negotiate an agreement to the end of allowing such use, subject to the requirement that Redlands shall share in the costs of operating and maintaining the conveyancing facilities on a pro rata basis, and in the capital costs of such facilities on a pro rata basis. However, Redlands may have other options with respect to conveyance of the water which it may pursue at its own cost and expense, subject however to the City's prior determination that such other options shall not interfere with the City's services, including the provision of irrigation water to the Ridges P.U.D. and properties therein.

3. Further, the parties acknowledge that to the extent that Redlands has rights, as a property owner in the Ridges, to water delivered through such facilities that the water to be conveyed by the City is in addition to, and supplementary to, existing rights and privileges.

4. It is acknowledged and agreed by Redlands that the City's quit claim of a portion of the Water Right is restricted in use and is conditioned upon, and limited to, the development by Redlands of a golf course on the subject property, described on Exhibit A hereto, or such other use as is specifically approved in writing by the City as set forth in a resolution passed by the City Council. A quitclaim deed, with a right of reverter in favor of the City, with terms and language approved by the City Attorney, granting the water rights set forth herein shall be delivered to Redlands at its scheduled closing for its purchase of the Temple Rock property. Any such quit claim deed shall provide for an absolute right of reverter to the City of Grand Junction, if the golf course is not developed on the property identified on Exhibit A, or for some alternative use as specifically approved by the City Council as provided for in this Water Agreement and shall contain the five year provision set forth below.

5. It is further acknowledged and agreed by the parties that Redlands must file an application for the development project on the Redlands property and proceed through the City's land use process to obtain approvals of the development intended by Redlands. The deed shall also contain a provision for a reverter of the water rights set forth herein to the City, upon the action of the City Council in the form of an adopted Resolution, unless Redlands obtains approval of its development by the City on or before December 31, 2002. Such reverter or reversion shall be effective upon adoption by the City Council of a Resolution making necessary findings except that if, no sooner than thirty days prior to November 1, 2002, Redlands notifies the City Manager in writing that Redlands is actively pursuing approval, and if Redlands is in fact actively pursuing, through the City's land use approval process, a residential and golf course development approval, the City Council agrees to negotiate in good faith to extend the term of this Agreement to allow Redlands a reasonable period of time to complete its development approval process.

6. Any assignment of the rights contained herein shall be made only with the consent of the City, which consent shall not be unreasonably withheld.

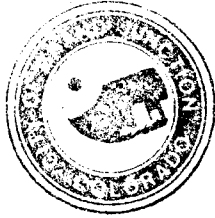
7. The terms of this Agreement have been approved by Motion of the City Council on December 17, 1997, and upon execution hereof by the Mayor, the City Manager is authorized to execute the Quitclaim Deed, and any other agreements and instruments necessary to implement the terms and intent hereof.

Attest:

Stephanie Nye
Stephanie Nye, City Clerk

City of Grand Junction

By: David A. Varley
David A. Varley
Asst. City Manager



Redlands Mesa, LLC

By: Ronald D. Austin
Ronald D. Austin, Manager

Tax Schedule#: 2945-191-00-084

PROPERTY DESCRIPTION

An undivided 98.0% interest in and to the following described land:
A parcel of land situated in portions of Sections 17, 19, and 20,
Township 1 South, Range 1 West of the Ute Meridian, County of Mesa,
State of Colorado, described in Book 1843 at Pages 692 thru 698,
said parcel being more particularly described by survey as follows:

Beginning at a point on the East line of the NE1/4 SE1/4 of said
Section 20, whence the East one-quarter corner of said Section 20,
a standard 3 1/2" aluminum cap set by PLS 18480 on an aluminum
pipe, bears North 01°14'38" East a distance of 130.74 feet;
Thence South 01°14'38" West, a distance of 1162.17 feet to the South
one-sixteenth corner on the East boundary of said Section 20, a
Mesa County Survey Monument;
Thence along the East line of the SE1/4 SE1/4 of said Section 20,
South 01°16'22" West, a distance of 1267.75 feet to a point whence
the Southeast corner of said Section 20, a B.L.M. brass cap, bears
South 01°16'22" West, a distance of 24.59 feet;
Thence South 89°07'30" West, a distance of 1224.69 feet to the East
one-sixteenth corner on the North boundary of Section 29, T.1 S.,
R.1 W., a Mesa County Survey Monument;
Thence North 89°06'43" West, a distance of 95.80 feet to the East one-
sixteenth corner on the South boundary of said Section 20, a B.L.M.
Cadastral Survey brass cap;
Thence North 89°46'17" West, a distance of 1318.92 feet to the South
one-quarter corner of said Section 20, a B.L.M. Cadastral Survey
brass cap;
Thence North 89°36'43" West, a distance of 1320.84 feet to the West
one-sixteenth corner on the South boundary of said Section 20, a
B.L.M. Cadastral Survey brass cap;
Thence North 89°44'02" West, a distance of 1320.20 feet to the
Southwest corner of said Section 20, a B.L.M. Cadastral Survey
brass cap;
Thence along the West line of the SW1/4 of said Section 20, North
00°11'02" East, a distance of 897.11 feet to a metal disk marker
stamped L6 5933 set in a stone;

Thence North 89°49'40" West, a distance of 500.09 feet to a rebar/cap
LS 5933;

Thence North 00°09'08" East, a distance of 324.98 feet to a rebar/cap
LS 5933;

Thence North 15°11'41" East, a distance of 1021.99 feet to a rebar/cap
LS 5933;

Thence North 30°11'54" East, a distance of 470.92 feet to the one-
quarter corner common to said Sections 19 and 20, a Mesa County
Survey Monument;

Thence South 89°46'44" West, a distance of 1300.13 feet to the Center
- East one-sixteenth corner of said Section 19, a Mesa County
Survey Monument;

Thence North 01°44'46" East, a distance of 1291.50 feet to the
Northeast one-sixteenth corner of said Section 19, a Mesa County
Survey Monument;

Thence North 89°53'22" East, a distance of 613.13 feet to a #5 rebar
set in concrete;

Thence North 65°17'32" East, a distance of 535.96 feet to a #5 rebar
set in concrete;

Thence North 41°55'06" East, a distance of 592.54 feet to a #5 rebar
set in concrete;

Thence North 58°16'03" East, a distance of 495.53 feet to a #5 rebar
set in concrete;

Thence North 78°07'01" East, a distance of 666.98 feet to a #5 rebar
set in concrete;

Thence North 33°06'25" East, a distance of 350.67 feet;

Thence South 68°41'19" East, a distance of 588.44 feet to the Westerly
line of a parcel described in said title commitment as an exception
to said Parcel 1;

Thence along said Westerly line, South 23°37'49" West, a distance of
430.49 feet;

Thence along the Southerly line of said exception, North 89°41'49"
East, a distance of 72.15 feet to the Westerly boundary of the
Ridges Filing No. 6;

Thence along the Westerly and Southerly boundary of the Ridges Filing
No. 6 the following courses;

South 00°00'00" East, a distance of 122.33 feet;

South 44°10'50" East, a distance of 244.94 feet;
South 69°22'18" East, a distance of 54.27 feet;
South 48°35'48" East, a distance of 55.79 feet;
North 85°06'40" East, a distance of 92.27 feet;
North 17°21'30" East, a distance of 92.69 feet;
South 82°14'50" East, a distance of 30.14 feet to the Southerly line
of that parcel described in said title commitment as an exception
to said Parcel 1;
Thence along said Southerly line, South 25°33'11" East, a distance of
117.30 feet;
Thence along said Southerly line, South 66°34'51" East, a distance of
133.09 feet to the Westerly line of a parcel described in Book 1843
Page 698;
Thence along said Westerly line, South 10°16'01" East, a distance of
95.31 feet;
Thence along said Westerly line, South 68°50'18" East, a distance of
72.62 feet to a #5 rebar with cap LS 12770;
Thence departing said Westerly line, 104.65 feet along the arc of a
50.00 foot radius non-tangent curve to the left, through a central
angle of 119°55'32", with a chord bearing South 25°03'53" East, a
distance of 86.57 feet;
Thence 283.58 feet along the arc of a 444.99 foot radius non-tangent
curve to the right, through a central angle of 36°30'48", with a
chord bearing South 56°03'20" West, a distance of 278.81 feet;
Thence 130.87 feet along the arc of a 150.00 foot radius curve to the
left, through a central angle of 49°59'24", with a chord bearing
South 49°19'02" West, a distance of 126.76 feet;
Thence South 24°19'20" West, a distance of 97.00 feet to a #5 rebar
with cap LS 12770;
Thence North 65°40'40" West, a distance of 50.00 feet to a #5 rebar
with cap LS 12770;
Thence 31.41 feet along the arc of a 20.00 foot radius non-tangent
curve to the right, through a central angle of 90°00'00", with a
chord bearing South 69°19'20" West, a distance of 28.28 feet to a
#5 rebar;
Thence North 65°40'40" West, a distance of 49.00 feet to a #5 rebar
set in concrete;

Thence South 24°19'20" West, a distance of 139.60 feet to a #5 rebar;
Thence North 65°40'40" West, a distance of 35.82 feet to a #5 rebar
with cap LS 9960;

Thence South 00°00'00" East, a distance of 95.00 feet to a #5 rebar
with cap LS 9960;

Thence South 61°02'00" West, a distance of 328.41 feet to a #5 rebar
with cap LS 12770, the Southerly and Westerly boundary line of The
Ridges Filing No. 5;

Thence along the Southerly and Westerly boundary line of The Ridges
Filing No. 5 the following courses:

South 28°58'00" East, a distance of 43.04 feet;

148.29 feet along the arc of a 260.00 foot radius curve to the right,
through a central angle of 32°40'46", with a chord bearing South
12°37'37" East, a distance of 146.29 feet;

437.10 feet along the arc of a 290.00 foot radius curve to the left,
through a central angle of 86°21'34", with a chord bearing South
39°28'03" East, a distance of 396.89 feet;

South 30°57'24" East, a distance of 145.53 feet to a #5 rebar with cap
LS 9960;

South 39°51'00" East, a distance of 121.67 feet;

South 36°13'27" East, a distance of 244.71 feet to a #5 rebar with cap
LS 9960;

South 73°52'00" East, a distance of 335.71 feet;

North 50°31'05" East, a distance of 317.42 feet;

North 14°29'37" West, a distance of 381.25 feet to a #5 rebar with cap
LS 9960 on the the Southerly boundary line of The Ridges Filing No.
4;

Thence along the Southerly boundary line of The Ridges Filing No. 4
the following courses:

South 81°52'12" East, a distance of 71.57 feet;

482.20 feet along the arc of a 1040.00 foot radius curve to the left,
through a central angle of 26°33'55", with a chord bearing North
84°50'51" East, a distance of 477.89 feet;

North 71°33'54" East, a distance of 360.00 feet;

111.41 feet along the arc of a 540.00 foot radius curve to the left,
through a central angle of 11°49'15", with a chord bearing North

65°39'17" East, a distance of 111.21 feet to the Westerly boundary line of the Gardner Lake parcel;
Thence along the Westerly and Southerly boundary of the Gardner Lake parcel the following courses:
South 18°35'50" West, a distance of 335.00 feet to a #5 rebar with cap LS 12770;
South 34°39'50" East, a distance of 150.00 feet;
South 84°28'10" East, a distance of 272.64 feet;
North 55°13'20" East, a distance of 220.00 feet;
North 38°34'30" East, a distance of 120.00 feet to the Southerly boundary line of The Ridges Filing No. 3;
Thence along the Southerly boundary line of The Ridges Filing No. 3 the following courses:
South 90°00'00" East, a distance of 143.35 feet;
103.76 feet along the arc of a 800.00 foot radius curve to the left, through a central angle of 07°25'54", with a chord bearing North 86°17'03" East, a distance of 103.69 feet to a #5 rebar with cap LS 9960;
South 07°25'54" East, a distance of 110.00 feet to a #5 rebar with cap LS 9960;
North 82°34'06" East, a distance of 240.00 feet to a #5 rebar with cap LS 9960;
South 89°18'55" East, a distance of 87.26 feet to a #5 rebar with cap LS 9960;
South 53°14'24" East, a distance of 119.27 feet to a #5 rebar with cap LS 9960;
South 26°05'44" East, a distance of 251.58 feet;
North 63°56'00" East, a distance of 110.00 feet;
South 26°04'00" East, a distance of 160.00 feet to the Point of Beginning.

EXCEPT a parcel conveyed to the County of Mesa by instrument recorded at Book 964 Page 653.