



City of Grand Junction, Colorado 81501

250 North Fifth St., 303 243-2633

June 29, 1978

John Fernandez  
P. O. Box 351  
Rifle, Colorado 81650

Dear Mr. Fernandez:

Re: Oil Shale Lease Funds for Grand Junction and Mesa County

Enclosed is the information you requested in our recent meeting. Included are payment schedule, agreements with our engineer as listed below, copies of Purchase Orders on these projects to date, copy of the deed for the wastewater treatment plant site, copy of a letter from Mesa County authorizing payment to the City.

Below is a list of the contracts with our consultants Henningson, Durham and Richardson concerning the design of our wastewater plant and interceptors. Also contained in this list are the payments on each contract to date for engineering design.

<u>Contract Name</u>	<u>Contract Amount</u>	<u>Paid To Date</u>	
		<u>P.O. No.</u>	<u>Amount</u>
Step II Design Activities for 12.5 MGD Plant	\$650,000	1821	1,500.00
		2500	6,000.00
		3222	5,500.00
		4062	13,000.00
			<u>\$26,000.00</u>
	Total to Date		
River Road Interceptor	\$138,600	3202	6,930.00
		3941	6,930.00
		4665	2,772.00
		5353	12,474.00
		6047	40,194.00
		7800	2,772.00
		8209	4,158.00
		511	6,930.00
		1445	2,772.00
		1820	2,772.00
		2495	5,544.00
		3223	4,158.00
		4063	5,544.00
	<u>\$103,950.00</u>		
	Total to Date		

Total Contract Amount \$778,600.00

Paid to H.D.R. to date for  
Plant and Interceptor Design \$129,950.00

As I understand your Grant was made to cover one-half of the local share of design based on the design estimate at that time which was \$480,000. Thus a total of  $1/2 \times 1/4 \times \$480,000 = \$60,000$ .

As listed above the design cost has increased. To date there has been a total of \$129,950 paid to the design engineers for design work. One-eighth of this amounts to \$16,243.75 which now should be paid for design from the trust fund.

In addition to the above, the City and Mesa County have purchased the land on which the new sewage plant will be constructed. As the enclosed Receipt of Option Contract indicates, the total amount paid for the land was \$112,000.00. However, the contract contains 77 shares of Grand Valley Irrigation Company stock which were not necessary to construct the proposed plant. The value of these shares was \$300.00 per share or \$23,100.00; therefore the amount applicable to the wastewater treatment plant is \$112,000 minus \$23,100 = \$88,900.00. My understanding of this trust fund allocation is that it is to pay one-half of this amount since it is completely a locally shared item. Therefore the amount due on this item is \$44,450.00.

The total amount now due is \$44,450.00 on the land and \$16,243.75 on the project design or a total of \$60,693.75

The remainder of the allocation will be paid as the design of the project continues. Below is listed an estimated payment schedule for the remainder of the design.

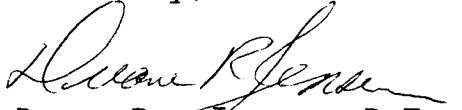
Design Expenditures

<u>Date</u>	<u>Amount due from Trust Fund</u>
Now due	\$ 16,243.75
July 1, 1978	7,000.00
Sept. 1, 1978	7,000.00
Oct. 1, 1978	7,000.00
Nov. 1, 1978	7,000.00
Dec. 1, 1978	7,000.00
Jan. 1, 1979	7,000.00
Feb. 1, 1979	1,756.25
Total	<u>\$ 60,000.00</u>

John Fernandez  
June 29, 1978  
Page 3

I hope this will provide the information to write the contract and process the first payment. If you need more information, please let me know.

Sincerely,

  
Duane R. Jensen, P.E.  
City Engineer-Utilities

DRJ/hm

Enclosures

cc - Ted Ford