

MEMORANDUM

In writing this memorandum I have made four basic assumptions:

1. That it is your mutual desire to issue the new sewer revenue bonds at the lowest possible rate.
2. That you desire the facilities to be effectively in joint ownership.
3. That the basic agreement contemplates the future growth pattern within the County.
4. That the first three assumptions are in their proper order of priority. The first three assumptions, therefore, suggest a basic structure, as follows: That the bonds to be issued be secured by a first lien on all present and future revenues of the entire sewer system. This requires that the present City Sewer Revenue Bonds be refunded. It also requires some agreement concerning financing of future line extensions, both inside and outside the City.

There will also be required a County resolution and City ordinance pledging the revenues to the bond issue independent of who ultimately issues the bonds. Because all of the facilities are within the County, the County seems to be a more convenient issuer.

Joint effective ownership suggests that the agreement between the City and County in addition to covering operation and maintenance of the treatment facility also spells out (a) how fees and charges are to be set; (b) who controls terms and conditions of tap connections; (c) who controls the terms and conditions of line extensions; and lastly (d) where title lies.

It is suggested that a designation of those drainage areas to be controlled by the City and those areas to be controlled by the County, taking into consideration (a) through (d) above, answers the real question of joint ownership of the facilities and would be consistent with the many other legislative decisions concerning master planning and zoning.

I recognize that this memorandum leaves more items unanswered than it answers, but it is submitted as a reference point to help clarify questions so that we can proceed to the issuance of the bonds, hopefully by November of this year.

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*proposed
to be done by
resolution by the board*

*to be done
by resolution
of the board*

*pledge revenue on refunding + cost
of future bonds
1950
subject*

Joint effective ownership suggests that the agreement between the City and County in addition to covering operation and maintenance of the treatment facility also spells out (a) ^{Basic - + some of the} how fees and charges are to be set; (b) who ^{(annexation requirement - zoning - mostly no conflict} controls terms and conditions of tap connections; (c) who ^{no bid or other - left station} controls the terms and conditions of line extensions; and ^{at} lastly (d) where title lies. ^{limits on base}

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$\frac{2}{3}$ $\frac{1}{3}$ \rightarrow 235^{000} 825%

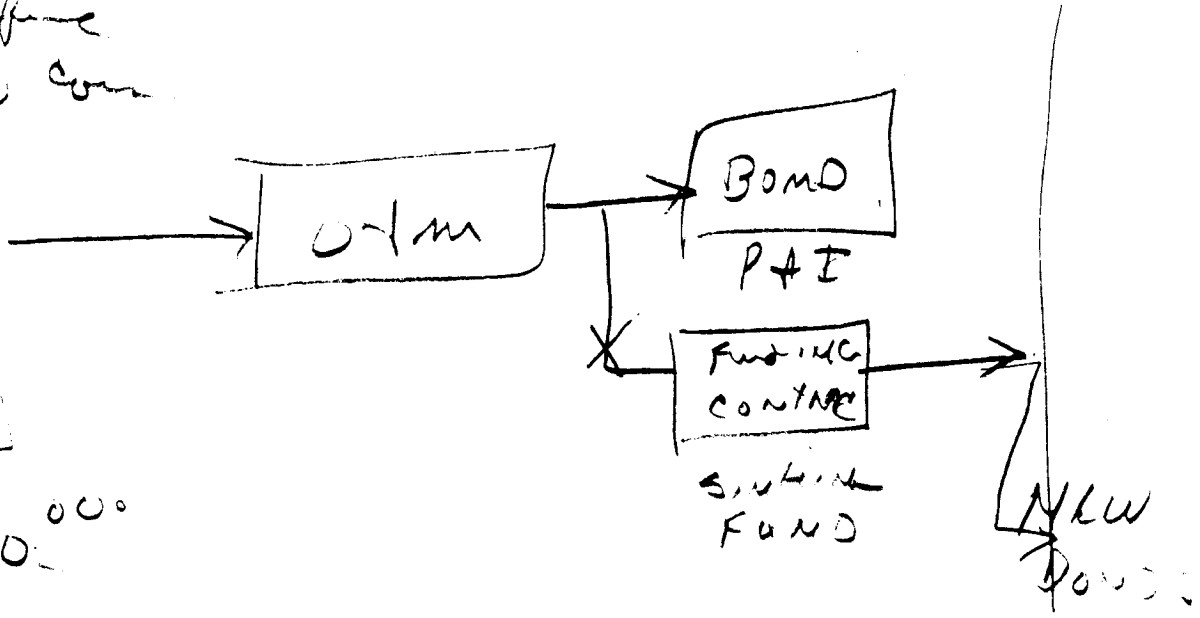
275⁰⁰⁰

1080^{000} \leftarrow
 \uparrow 900^{000} \leftarrow
 3800^{000} \leftarrow

90 Refuse
+ new com

15%

750⁰⁰⁰



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Bob TALMAGE & MR. HAHN. (DAVE)

Trusts in Common -
all can use property

Joint ownership - July 100-100, used
50-50.

Can accomplish what you intend!

Power - provide water & Sewer
Protect own line, convey
when annexed.

→ Ownership not important -
Control is the factor -

Define areas - City & Co -
1/2 mile area around City -

who determines who hooks up -
who determines rates -

Intersects - Paradise Hill,
Independent & River Road -
Redlands -

Contract must cover future

who issues Bonds? County -

Issue refunding Bonds, but what
to do w/ sinking fund -

ARBITRAGE REGS:

(MORE)

Co. 1505 BORDS -
INCLUDING REFUNDING -

- 1 - Grant Amended on 1/27/11
- 2 - For separate
- 3 - Make Power Order -
with correct name -
4. Year to address correction
Amended.
- 5 - Old Bill
- 6 - for Bill
- 7 - Date
- 8 - Dates and City -

LARRY GARDIA - ~~BLM~~
JOHN HODGINS - B.L.M.

1972 - PESTICIDES - LAYTON DRUM

Plenty large
Population close -

trench w/ gravel -

T. & A. Program.
Can visit an area.

PLANS - Alternatives?
Economics

Stillwater County, Montana
Cascade

Fred Hart & Assoc's.

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement entered into this _____ day of _____, 1978, by and between the CITY OF GRAND JUNCTION and the COUNTY OF MESA.

Goals

The Grand Junction City Council and the Mesa County Commissioners agree to cooperate in the design, construction and operation of a sewerage treatment facility that will serve all users within what has been designated as the 201 area.

It is further agreed that service will be available to all users within this area on an equal basis and that such service will be provided in the most efficient and economical manner possible, and in conformance with zoning regulations and the Comprehensive Plan.

In order to achieve the above goals, the following policies and procedures will be observed:

1. The title to the facility will be held jointly in the name of the City of Grand Junction and the County of Mesa.
2. The County shall have full authority to determine when an area outside the corporate limits of the City and within the 201 area is eligible for service. When such eligibility has been determined, service shall be extended into the area as expeditiously as possible. If the proposed service area is within 2 miles of City limits, the County Commissioners will consult with the City Council.
3. Treatment charges will be the same for all users based upon a single-family equivalent formula to be agreed upon by the City and the County. *Bond Covenants will determine a minimum fee.*
 - 3(a). Plant investment fees will be based on cost of the treatment plant and interceptor lines.
 - 3(b). Cost of extensions or collection systems which include tap fees to serve a specific neighborhood or community will

be divided among the users of that community. (These figures will determine an assessment by district or other method of retiring the debt.)

3(c). Fees must be set to cover all costs of plant operation.

4. In the event that problems arise as to the level of services provided, manner of operation and maintenance or other matters of policy, the City Council and the County Commissioners shall resolve the problems by mutual agreement.

5. The City will act in the capacity of manager and will utilize the experience and expertise of its staff to insure a continued high quality of service to all users.

6. In addition to its other responsibilities, the City staff shall be responsible for following through on the design and construction of the treatment plant, the sale of revenue bonds, billing and collection of all fees and charges. The County Commissioners shall be provided with a progress report during the design and construction phases and an accounting of all expenses incurred and revenue received at such intervals as may be agreed upon.

7. When bonds are issued, they will be issued in an amount sufficient to reimburse the City and the County for money spent on engineering work (front-end expenses) prior to bonds being issued.

8. This Memorandum of Agreement shall be subject to review by the governing bodies at intervals of not more than five (5) years and may be amended or revised by mutual agreement at any time.

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

Attest:

CITY OF GRAND JUNCTION

By: _____

COUNTY OF MESA

By: _____

