

WWS92DSD

TYPE OF RECORD: PERMANENT

CATEGORY OF RECORD: CONTRACT

NAME OF AGENCY OR CONTRACTOR: GRAND JUNCTION WEST WATER SANITATION DISTRICT

STREET ADDRESS/PARCEL NAME/SUBDIVISION/PROJECT: DISSOLVING GRAND JUNCTION
WEST WATER SANITATION DISTRICT

CITY DEPARTMENT: PUBLIC WORKS

YEAR: 1992

EXPIRATION DATE: NONE

DESTRUCTION DATE: NONE

AGREEMENT

This agreement is made and entered into this 18 day of May, 1992, by and between Grand Junction West Water & Sanitation District, a Colorado special district, hereinafter referred to as "District" and the City of Grand Junction, a municipal corporation, of the County of Mesa, State of Colorado, hereinafter referred to as "City".

It is agreed:

1. The City has completed the requisite actions needed to annex all territory within the District.
2. The District will forthwith initiate the process to cause the District to be dissolved. The Board of Directors of the District has adopted, or will forthwith adopt, its Resolution which finds that it is in the best interests of the District to dissolve. As soon as the time for judicial challenge of the annexation of lands in the district, pursuant to C.R.S. 31-12-116, has elapsed, 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 District shall prepare, for City review and approval, a petition and a plan which will satisfy the requirements of 32-1-702, C.R.S.
4. The petition, plan and agreement contemplated by 32-1-702, C.R.S. shall reflect the following:
 - a. the City Council shall serve as the Board of Directors of the District. The role of the City Council, acting as the Board of Directors of the District, shall be to:
 - i. keep the monthly standby fees at the current rate of \$8.00 per month per parcel for a period of ten years or until the assessed value of the property in the District has doubled, based on new construction; said standby fee(s) shall apply to each subdivided lot or, if unsubdivided, each two acres or portion thereof.
 - ii. keep the District tap fees at the current rate(s):

water service size	tap fee
1 inch or less	4,000
1 1/2 inches	4,350
2 inches	4,850
3 inches	5,450
4 inches	6,600
6 inches	8,600

- iii. not increase the monthly service fees beyond their present level.
 - iv. keep the current bonds in place with the current payment schedule or refund the bonds resulting in payments not to exceed the present bond payments.
 - v. to annually utilize, over the next fifteen years, beginning in 1993, the equal amortization of the debt service reserve, interest income from the debt service reserve and other surplus cash of the District to reduce the amount of the annual mill levy required to meet the debt service obligations of the district. Such use of the debt service reserve shall only occur if the bond holder consents in writing because such use constitutes a modification of the original terms of the bond ordinance, which did not contemplate a gradual reduction in the size of the required debt service reserve fund.
5. The City shall maintain, own, and operate the sanitation system of the District on the same basis as the City operates the 201 sanitation system for the benefit of all users of the system;
 6. The existing outstanding debt of the District consists of the District's General Obligation Refunding Bonds Series 1987A and Series 1987B, issued in the aggregate principal amount of \$1,590,000, which bonds the City will guarantee by the issuance of a City sales and use tax guarantee, which guarantee will constitute a subordinate lien bond;
 7. The City will certify a mill levy sufficient, when added to other District revenues including monthly service fees, tap fees and standby fees, to meet the bond payments until the bonds have been fully paid, discharged or defeased, at which point the City will move the District Court for its order to dissolve the District;
 8. The City's agreement to issue its subordinate lien bond is contingent on: (i) the successful completion of the annexation of the lands in the District to the City, and (ii) the entry of a district court order approving the submitted plan for dissolution following an election at which a majority of those entitled to vote vote to dissolve, in accordance with the court approved plan.
 9. A majority of the property owners within the boundaries of the district may, and it is hoped will, make recommendations to the City Council as required over time concerning the revenue sources and the relative amounts of each to be applied to any outstanding debt. The Council will be guided by the attached "Philosophy Statement of the District", by the minutes of the

October 19, 1988 meeting of the Board of the District, and by the Resolution of the Board of the District dated March 10, 1982.

City Council agrees that it shall make no material changes to the standby fees, tap fees, or other revenue sources without having first considered the same at a meeting available to the public, at which meeting affected property owners shall have an opportunity to be heard.

10. The parties agree that this plan and Agreement is entered in to not only for the benefit of the City and the District, but also for the benefit of the property owners in the District. Accordingly, the parties agree that the City's duties and obligations under this Plan and Agreement may be enforced by any such property owner of the district at the time such enforcement action is commenced.

SANITATION DISTRICT

By: *Richard Spartman*
Chairman, Board of Directors

Robert W. Mottish
Secretary, Board of Directors

CITY OF GRAND JUNCTION

By: *Reford C. Theobald*
Reford C. Theobald, Mayor

Neva B. Lockhart, CMC, by
Neva B. Lockhart, City Clerk

Theresa L. Mortine, CMC
Acting City Clerk

[GJWEST1]