

CONSTRUCTION AND MAINTENANCE AGREEMENT

THIS CONSTRUCTION AND MAINTENANCE AGREEMENT (Agreement) is made this $\underline{\mathcal{G}}^{\mu\nu}$ day of $\underline{\mathcal{FERUNR}^{\mu}}$, 2006, and is between the **GRAND VALLEY IRRIGATION COMPANY**, a Colorado nonprofit corporation (GVIC), whose address is 688 26 Road, Grand Junction, Colorado 81506, and the **CITY OF GRAND JUNCTION**, a home rule municipality (City), whose address is 250 North 5th Street, Grand Junction, Colorado 81501. Collectively GVIC and the City shall be referred to as the "Parties."

RECITALS

- A. GVIC is the owner and operator of a system of irrigation canals and related facilities located in Mesa County, Colorado (collectively referred to as the "Canal Facilities"). The Canal Facilities include the canal bed, banks, access roads, pipes, culverts, embankments and related features or facilities, for the delivery and containment of irrigation water to GVIC shareholders. The Independent Ranchmen's Ditch is a part of the Canal Facilities.
- B. The City proposes to design, construct and perpetually maintain a new storm water drainage system known as the "Big Pipe Project" ("Project") to safely convey storm water flows through the lower portion of the Independent Ranchmen's Ditch and ultimately to the outfall at Leach Creek and the Colorado River, that entails certain modifications and improvements to the Independent Ranchmen's Ditch between the northeast intersection of 26 Road and Patterson Road, and continuing to its discharge point in Leach Creek near the southwest corner of the Mesa Mall, north of I-70B, in Mesa County, Colorado. The general project narrative is described in the "Project Overview Ranchmen's Ditch Drainage Improvement Project 'Big Pipe,''' dated October 16, 2006 and attached hereto as Exhibit A. In addition, attached hereto as Exhibit B is an aerial photograph titled "Ranchmen's Ditch Flood Control Project," providing a general location and description of the major features of the Project.
- C. For the purpose of this Agreement, all of the modifications and improvements that are reasonable or necessary to accomplish the objective of the Project between the northeast intersection of 26 Road and Patterson Road through and including the discharge point in Leach Creek near the southwest corner of the Mesa Mall property shall be referred to herein as the "Improvements," and shall include, but not be limited to, all modifications and improvements to the Independent Ranchmen's Ditch being a feature of the Project.
- D. The City desires to obtain GVIC's review and approval of the design of the Project and GVIC's consent to the construction of the Project and its related facilities.
- E. The City desires to enter into an agreement with GVIC for the perpetual maintenance and repair of the Project subsequent to the completion of construction.

NOW THEREFORE, in consideration of the Recitals above, and the mutual covenants and promises set forth below, GVIC and the City agree as follows:

- 1. Development of Plans and Specifications.
 - a. <u>Phase I</u>. Phase I of the Project shall consist of all Improvements from the southwest corner of the Mesa Mall property up to the point as shown on Exhibit B

where there is a junction box whereby an existing 54-inch diameter pipe and three 78-inch diameter pipes converge at said junction box. The City has caused to be prepared certain plans and specifications for Phase I identified as Ranchmen's Ditch Flood Control Project, Project Numbers 202F31800 and 2011F31800, hereafter referred to as the "Phase I Plans and Specifications." GVIC has reviewed the Phase I Plans and Specifications, and approves of the same, subject to the following:

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- i. The City warrants and represents to GVIC that the Phase I Plans and Specifications have been created, developed and reviewed by its in-house licensed professional engineer(s) and an independent, retained licensed professional engineer(s), said Phase I Plans and Specifications are free from any material errors, defects or omissions, and are sufficiently accurate and suitable for the construction and installation of the Phase I Project. The City may rely on the Colorado Governmental Immunity Act to establish and/or limit its liability under this paragraph to third parties.
- ii. The City acknowledges and agrees that GVIC's review of the Phase I Plans and Specifications, including the review of the same by any consultant engaged by GVIC for such purpose, is solely and only for the use and benefit of GVIC and is not intended, nor shall it be construed to be or constitute GVIC's certification or acceptance thereof as accurate or sufficient, or to be or constitute a waiver, release or other limitation upon the City's warranty as set forth in paragraph 1.a.i. above, or a waiver, release or other limitation on GVIC's right to assert claims against the City or its consultants or engineers responsible for preparing the Phase I Plans and Specifications as a result of any material errors, omissions or defects therein.
- iii. The City may not rely in whole or in part upon GVIC or its consultant's review of the Phase I Plans and Specifications, or the approval of any portion thereof, as a basis to assert negligence or breach of contract, or comparative negligence, on the part of GVIC or its engineer, or as a basis to assert any warranty, representation or other problems on the part of GVIC or its consultant to the City with respect to the suitability or accuracy of the Phase I Plans and Specifications.
- b. <u>Phase II</u>. The City shall engage qualified employees and/or independent consultants to prepare, or cause to be prepared, all designs, plans, specifications, drawings and detail for Phase II of the Project, to be hereafter referred to as the "Phase II Plans and Specifications," for all Improvements and related facilities in connection with Phase II of the Project from the northeast intersection of 26 Road and Patterson Road to Phase I. The Phase II Plans and Specifications must incorporate a design for GVIC's Mainline 260 pipeline, from its point of intersection with the Independent Ranchmen's Ditch and paralleling the newly constructed pipelines along Patterson Road so as to provide irrigation turnouts to current GVIC shareholders property generally described as C&F Food Store, Callahan-Edfast and Barnes & Noble. The design shall be adequate and sufficient

to deliver Mainline 260 irrigation water to GVIC shareholders as approved by GVIC in its discretion. Once completed, the Phase II Plans and Specifications shall be submitted to GVIC for its approval. GVIC shall have a reasonable time to review and study the Phase II Plans and Specifications as submitted, including the engagement of such engineers and other consultants as GVIC deems reasonable and necessary to assist it in the review of the Phase II Plans and Specifications. If the Phase II Plans and Specifications are approved, then GVIC shall notify the City of such approval. If the Phase II Plans and Specifications are not approved, then GVIC shall notify the City of such disapproval and provide a written statement describing which portion of the Phase II Plans and Specifications is disapproved and the reason for such disapproval. No construction of Phase II shall commence until such time as the Phase II Plans and Specifications are finally approved by GVIC and/or any asserted disapproval has been resolved. The parties further agree as follows:

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- i. The City warrants and represents to GVIC that the Phase II Plans and Specifications will be created, developed and reviewed by its in-house licensed professional engineer(s) or independent, retained licensed professional engineer(s). The City warrants to GVIC that the Plans and Specifications will be accurate and suitable for the construction and installation of the Improvements and related facilities and free from any material errors, defects or omissions. The City may rely on the Colorado Governmental Immunity Act to establish and/or limit its liability under this paragraph to third parties.
- ii. The City acknowledges that GVIC's review of the Phase II Plans and Specifications, including the review of the same by any consultant engaged by GVIC for such purpose, is solely and only for the use and benefit of GVIC and is not intended, nor shall it be construed to be or constitute GVIC's certification or acceptance thereof as accurate or sufficient, or to be or constitute a waiver, release or other limitation upon the City's warranty set forth in paragraph 1.b.i. above, or a waiver, release or other limitation on GVIC's rights to assert claims against the City or its consultants or engineers responsible for preparing the Phase II Plans and Specifications as a result of any material errors, omissions or defects therein.
- iii. The City may not rely in whole or in part upon GVIC or its engineer's review of the Phase II Plans and Specifications, or the approval or disapproval of the same, as a basis to assert negligence or breach of contract on the part of GVIC or its engineer, or any warranty, representation or other promise on the part of GVIC to the City with respect to the suitability or accuracy of the Phase II Plans and Specifications.

2. <u>Consent</u>. Subject to the terms and conditions of this Agreement, and conditioned on GVIC's approval, GVIC consents to the City's design, construction and maintenance of the Project over, under and across the real property described on Phase I Plans and Specifications and Phase II Plans and Specifications, the area of which shall be hereinafter referred to as the "Project Area." The Parties acknowledge and agree that GVIC is giving its consent without warranty, express or implied, as to the merchantability of GVIC's title to the Canal Facilities in

the Project Area, or the suitability of the Canal Facilities in the Project Area for any use or purpose permitted under this Agreement.

3. <u>Use of the Project Area</u>. The use of the Project Area shall be solely for the construction, repair and maintenance of the Project. The City acknowledges that GVIC will need ingress and egress to the Project Area both during and subsequent to construction for the purpose of inspecting construction, reviewing and inspecting the City's maintenance of the Project Improvements, and to provide for GVIC's administration of the delivery of irrigation to its shareholders. GVIC does hereby specifically reserve and except to itself all non-exclusive rights of ingress and egress to and from the Project Area at whatever points deemed reasonable and necessary by GVIC, and the City does hereby grant such rights of access to GVIC.

- 4. Construction.
 - a. <u>The Work</u>. The City shall perform, contract or engage, or obtain or otherwise provide for, all labor, materials, equipment, supplies, permits, licenses, rights-of-way or easements that are reasonable or necessary for the commencement and completion of the Project and all Improvements related thereto, including easements or rights-of-way for maintenance and repair thereof, in accordance with the Phase I and II Plans and Specifications, hereafter referred to as the "Work."
 - b. <u>Construction Schedule</u>. Prior to the commencement of any Work, the City shall provide GVIC with a construction schedule, including the anticipated times, dates or points of construction requiring inspection by any governmental entity having jurisdiction over the Work, including the City.
 - c. Commencement, Completion and Construction. Work on Phase I shall commence on March 5, 2007, and work associated with the existing 54" pipe and GVIC concrete administrative control point at Leach Creek shall be completed on or before noon March 14, 2008. If the City elects to relocate the 54" pipe in 2007, prior to irrigation season, work on all GVIC structures shall be completed prior to noon, March 20, 2007. The timing, sequence and staging of the Work shall be coordinated with GVIC and shall be subject to GVIC approval to assure that all Work does not interfere with GVIC's use, operation and maintenance of the Independent Ranchmen's Ditch, and that the Project will be completed by the construction dates set forth above. All construction of Project Improvements affecting, indirectly or directly, the use, operation and maintenance of the Independent Ranchmen's Ditch, shall be scheduled and completed during the nonirrigation season. The commencement, completion and construction schedule for Phase II shall be determined at such time as the Phase II Plans and Specifications are developed by the City and approved by GVIC, and all construction of said Phase II Project Improvements shall occur during non-irrigation season.
 - d. Conditions of Construction.
 - i. All construction shall be strictly in conformance with the Phase I and II Plans and Specifications, shall be pursued with diligence and in a good and workmanlike manner, and shall comply with all laws, ordinances, rules,

regulations and orders of any applicable governmental authority bearing on the performance of the Work, including any applicable building or construction codes. Any Work not conforming thereto shall be corrected by the City immediately at its sole expense.

- ii. The City shall pay all costs, expenses, fees, or other disbursements which are reasonable or necessary for the performance of the Work in a timely manner.
- iii. The City shall be solely responsible for all construction means, methods, techniques and sequences and procedures, subject to the City's obligation to coordinate with GVIC, and to complete all Work in accordance with this Agreement. The City shall further be solely responsible for obtaining or contracting for all labor, materials, equipment, tools, machinery, utilities, transportation and other services necessary for the proper execution and completion of the Work, and shall be solely and absolutely obligated to pay any costs or expenses therefor.
- iv. The City shall ensure that all employees or subcontractors performing the Work shall at all times observe and conduct themselves in a disciplined and professional manner. The City shall not employ or engage any person, contractor or subcontractor, or suffer or permit the employment of any employee of any contractor or subcontractor that is unfit or not skilled for the task assigned to him/her. The City shall furthermore be responsible for initiating, maintaining and supervising reasonable safety precautions and programs in connection with the Work to prevent bodily injury, death or property damage to any employees, subcontractors or members of the general public, or damage to the Canal Facilities or any property adjoining the Canal Facilities.
- v. The City shall not cause or suffer any mechanic's lien or other encumbrance to be placed upon the Project Area, or any aspect of the Canal Facilities in connection with the performance of the Work or any operation, repair and maintenance of the Improvements thereafter. In the event any mechanic's lien or other encumbrance is asserted or filed on the Project Area, the City shall immediately cause a removal thereof by bond under the Colorado Mechanic's Lien Act.
- vi. At all times during performance of the Work, the City shall keep the Project Area and the Canal Facilities free from the accumulation of waste materials or rubbish. Upon completion of any Improvements, the City shall remove all waste material and rubbish from the Project Area and the Canal Facilities, as well as all tools, construction equipment, machinery and surplus machinery and, to the extent that the City disturbs any Canal Facilities or other property adjacent to the Improvements, to restore the land adjacent to the Canal Facilities to the condition existing prior to the commencement of construction, except as is specifically provided in the Phase I or Phase II Plans and Specifications.

- e. <u>Subcontractors</u>. The City shall cause each contractor and subcontractor to maintain insurance against claims and liabilities arising under the laws of the State of Colorado pertaining to workers' compensation, unemployment compensation and occupational diseases. Prior to the commencement of the Work, the City shall provide to GVIC certificates of insurance showing such coverage in effect and also providing that such insurance will not be canceled or modified except upon thirty (30) days' written notice to GVIC.
- Notice of Inspection; Covering of the Work. The City shall give GVIC timely f. notice of readiness for inspection of any aspects of the Project Improvements or any features thereof that require inspection by any governmental entity having authority over the same, or on which GVIC or its engineer requests inspection. For any aspect of the Work requiring inspection by the City or its engineers, the City shall furnish GVIC with any required certificates of inspection, testing or approval. The conduct of any inspections, tests or approvals by GVIC or its engineer shall not relieve the City from any obligation under this Agreement. The City shall not cover up or backfill any aspect of the Work requiring inspection, testing or approval, whether by GVIC, its engineer, or the City or its engineer prior to such inspection. If any aspect of the Work is covered up or backfilled contrary to the provisions hereof, or before it has been inspected, tested or approved, or in the event the City fails to deliver any required documentation of inspection, testing or approval, then GVIC or its engineer may order the uncovering of such items in order to conduct such observation, inspection, testing or approval at the City's expense.
- Reimbursement of GVIC's Costs and Consulting Fees. The City agrees to g. reimburse GVIC up to \$50,000.00 for the out-of-pocket and internal administrative costs it incurs to review the Phase I and II Plans and Specifications, to develop this Agreement and for ongoing observation, inspection and consultation in connection with the construction of the Project, whether requested by the City or initiated by GVIC. Such costs shall include fees charged to GVIC by its consulting engineer and legal counsel, and, in addition, the time for GVIC administrative staff. Compensation is agreed to be at the rate of \$45.00 per hour for GVIC administrative staff, legal services at \$200.00 per hour and GVIC's engineer at the prevailing rate of \$55.00 to \$72.00 per hour. The City shall reimburse GVIC for such costs within thirty (30) days following GVIC's submittal of an invoice for the same, attaching supporting invoices and documentation. The City shall pay GVIC's costs for the foregoing incurred prior to the formal execution of this Agreement.
- 5. <u>City's Obligation to Operate, Maintain and Repair.</u>
 - a. <u>Agreement to Operate, Maintain and Repair</u>. Following substantial completion of the Project, the City agrees at its sole cost and expense to perpetually maintain and repair the Project Improvements and any Canal Facilities modified or changed as a part thereof, including all features, facilities and structural components thereof, and that portion of the existing 54" pipe that runs through the Mesa Mall property so that they function and perform according to their intended uses and according to

the Phase I and II Plans and Specifications, and in such a manner that they do not interfere with GVIC's use, operation, control and enjoyment of the Independent Ranchmen's Ditch and the delivery of irrigation to GVIC's shareholders, including any seasoning, testing and correctional work related thereto. All repairs, maintenance, seasoning and correctional work performed by the City shall be coordinated with GVIC, and shall be undertaken and completed during the nonirrigation season, and shall not interfere with GVIC's operation, maintenance and control or use of the Canal Facilities.

- b. <u>Discharge from Adjoining Properties</u>. Nothing contained herein shall alter, limit or affect GVIC's right to control, monitor or permit, on terms acceptable to GVIC, storm or other discharges into the Canal Facilities including the Independent Ranchmen's Ditch. For the purpose of this Agreement, property adjoining the Project shall include land lying north and south of Patterson Road between 26 Road and 24½ Road. The northern limit would be Leach Creek and the southern limit would be that which can drain back to the Project. This paragraph shall apply to discharge from subdivisions permitted by GVIC, including commercial and residential subdivisions that are developed subsequent to the construction of the Project.
- c. <u>No Unreasonable Interference</u>. The City's operation, maintenance and repair of the Improvements shall not unreasonably interfere with GVIC's use of the Project Area or the operation, maintenance and repair of the Canal Facilities related thereto. In further explanation of this subparagraph, the Parties agree as follows:
 - i. <u>Irrigation Season</u>. During the irrigation season (April 1 to October 31), the parties agree that it shall be an unreasonable interference for the City's operation, maintenance and repair of the Improvements to be conducted below water level, or to affect the water flowing in that part of the Project Improvements affecting the flow of water to GVIC's shareholders, or to involve the excavation or penetration of the Improvements or the Canal Facilities related thereto, in, under or upon the Project Area, or to block or obstruct or close the passage of equipment, personnel or vehicles upon any Canal Access Road for any period in excess of eight (8) hours per day or for more than one (1) day per week or to cause or threaten structural failure or instability of the Canal Facilities or the Improvements, except for emergency situations defined below.
 - ii. <u>Non-irrigation Season</u>. During the non-irrigation season (November 1 through March 31), GVIC and the City shall coordinate their respective operations, maintenance or repairs to the Improvements and the Canal Facilities related thereto so as to avoid any conflict in the respective activities of the City and GVIC in regard to the operation, repairs or maintenance of the Improvements or the Canal Facilities related thereto or the running of GVIC's domestic water right during the non-irrigation season. All repair or maintenance work performed in the non-irrigation season shall be completed on or before March 15 of such year.

iii. <u>Emergency Situations</u>. An emergency situation shall be deemed to mean any event, including a break, leak or failure for any reason in the Improvements or the Canal Facilities related thereto that creates a danger to persons, property and/or the environment as reasonably determined by the City, any governmental entity or agency having or asserting jurisdiction thereof or GVIC. In the event of an emergency situation, the City and/or GVIC and/or other governmental entity or agency shall immediately undertake such action as is reasonable or necessary to commence repair of the Improvements or Canal Facilities related thereto as the case may be, and to diligently pursue repair efforts so as to eliminate, minimize and reduce the actual or threat of loss or damage to persons, property and/or the environment.

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iv. <u>Disagreements</u>. In the event there is a disagreement as to whether or not the City's operation, maintenance or repair of the Project is or is not an unreasonable interference with GVIC's use, operation and maintenance of the Improvements or the Canal Facilities related thereto, then either party may petition the Mesa County, Colorado District Court for a declarative determination of such issue.

6. <u>Indemnity</u>. To the fullest extent permitted by law, the City shall indemnify and hold GVIC harmless against any and all loss, liability, claim or damage, including, but not limited to, claims for bodily injury, property damages or death, arising out of or resulting from the Phase I and II Plans and Specifications, construction, installation, seasoning, testing, and maintenance or repair of the Improvements, including, but not limited to, any loss or liability resulting from errors, omissions or defects in the Phase I and II Plans or Specifications. This indemnity shall include all claims based on the acts or omissions of the City and its agents and employees, and all persons or entities engaged by the City for any aspect of the Project, including the creation of the Phase I and II Plans and Specifications and any contractor, subcontractor or other person or entity engaged for the purpose of construction Project Improvements or repairing, maintaining or operating the Project. This indemnity shall also include GVIC's reasonable attorney's fees paid or incurred to investigate, negotiate, mediate, litigate or settle any claim, whether pending or threatened, indemnified hereunder. This indemnity shall further include any claims brought by members of the general public or adjoining property owners.

7. <u>Default and Remedies</u>. Time is of the essence for the performance of the City's obligations pursuant to this Agreement. A default shall be deemed to have occurred on the part of the City in the event the City, including its agents, employees, contractors and consultants, shall fail or refuse to perform any task, duty or other obligation provided in this Agreement following seven (7) business days' written notice of such failure or refusal. In the event of a default on the part of the City, including its agents, employees or contractors, GVIC may, in its sole and absolute discretion, and without limitation on any other remedies available to GVIC, undertake the following action:

- a. Terminate and/or suspend use of the Canal Facilities and Project Area;
- b. In the event of a default on the part of the City that shall cause or threaten any interruption in delivery of irrigation water to GVIC shareholders, then GVIC may

undertake such self-help remedy as GVIC deems reasonable or necessary to restore irrigation water deliveries to its shareholders, including, but not limited to, taking physical possession of the Project Area, or so much thereof as it necessary, and restore the same to a condition ready to receive and deliver irrigation water to GVIC shareholders, which may entail the use of GVIC's personnel or equipment or the engagement of independent parties or contractor's to accomplish such purpose or objective;

- c. Undertake such actions as GVIC determines reasonable and necessary to cure any nonperformance or noncompliance by the City, including but not limited to, taking physical possession of the Project Area and all material, equipment, tools and other things thereon to complete any or all portions of the Improvements, or the undertaking of seasoning, testing and corrective work to the Improvements, or the undertaking of repairs and/or maintenance thereto, which may entail the use of GVIC's personnel or equipment or the engagement of independent parties or contractor's to accomplish such purpose or objective; and/or,
- d. To commence legal proceedings for the recovery of any sums due GVIC, including compensatory damages and/or for injunction or specific performance as is appropriate in the circumstances. The recovery of sums due shall include, but not limited to, any consulting costs and expenses or any other fees paid or incurred by GVIC in exercising its remedies hereunder, including GVIC's use of its own equipment and personnel, GVIC's internal administrative expenses and the fees and payments to any independent contractor or party engaged for the purposes and objectives described above.
- 8. <u>Miscellaneous</u>.

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- a. <u>Benefit</u>. The terms of this Agreement shall inure to the benefit of and be binding upon the Parties and their successors, legal representatives and assigns.
- b. <u>Legal Proceedings</u>. In the event GVIC or the City seek to enforce any term or provision of this Agreement by legal proceedings, then the prevailing party in such legal proceeding shall be entitled to recover its reasonable attorneys' fees and costs for the same.
- c. <u>Notice</u>. Whenever required hereunder, notice shall be deemed sufficiently given if in writing, upon mailing, United States mail, postage prepaid, certified and return receipt requested, to the Parties addresses set forth below:

GVIC	:	688 26 Road, Grand Junction, Colorado 81506
City	:	250 North 5 th Street, Grand Junction, Colorado 81501

d. <u>Integration</u>. This Agreement is intended be the full, complete and integrated expression of the Parties' agreements in regard to the subject matter hereof, all prior agreements, negotiations and discussions being merged herein.

DATED the year and date first above written.

GRAND VALLEY IRRIGATION COMPANY,

CITY OF GRAND JUNCTION,

a home rule municipality

B Jim Doody, Mayor

a Colorado nonprofit corporation

By / Robert Raymond, President

STATE OF COLORADO)) ss. COUNTY OF MESA)

Witness my hand and official seal. My commission expires: 04/09Notary F

JUDY LOPEZ

My Commission Lines 04/09/2007

COUNTY OF MESA

STATE OF COLORADO

The foregoing instrument was acknowledged before me this day of *tebruary*, 2007, by Jim Doody, as Mayor of City of Grand Junction.

Witness my hand and official seal. My commission expires:

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) SS.

Notary Public

EXHIBIT A Project Overview Memo

Project Overview Ranchmen's Ditch Drainage Improvement Project – "Big Pipe"

TO:	Grand Valley Irrigation Con	npany
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FROM: Bret Guillory, Utility Engineer

DATE: October 16, 2006

SUBJECT: Overview of Big Pipe Project

BACKGROUND

The "Big Pipe" project is proposed to reduce the potential for flooding and remove large commercial areas, including Grand Mesa Center, Valley Plaza Shopping Center, and restaurant row along the south side of Mesa Mall, from the 100 year flood plain. The project will include construction of detention basins in the upper reaches of the basin and improving conveyance systems through the lower portions of the basin.

While designing the detention ponds in the upper portion of the drainage basin, the consultant doing the engineering studies for the City discovered mistakes in the information the Federal Emergency Management Agency (FEMA) used when mapping the 100 year flood plains in the late 1980's. The new figures indicate that the amount of water from a 100-year flood would be roughly three times what FEMA figures originally indicated. Following a meeting with FEMA in 2002, the City agreed to file a Conditional Letter of Map Revision (CLOMR) with FEMA, and within two years build the additional structures to handle the design floodwater. A CLOMR is used to assure the City that FEMA will agree to the proposed map revisions provided these improvements are constructed. The City of Grand Junction applied for a CLOMR for the Ranchmen's Ditch Drainage in March of 2005. The CLOMR was received from FEMA in October 2005.

Current plan is to have construction of the "Big Pipe Project" take place in two phases. The first phase includes improvements to the drainage from the confluence with the Colorado River through the Mesa Mall property terminating just east of 24½ Road near the Barnes & Noble Book Store. The second phase of the project includes improvements to the open channel section of the Independent Ranchmen's Ditch along Patterson Road from Barnes & Noble to the intersection of 26 Road and Patterson Road.

Phase one of the project is scheduled to be under construction starting in the winter 2006/2007, with completion of the improvements during the second phase of construction ending winter of 2007/2008.

PROJECT

The project to mitigate the flooding potential includes construction of three detention basins. A two stage detention basin in the Ranchmen's Ditch drainage will be located along the east side of the airport. Another detention basin is proposed on the BookCliff Country Club property just north of G Road. Design of the Ranchmen's Ditch detention ponds is complete and construction of the ponds will take place with the first phase of the project.

There is a large portion of the tributary basin for the Ranchmen's Ditch drainage that is located below the proposed detention basins. Because of this, the proposed upper basin detention facilities will not be able to detain an adequate amount of storm runoff to mitigate <u>all</u> of the flooding in the existing conveyance system

^{*} downstream. To address this, the City is designing a new conveyance system known as the 'Big Pipe Project' that will safely convey the remaining storm flows through the lower portions of the drainage basins and ultimately to the outfall at Leach Creek and the Colorado River. The "Big Pipe" project consists of improving the existing open ditch and piped portions of the Ranchmen's Ditch conveyance system. The project starts as an open ditch northeast of the intersection of 26 Road and Patterson Road. At Patterson Road, Ranchman's ditch enters a corroding 84" CMP which will either be lined or removed and replaced. About 700 feet west of 26 Road, along the south side of Patterson Road, the 84" CMP transitions to a 72" RCP, which will be paralleled first by a 60" RCP, then a 72" RCP from that point to 25½ Rd. At 25½ Rd., the drainage enters an open ditch, and continues west along the south side of Patterson Road to the Barnes & Noble Book Store (2451 Patterson). At this point the open ditch will be replaced with two 90 inch pipes that will continue from 25 ½ Road to Barnes & Noble book store.

At Barnes & Noble, the Ranchman's Ditch enters an existing single 54" diameter pipe, which crosses under 24½ Road and continues west around the south side of Mesa Mall, north of the ring road, through the parking lot. The "Big Pipe" project will parallel the existing 54" pipe with three 78" pipes that will be installed just north of the Mesa Mall ring road and south of the existing 54". There will be a portion of the 54" pipe near the Krispy Kream donut shop that will need to be relocated to facilitate construction of the 78" pipes. The three 78" pipes will discharge to Leach Creek near the southwest corner of the Mall property north of I-70B. The Leach Creek channel will be improved from I-70B to the confluence with the Colorado River to allow conveyance of the design storm event from both the Ranchmen's Ditch drainage and the Leach Creek drainage.

FUNDING

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We have estimated the cost of the project at \$13.5 million. The City of Grand Junction has budgeted funds in the amount of \$10.5 million and received a Pre Disaster Mitigation Grant (PDM) from FEMA for \$3 million, the balance of the project.

PROJECT MILESTONES

- 1. Receive CLOMR from FEMA October, 2005
- 2. Receive Pre-Disaster Mitigation Grant award from FEMA (June, 2006)
- 3. Advertise for bids and award phase one of the project (November/December, 2006)
- 4. Begin construction of phase one (December, 2006)
- 5. Advertise for bids and award phase two of the project (October/November, 2007)
- 6. Begin construction of phase two (November, 2007)
- 7. Complete construction of the "Big Pipe" Project (Spring, 2008)

EXHIBIT B Project Aerial Illustration

