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July 14, 1980

Mr. John Tasker
Director of Finance
City of Grand Junction
P. O. Box 968
Grand Junction, Colorado 81501

*County's bond
Counsel?
or Boettcher's?*

Re: Mesa County Sewer Refunding and Revenue Bonds

Dear John:

The enclosed Supplemental Agreement is intended to modify the existing agreements between the City of Grand Junction and Orchard Mesa Sanitation District, Fruitvale Water & Sanitation District, Central Grand Valley Sanitation District, and Ridges Metropolitan District. The Agreement should be adopted by resolutions of the Boards of Directors of each of the Districts, and by resolution of the City Council.

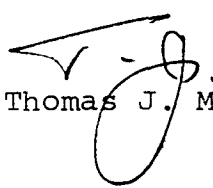
Action should be taken on this Supplemental Agreement, but not later than the time established for the New York. Generally, the provisions of this Supplemental Agreement are designed to adopt the sewer rates required for the original Agreement and to extend the time of performance of the original Agreement.

If you have any questions, please do not hesitate to contact me.

*Evid. that
bond
Counsel is
drafting
Agreement*

Very truly yours,

DEMUTH, KEMP & BACKUS


Thomas J. Mancuso

TJM/wt

Enclosures: As stated

*What
does this
mean?
10/80
BS?*

Copies to Mac 9/4/80

SUPPLEMENTAL AGREEMENT

WHEREAS, Fruitvale Water & Sanitation District (the "District") is a special district organized and existing under the laws of the State of Colorado, and providing a sewage system to certain lands located within the County of Mesa (the "County"), State of Colorado; and

WHEREAS, the treatment of sewage from the District is provided for under an Agreement dated September 28, 1959, by and between the City of Grand Junction (the "City") and the District (the "Agreement"); and

WHEREAS, the District has on February 5, 1980, adopted a resolution approving and accepting certain Joint Ordinances and Resolutions by and between the City and the County as they relate to the treatment of sewage;

NOW, THEREFORE, IT IS MUTUALLY AGREED:

1. Adoption of Sewer Rates. Those rates, as they are now or may hereafter be changed or modified, pursuant to the Joint Ordinances and Resolutions and the Joint Sewage Service Agreement, by and between the City and the County, adopted May 1, 1980, which are established for treatment of sewage within the City, are hereby adopted and shall apply in like manner to charges collected by the City for treatment of the sewage of the District, provided that nothing herein shall prevent the District from directing the City to collect any additional charges, rates, fees, or tolls, of the District, as the District may determine.

2. Extension of Contract. The term of the Agreement is hereby extended so that the Agreement will remain in effect for the longer of the period of the present term of the Agreement, or a period of 30 years from the date hereof, unless sooner terminated by the District as provided in the Agreement of September 28, 1959.

3. Intent of the District. It is the intent of the Board of Directors of the District, because the District provides a sewage system to lands located within the Grand Junction/Mesa County 201 Planning Area, to adopt those rates, tolls, fees and charges which are established to comply with Environmental Protection Agency (EPA)

requirements as to fair and equitable charges, and the EPA or any holder or holders of Mesa County, Colorado, Sewer Improvement Revenue Bonds, Series 1980A, or Mesa County, Colorado, Sewer Refunding Revenue Bonds, Series 1980B (together, the "Bonds"), may rely hereon as to that intent. Nothing herein is to be construed as a pledge of the credit of the District for payment of the Bonds.

4. Ratification, Approval and Confirmation. All action not inconsistent with the provisions of this Supplemental Agreement heretofore taken by the Board of Directors of the District or its officers and employees, or by the City Council or its officers or employees, directed toward adopting the rates established to comply with EPA requirements or extending the term of the Agreement, is hereby ratified, approved and confirmed.

5. Repealer. All prior acts, orders, resolutions, ordinances, agreements or parts thereof, of the Board of Directors of the District or the City Council in conflict with this Supplemental Agreement are hereby repealed, except that this repealer shall not be construed to revive any such act, order, resolution, or part thereof heretofore repealed.

6. Effective Upon Passage. This Supplemental Agreement shall take effect immediately upon its adoption.

ADOPTED AND APPROVED this 5th day of August, 1980.

FRUITVALE WATER & SANITATION DISTRICT

DISTRICT

Lawrence A. Collins
President
Board of Directors

(DISTRICT)
(SEAL)

ATTEST:

London E. Lowe
Secretary
Board of Directors

ADOPTED AND APPROVED this 3 day of September, 1980.

CITY OF GRAND JUNCTION

Jane A. Quinby
Mayor

(SEAL)

Neva B. Lockhart, CMC
City Clerk