AGREEMENT

THIS AGREEMENT made and entered into this 6 day of December, 1978, by and between the CITY OF GRAND JUNCTION, hereinafter referred to as the "City" and Destination Properties, Inc., preinafter referred to as "D.P.I.".

WITNESSETH:

WHEREAS, D.P.I. owns property to be platted as Peach Hill Subdivision for seventeen (17) one-half acre single-family lots, hereinafter referred to as the "Subdivision", which is located west of 27 Road and south of $G_2^{\frac{1}{2}}$ Road; and

WHEREAS, D.P.I. wishes to construct a sewage collection system to serve said Subdivision; and

WHEREAS, the City has sewage disposal facilities available;
By MUTUAL COVENANTS HEREIN CONTAINED, IT IS AGREED AS FOLLOWS:

- 1. D.P.I. agrees to construct a sewage collection system serve the Subdivision and to connect with the trunkline installed by Green Meadows Sewer Association, Terra Del Vista Sewer Association, North 26½ Road Sewer Association and the City's sewage collection and disposal facilities. Such system shall be constructed in accordance with the engineering standards set by the City of Grand Junction.

 D.P.I. shall notify the City of any construction activities on the system not less than 48 hours prior to the commencement of construction.
- 2. Following construction and complete inspection by the City, but prior to any use of the system, D.P.I. will furnish to the City a complete and accurate set of "as built" drawings on Mylar reproducible-type paper. The "as built" drawings must be certified by a professional engineer remistered in the State of Colorado and hear a statement by him that the system has been tested for exfiltration and further exfiltration or infiltration does not exceed 200 gallons per inch of diameter per mile of length per day of time. Following the submittal of the above "as built" drawings and the line being inspected by the City and found to meet City standards, D.P.I. and/or successors in interest may proceed to use said system and,

upon use of said system, the ownership and responsibility thereof will thereupon be deemed transferred to the City.

- 3. D.P.I. agrees and consents that it will consent to the annexation by the City of the property in Peach Hill Subdivision when the City desires such annexation and will, upon request, execute any such requested formal consent. Such obligation shall further be binding upon any successor in interest of Peach Hill Subdivision in and to such property and any part thereof.
- 4. It is understood that the present City fee is the sum of \$1,550.00 for the privilege of a City sewer tap which includes \$1,050.00 as the basic charge, plus a plant investment fee, sometimes referred to as a "tap fee", in the amount of \$500.00, or as defined in Chapter 25 of the Grand Junction Code of Ordinances. In addition, monthly service charges will be charged by the City to the users of the City sewer system.
- 5. The City shall not be required to reimburse D.P.I. for the cost of the sewer line installation by D.P.I.; however, the City agrees not to allow any person or individual to use the system installed by D.P.I. for a period of five years after completion and the initial use thereof, without first reimbursing D.P.I. the sum of \$500.00 per tap until D.P.I. has been reimbursed to its stipulated cost base, exclusive of the plant investment fee of \$1,050.00 per lot served by the system installed by D.P.I.
- 6. In any sale of lot or lots by D.P.I., the buyer shall be required to pay the plant investment fee

which amounts of \$500.00 for a single-family residence and increased amounts for multiple-family units as provided by the City ordinance. If this fee is changed by future ordinance then the buyer shall pay the current plant investment fee at the time they obtain a sewer permit.

7. In the event that D.P.I. does not undertake the actual construction of said sewage system within two years from date hereof, this Agreement may, at the option of either party, be terminated, but assuming that construction is undertaken within the aforementioned period, this Agreement shall remain binding and in full force and effect.

IN WITNESS WHEREOF, the parties have signed this Agreement the day and year first above written.

CITY OF GRAND JUNCTION

By City Manager

ATTEST:

City Clerk

DESTINATION PROPERTIES, INC.

David G. Behrharst. President