

DRAFT
FOR YOUR REVIEW

RECITALS

The City of Grand Junction is a municipal corporation of the State of Colorado;

Mesa County is a county established and existing under the laws of the State of Colorado;

The City of Grand Junction is located entirely within Mesa County;

Mesa County and the City of Grand Junction have over a period of years entered into many agreements for the sharing of governmental services and responsibilities;

C.R.S. 1973, §29-1-201 Et seq. specifically authorize entities such as the City and County to contract with one another "to provide any function, service or facility lawfully authorized to each of the cooperating or contracting units * * * ;"

C.R.S. 1973, §30-20-402 Grants the following specific powers to a county:

To enter into and perform contracts and agreements with other counties or with municipalities for or concerning the planning, construction, lease, or other acquisition and the financing of water facilities or sewerage facilities, or both, and the maintenance and operation thereof. Any such counties or municipalities so contracting with each other may also provide in any contract or agreement for a board, commission or such other body as their boards or governing bodies may deem proper for the supervision and general management of the water facilities or sewerage facilities, or both, and for the operation thereof, and may prescribe its powers and duties and fix the compensation of the members thereof; [paragraph (h)]

Mesa County and the City of Grand Junction on May 1, 1980, entered into a "Joint Sewerage Service Agreement" regarding the construction and operation of certain sewage collection and treatment facilities;

The "Joint Sewerage Service Agreement" leaves unresolved certain issues, including but not limited to: maintenance of sewer facilities in unincorporated areas but not specifically listed in the agreement; establishment of reserve or sinking funds for future plant expansion; establishment of service area boundaries; connection policies for the system; expansion policies for the system;

It is the mutual desire of Mesa County and the City of Grand Junction to ensure that the purposes of the original Joint Sewerage Service Agreement are fulfilled, that these other issues are resolved and that a mechanism is established for resolving other issues that may arise in the future;

AGREEMENT

WHEREFORE, it is agreed by and between the City of Grand Junction, a municipal corporation hereinafter called "Grand Junction" or "the City," and Mesa County, a county established and existing under the laws of Colorado which is sometimes hereinafter called "the County," that:

1 JOINT SYSTEM ESTABLISHED

There is hereby established and continued from the prior Joint Sewerage Service Agreement a sewerage system to be called herein "the Joint System." The Joint System shall consist of those sewerage treatment and collection facilities owned by the City or the County. The parties recognize that facilities owned by the City and County may change from time to time through facility retirement, replacement, expansion and through dedication of additional facilities; it is the intent of the parties that the Joint System shall change to include additional facilities and exclude other facilities as such facilities come into and out of use and into City or County ownership.

2 OWNERSHIP OF FACILITIES

2.1 County Ownership

The County will own the wastewater treatment plant and River Road and Redlands interceptors. The County will own all lines and other facilities dedicated to and accepted by it. The County will own any lines and other facilities that are part of the Joint System, that are located within the unincorporated area of the County and that are not owned by the City or the four named quasi-municipal districts;

2.2 City Ownership

The City will own the Paradise Hills interceptors in addition to all lines presently owned. The City will own all lines within the City except as expressly otherwise set forth herein. If the County owns any lines or other facilities (except the treatment plant or interceptor lines) in an area annexed to the City, the ownership of such lines or facilities shall be transferred to the City at the time of annexation.

3 SERVICE TO OTHER ENTITIES

The Joint System established under this agreement shall be used to provide service to other public entities in the service area established by the Board, including but not limited to: the Central Grand Valley Sanitation District; the Fruitvale Sewage District; Orchard Mesa Sewage District; Ridges Metropolitan District. Service shall be provided in accordance with the fees and rates adopted by the Board from time to time and in accordance with all connection and operating standards and policies of the Board.

4 SEWER BOARD ESTABLISHED

In accordance with C.R.S. 1973, §30-20-402(H), the parties hereby establish the Grand Valley Sewer Board.

4.1 Board Members

There shall be five board members, who shall be selected as follows: one member shall be a member of the Grand Junction City Council and shall be selected by that Council; one member shall be a member of the elected board of one of the quasi-municipalities listed in Section 3, which member shall be selected by the members of the elected boards of those quasi-municipalities by such means as they may from time to time determine; one member shall be a member of the governing body of Fruita or Palisade, which member shall be selected by the members of those governing bodies by such means as they shall from time to time determine; two members shall be at-large members, who shall not be elected officials of the County, City or of any municipality or quasi-municipality, which members shall be appointed by the Board of County Commissioners of the County. Term of office of Board members shall be as determined by the body or bodies appointing such member, subject to the following: terms of office shall begin in January and end in December; the minimum term of office shall be 1 year; the maximum term of office shall be four years; a Board member may succeed himself or herself once. Vacancies shall be filled by the body or bodies with the power to fill the Board member position which is vacant. If any vacancy shall remain unfilled for a period in excess of 90 days, the Board of County Commissioners shall fill the vacancy (following all of the requirements otherwise applicable to the Board membership being filled).

4.2 Organization

Each January the Board shall elect a chairman and a secretary from among its members. It shall be free to elect such other officers as it may deem necessary. The Board shall have the power to adopt by-laws and rules governing its procedures.

4.3 Meetings

The Board shall meet at least quarterly at such time and place as it may from time to time choose. All meetings of the Board shall be public. Notice of each meeting of the Board shall be posted in City Hall and the County Courthouse and published in a display advertisement in a newspaper of general circulation in the Grand Junction area at least seven (7) days before such meeting. All meetings of the Board shall be open to the public and the press. The Board shall cause minutes of its meetings to be kept and shall cause copies of such minutes to be mailed promptly after each meeting to the following: the City; the County; each of the quasi-municipalities named in Section 3; the Towns of Fruita and Palisade.

4.4 Compensation

Members of the Board shall be paid at least \$D for each meeting attended. The amount of compensation per meeting can be increased by joint resolution of the City and County without formal amendment to this agreement.

5 POWERS AND DUTIES OF BOARD

The Grand Valley Sewer Board, hereinafter called "the Board," shall have the following powers and duties: establishment of connection policies for the Joint System; establishment of system development fees to be paid upon connection to the Joint System; establishment of service area boundaries in accordance with requirements of the state and federal governments, as and if applicable; establishment of rates and charges for sewage discharged into the joint system; planning for system expansion; establishment and approval of an annual operating budget for the Joint System; establishment of rules and operating policies governing sewage discharges into the system; and such other incidental powers as may be necessary to enable to the Board to carry out its duties under this Agreement.

6 LIMITATIONS ON POWERS

6.1 Rates and Charges

In establishing the rates and charges for the Joint System, the Board shall determine that the rates and charges so established are sufficient to meet the needs of the total costs for the operation, maintenance, principal and interest on Bonds of the County issued for purpose of the Joint System and all other requirements of the bond resolutions. If at any time the Board of County Commissioners determines that the rates or charges established by the Board are not adequate for such purposes, the Board of County Commissioners shall establish a schedule of rates and charges which is adequate for such purposes and the Board shall then follow the schedule so established by the Board of County Commissioners.

7 Rates and Charges of Other Entities

The rates and charges to be established by the Board are for the operation, maintenance, replacement and debt retirement of the Joint System only. Any entity owning or operating sewer lines or other facilities connecting to the joint system shall have the right to establish rates and charges for the operation, maintenance, replacement and debt retirement of such facilities and may, to the extent permitted by the laws of Colorado, collect and enforce such rates and charges in addition to the charges and fees established by the Board.

7.1 Uniformity

Rates and charges established by the Board shall be uniform for classes of users similarly situated.

7.2 Connection policies

Any entity owning, operating or maintaining sewer lines which connect into the Joint System shall have the right to establish and enforce additional connection policies for connections to its lines, which policies shall not be inconsistent with the connection policies established by the Board. The Board shall include in its connection policies requirements for repairing any damage to streets or other public or private facilities caused by any connection to the system.

7.3 System Development Fee

Among the rates and charges set by the Board shall be a system development fee. System development fees shall be placed in a separate sinking fund for expansion of sewage treatment capacity and shall be used for no other purpose. The requirements of this section for a system development fee or for the use of the funds may be modified only by a joint resolution of the City Council and the Board of County Commissioners followed by approval of such resolution by the Board.

8 OPERATION OF SYSTEM

The City and the County hereby jointly contract with the City for operation of the Joint System. The System shall be operated in accordance with the budget, rates and charges and connection and operating policies established by the Board.

8.1 Operating Budget

The City shall propose an operating budget for the Joint System to the Board at least ninety days prior to the beginning of each fiscal year. If the Board approves the proposed operating budget, it shall be adopted as a part of the total budget for that fiscal year. If the Board does not approve the proposed operating budget, the Board and the City Council shall meet jointly to amend the budget to make it acceptable to both parties. The operating budget proposed by the City shall be based on the actual costs of the City, including equipment and facility depreciation and replacement and including a reasonable allocation of overhead.

9 Operating Responsibility

The City shall have the entire authority and responsibility for operation and maintenance of the entire Joint System, both inside and outside the City. The City is hereby appointed as the operating agent for the Joint System and is hereby delegated all powers necessary or incidental to system maintenance and operation except: powers expressly reserved to the Board by this agreement; the power of eminent domain, which is reserved by the City and the County individually.

9.1 Operating Fund

The City shall maintain its Joint Sewer Operations Fund, as established under the previous agreement, and will account for all expenses related to its duties for operation and maintenance of the system under this agreement.

10 CONSTRUCTION STANDARDS

New facilities shall be constructed in accordance with the minimum construction standards of the Board. The Board shall in no case impose construction standards which are less stringent than any standards previously adopted or recommended by the entity which will own the facility being constructed.

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11 ENTIRE AGREEMENT

This document represents the entire agreement between the parties relating to sewer facilities. This supercedes all previous agreements on the subject. This agreement shall be binding upon and inure to the benefit of the parties and the Board established hereunder.

IN WITNESS WHEREOF, the parties have approved this agreement by actions of their governing bodies on the dates set forth below.

CITY OF GRAND JUNCTION

(seal)

by: _____
President of the Council

ATTEST:

City Clerk

MESA COUNTY

(seal)

by: _____
Chairman,
Board of County Commissioners

ATTEST:

County Clerk