



PARAGON ENGINEERING, INC.
P.O. Box 2872
625 Road Avenue
Grand Junction, Colorado 81501 (303) 243-8966

*File
C. L. 2/2* June 23, 1978

City Council, City of Grand Junction
County Commissioners, Mesa County

Gentlemen:

Enclosed herewith is a proposed agreement for installation and operation of an interim sewage treatment facility to be located at the site of the existing Grand Junction treatment plant. This agreement is the result of our reviewing a draft agreement offered by your staff.

The Homebuilders Association can not be the contracting party inasmuch as it does not have the financial capabilities to perform if required to do so.

We are suggesting that the agreement be between you and a limited partnership which has the Home Builders Association as a General Partner and interest developers as Limited Partners.

It is our opinion that sufficient need has been shown for such a plant that design should begin immediately and a request for a site application should be sent to the Water Quality Control Commission immediately in order that the viability of this agreement can be known.

There are areas of Mesa County currently under a "no expansion of services" policy. If this agreement is enacted, we feel that this policy should be reconsidered and growth adjacent to existing facilities which constitutes logical extension of the existing service area should be allowed.

Very truly yours,

Robert P. Gerlofs

RPG/kb

encl.

AGREEMENT

This Agreement entered into this _____ day of _____, A.D., 1978, by and between Grand Valley Home Builders, Limited, hereinafter "Partnership", the CITY OF GRAND JUNCTION, hereinafter "City" and the COUNTY OF MESA, hereinafter "County";

RECITALS

The City is the present operator of a sewage treatment plant handling most of the sewage in the metropolitan area within which much of the current development is occurring or is projected. The County is working toward sewerage system development and the construction of a new plant to alleviate the pressure on the old plant. The Partnership is concerned that the timing of the construction of the new plant may cause a period within which reasonable economic growth may have to be curtailed because of restrictions required by plant capacity.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS HEREINAFTER CONTAINED, IT IS AGREED:

1. The Partnership, the City and the County will move toward construction of an interim plant of the package or other variety as may seem appropriate, to be operated by the City or County or both. In this regard, the City will, upon entering into this agreement, submit to Colorado Water Quality Control Commission, an application for approval of an amended site application for the construction of this interim facility.
2. The cost of the construction of said interim facility will be guaranteed by the Partnership on such basis as may be determined. Cost of construction shall include influent and effluent lines as they may be needed for the facility.
3. Engineering for the construction shall be obtained through agreement between the Partnership and the City and County, and shall be paid for as part of the costs of construction.
4. Funds for construction shall be first obtained through a surcharge to be imposed on all sewer taps obtained after the date on which it is determined that this Agreement shall become effective. The surcharge shall be applied in that area to be served by the Grand Junction Sewage Plant. It shall be such amount as may be agreed to by the parties and shall be sufficient to offset the anticipated construction cost. Funds obtained in this manner shall be the first used in the construction of the interim facility. Upon exhaustion of these funds, the guaranteed funds of the Partnership shall be used.

5. Funds obtained through surcharge shall be deposited into an escrow account and used solely for the purposes contemplated by this Agreement. Any surplus funds remaining shall be returned on prorated bases to those property owners of record at such time as the funds are returned.

6. Vacation and restoration of the site shall be required to be accomplished under the guarantee of the Partnership and under the direction of the City and County. Escrowed or guaranteed funds may be used for this purpose. Such vacation and restoration shall be accomplished within one year of the abandonment of the use of the interim plant.

7. This Agreement shall be for the benefit of residents of the City, those who are contracting for sewage treatment to the extent called for in those contracts, and those who have altered their position through representations made to them prior to December 21, 1977 that they would be able to get sewage treatment at such time as their development occurred. The provisions of this paragraph shall not preclude the logical expansion of the City's service area to include that property which might be served by a logical and contiguous expansion.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the date and year first above-written.

Attest:

Grand Valley Home Builders, Limited

By: _____

Attest:

City of Grand Junction

By: _____

Attest:

County of Mesa

By: _____